“IT Outsourcing Evolution-Past, Present and Future”
By Jae-Nam Lee, Minh Q. Huynh, Ron Chi-Wai Kwok, and Shih-Ming Pi

Description: The authors believe that “IT outsourcing has long played an important role in the field, yet outsourcing trends are little understood”, so they “attempt to sort through the rich volume of outsourcing research literature for patterns and relationships the help make sense of past, present, and future trends of IT outsourcing.” First it talks about IT outsourcing in past and present, and the problems come with it like loss of control, less flexibilities, etc., It talks about the two-stage model: - a partnership based outsourcing between clients and service providers. This model “assigns at all developments before the evolution of partnership-based outsourcing as stage one and partnership-based outsourcing as stage two.” It also talks about the future of IT outsourcing in the era of e-commerce—ASP (Application Service Providers), it mentions that alliance with a capable ASP allows a firm to leverage a key part of the value chain to create new business opportunities. ASPs achieve cost efficiency by retaining goods and services for specialized organizations and maximizing expertise and economies of scale.

Strengths:
1. The two-stage model is a good idea. The Stage 1 composed of all the processes before the partnership is formed and the Stage 2 is the process of forming the partnership. The second stage explains the social, economic and the strategic perspective required for outsourcing.

2. It tries to make a better sense of what is emerging by seeing the symmetry of the past with the present.

3. This paper talks about IT outsourcing by tracing the past and present, so we can have a clearer idea of how outsourcing trends changed over decades, how it might be like in the future.

Weaknesses:
1. It doesn’t mention security issue when outsourcing data with technique to others.
2. No example is given to help to illustrate the points.

3. It doesn’t mention the political and social factors, which have a big effect on IT outsourcing industry.

**Critical Questions:**

1. Is IT outsourcing really a good thing (especially when the rate of unemployment is so high)? Will IT outsourcing make it worse?

2. We do see IT outsourcing fails sometimes, does that mean it is not suitable for all areas?

3. Will security be an issue since outsourcing means give data to others? How to improve that?