

## Panel Discussion

### **The Flat World – from Offshoring onto Global IT**

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The world is flattening as a result of information and communication technology (ICT). In particular, due to broadband communication networks much work is being carried out “offshore” in India, China or South Africa rather than on-site – and sometimes we do not even realize this. Thomas Friedman coined the term “Globalization 3.0” to mark this phenomenon.

Global IT players such as IBM, Accenture, Infosys Technologies, Tata Consultancy Services and Wipro have taken over large portions of the worldwide information processing market, regardless of where their customers are located. Nowadays many large companies are running their information systems and business processes in captive centers and joint ventures in Asia or Eastern Europe. Software development and maintenance projects are increasingly characterized by offshoring, with a growing trend to offshore not only coding, testing and maintenance but also “early” stages of the software life cycle such as design, architecture and requirements.

This panel discusses the impact of worldwide broadband networking and the new business concepts such as the distribution of business processes and IT tasks. “What can be digitized can also be distributed.” In addition to conventional offshoring, many practical cases show that collaboration with various partners located around the world – e.g. captive centers, IT companies or offshore experts – leads to better solutions at lower costs.

Germany is significantly lagging behind the US, the UK and other English-speaking countries, regarding both offshoring and distributed business processes. German businesses risk falling further behind their international competitors who are already gaining significant benefits from the globalization of IT work. Taking into account that quality is higher and costs are lower abroad – more Indian IT firms have CMMI level 5 than IT firms in any other country – it would certainly not be a wise decision to ignore the potential of exploiting comparative cost advantages.

The purpose of this panel is to provide a rational forum for discussing the benefits and pitfalls of offshoring and the globalization of IT work from a Business Informatics perspective. Topics include the following:

- GDW (Globally Distributed Work) and globally acting IT companies
- Offshoring business processes, functions and IT infrastructure
- Standardization of business processes und information systems as a precondition for scale effects
- Offshoring information systems development and maintenance
- Project management in worldwide distributed projects
- Consequences for Business Informatics (e.g. should we still teach the same old stuff as before?)
- Jobs: What are the prospects for German Business Informatics graduates?

### **Panel**

Panelists are directors of global IT players, including leading German and Indian IT companies such as T-Systems and Tata Consultancy Services, and Business Informatics professors.

Moderator:

Prof. Dr. Karl Kurbel, European University Viadrina Frankfurt (Oder)