COURSE DESCRIPTION

Service outsourcing is about moving a process or task to an outside company that is specialized in that activity. Examples include customer service call centers, information technology services, or back-office support functions. The decision is often made in the interest of lowering a firm’s costs, redirecting internal resources to the firm’s core competencies, or to improve overall efficiencies of the business. This course will cover the reasons for service outsourcing, decision criteria, evaluating supplier proposals, supplier competition, negotiations, contract terms and conditions, change management and risks associated with service outsourcing. With the increasing globalization and the firms desire to drive our non-value costs, service outsourcing continues to expand and evolve.

Course Format and Requirements:
The course is structured as a combination of lectures and class discussions. Active participation is very important for the course and will have a heavy bearing on the final grade.

Course Text:
There is no textbook required for the course. Course materials will be distributed as needed.

The list of required reading articles is provided below:

- Service Outsourcing (Young-Pin Zhou and Z. Justin Ren);
- Black Box Thinking: Analysis of a Service Outsourcing Case in Insurance (Witman & Njunge);
- Top 10 Best Practices in Procurement Outsourcing (PO);
- Outsourcing – Seizing the Opportunity: Achieving High Performance in Today’s Economy Through Procurement Outsourcing; High-Performance Sourcing and Procurement: Driving Value Through Collaboration (HBR);
- Global Outsourcing: Opportunities and Risks; and
- Tariffs Imperil a Hometown Business in South Carolina: BMW (NYT).

Additional articles may also be provided.

Course Ground Rules:
- Attend with an open mind – seek to learn and share;
- Engage in class discussion;
- Please inform me in advance if you will be absent, late, or have to leave early (one exception here is that you are all in class for the final/last day – group presentation);
Email, surf the web, text & use cell phones “BEFORE” and “AFTER” class – not during;
If there are issues with the course, the material, your performance, your attendance, please speak to me as soon as possible.

**Course Grade:**
The grade will be determined as follows:

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<tr>
<th>Class Participation</th>
<th>40%</th>
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<tr>
<td>Final Project Paper/Group Presentation</td>
<td>60%</td>
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**Class Participation:**
While a minimum level of participation is expected of every member of the class, primary emphasis is placed on the quality of the classroom contributions. Your class presentation grade is based on the following criteria:

- Evidence of careful preparation of assigned readings;
- Clarity and conciseness of your recommendations;
- Quantitative and qualitative analysis to support your conclusions;
- Behavior that is detrimental to the classroom learning environment will adversely impact this portion of your final grade.

The goal is to provide a new perspective on each topic. Available topics include:

1. The next generation CPO skill set;
2. Global risk mitigation;
3. Outsourcing of the procurement function;
4. Use of shared service center in procurement;
5. Technology outsourcing;
6. Outsourcing, ethics, and social responsibility;
7. Future of outsourcing;
8. Outsourcing of certain sourcing categories to 3rd parties.

**Course Schedule:**

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<th>Week</th>
<th>Session</th>
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<td>1</td>
<td>09/04</td>
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<td>3</td>
<td>09/18</td>
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<td>4</td>
<td>09/25</td>
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<td>5</td>
<td>10/02</td>
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- Course Introduction
- Course syllabus
- Introduction to outsourcing, offshoring, & subcontracting
- Indirect procurement outsourcing
- Outsourcing and contract management
- Outsourcing and contract management
- Group presentations

*Schedule subject to minor changes at instructor’s discretion.*
The following are topics to consider for the group presentations:

Fashion industry logistics/supply chain outsourcing;
H1B Visa and related controversies to US employment prospects;
Auto/computer industries outsourcing (think manufacturing).

The written portion shall not exceed ~25 pages. It is a “free” form format but you must provide all the sources/reference material used for the research.

**Academic Misconduct**
Academic integrity is essential to maintaining an environment that fosters excellence in teaching, research, and other education and scholarly activities. All suspected incidents of academic misconduct will be referred to an Academic Integrity Facilitator for investigation. Unfortunately, Rutgers students are failed or suspended every year for violations of academic integrity. If you have any doubts what constitutes a violation of academic integrity, please visit the Student Judicial Affairs website (http://academicintegrity.rutgers.edu/).

**Disability Accommodations**
If you need an accommodation based on the impact of a disability, please arrange an appointment with me as soon as possible. We need to discuss the course format and explore potential accommodations. I rely on the Office of Disability Services (http://disabilityservices-uw.rutgers.edu/) for assistance in verifying need and developing accommodation strategies. You should start the verification process as soon as possible.