

Globalization A Decade of Professional Experience

Introduction

The New Global Economy

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June 18, 2004

Introduction

- Outsourcing – The Debate
- Financial Incentives
- Implications for Intellectual Property & Privacy
- Product Quality
- Social & Economic Issues

Outsourcing Financial Implications

Foreign Markets

Lower Labor Costs

Lower Operational Costs

Economic Growth and Job creation
in developing economies

Local prosperity

New Technology Economy

- Growth Sectors
- E-Commerce, Intranet, Enterprise WAN Networks, GIS Systems, Wireless Networks Cyber Security & Nano-Technology
- Convergence of Technology & Life Sciences
- Short term Consultancies

Intellectual Property

- Difficult to protect
- Legal agreements are adjudicated within foreign judicial systems
- Low salaries force engineers within developing countries to change jobs frequently to get raises.

Privacy

- Concern for private information stored overseas
- Contractor call centers overseas working for state government agencies collect identity specific and confidential financial information

Quality Assurance

An acceptable threshold for Errors and defect rates must be specified contractually

Code must be well commented. Good documentation should be provided

Confirmation of source control and use of CASE Tools is required

Tech Manager should participate in regular code review sessions

QA should be done by a third party

Commitments of individual resources should be assured.

Social Implications

- For local U.S. economy
- For countries where outsourced work is done

Competition

- Cultivate better U.S. students in math and science
- Develop tax and business incentives to lower operations
- Lower the cost of benefit provision by providing a national health care system