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**KEY SUCCESS DRIVERS IN OFFSHORE SOFTWARE
DEVELOPMENT: NEW ZEALAND AND INDIAN
VENDORS' PERSPECTIVES**

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requirements for the degree of
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**Anuradha Mathrani
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KEY SUCCESS DRIVERS IN OFFSHORE SOFTWARE DEVELOPMENT: NEW ZEALAND AND INDIAN VENDORS' PERSPECTIVES

ABSTRACT

Offshore software development (OSD) is a leading business sector in the present 'glocal' IT marketplace, and vendors in different countries are opening software development centres worldwide to take advantage of the new business opportunities. However, software development is both a technical and a social process as various software modules need to be integrated, which requires ongoing interaction between the stakeholders. The software modules rely upon local knowledge regarding customer wants, project specific features, chosen design methodologies by development team members and synchronisation of activities to confirm the next design iteration. This study focuses on knowledge sharing processes involving the interplay between acquiring local knowledge and applying the knowledge acquired into the design of the client-specific software builds. New knowledge is created as new processes are applied and new outcomes realised, resulting in re-definition of software development practices.

Building on existing theories with empirical case study evidence, this research reveals the socio-technical influences on knowledge management in the OSD process. Ideographic research methods have been applied to bring sensitivity in the everyday organisational activities for knowledge sharing across diverse social and cultural groups within two country contexts (New Zealand and India). Empirical data from ten case studies is used to inductively develop a conceptual framework, which has been applied to make within case and cross case comparisons across three levels of analysis (micro, meso and macro) for knowledge sharing. The micro level analysis explores individual key success drivers (behaviours and methodologies), the meso level explores organisational level practices (work processes and structures) and the macro level gives a holistic evaluation across two country contexts.

Country contexts reveal that New Zealand vendors share closer cultural proximity with their clients, are engaged in client facing skills and have further outsourced software development tasks to other low cost countries. The Indian vendors are involved in software construction, prefer technical specialist skills and have defined more discipline in their software development processes. The thesis offers new insights on how vendors' shape their software development styles based upon their beliefs and understanding of the offshore market and is especially relevant to both vendors and clients who intend venturing into the offshore market.

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