

# **From Cost to Strategic Focused Offshore Information Systems Investment: The Impact of Specialized Trainings in the Context of National Culture**

*TREO Talk Paper*

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## **Abstract**

Offshoring of Information Systems (IS) projects have evolved from a cost focused to strategic focused IS investment. While the cost focused investment aimed to reduce cost of an IS investment, the strategic focused investment is concerned with increasing the rate of innovation in the offshore location. The relationship between highly specialized trainings provided at work place and rate of innovation in offshore location is considered to be directly related, without any impact of environmental factors. However, the offshore subsidiaries were not able to achieve the targeted result while implementing this relationship. This study identifies national culture, as an important and neglected factor that moderates this relationship and establishes that the trainings provided needs to accommodate local culture to become more successful and have the desired impact on rate of innovation of the offshore location. This study uses the Hofstede's four-dimension model of national culture to examine the impact of cultural differences in society on individual learning behavior and therefore, trainings need to address these differences. Furthermore, it aims to collect data from 25 largest U.S fortune 500 firms engaged in offshoring to study the extent of this moderation. The firms will be selected are from both technological and non-technological groups.