

**EFFECTIVE OFFSHORE OUTSOURCING OF IT
SUPPORT AND
MAINTENANCE PROJECTS:
A STUDY ON SRI LANKAN EMPLOYEES**

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Sri Lanka

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of the University of Moratuwa in partial fulfilment of the requirement for the Degree of
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ABSTRACT

IT support and maintenance (ITSM) projects may fail due to issues in the offshore outsourcing process. These failures critically affect both offshore and onshore organizations in the long term and short term. The majority of the IT support and maintenance works are performed in live/production environments, and even a minor failure may result in massive financial losses. Despite its importance, research in this area to find the reasons for ITSM project failures and methods to mitigate them has been limited.

This study intends to find out the methods for effective offshore outsourcing of ITSM projects in Sri Lanka. The mixed-method (both quantitative and qualitative) is used as the core of the research. A few pre-survey interviews were conducted with managerial-level ITSM professionals in IT organizations as part of the qualitative approach. A self-driven online questionnaire was distributed among ITSM professionals in Sri Lanka to gather data that fulfilled the quantitative approach of the study.

In the context of Sri Lanka, this study is unique. It can be used to identify reasons for the ITSM project failure along with the methods to mitigate those failures, which will help to achieve successful project outcomes. This study found six factors that contribute to failures and issues in ITSM projects. Based on the statistical analysis, the six factors were further categorized into two as the most influencing factors and the least influencing factors. Unsatisfactory cost reduction, leadership issues, and communication issues are identified as the most influencing factors, while knowledge transfer issues, lack of technological competencies, and information security breaches are identified as the least influencing factors. Effective outsourcing methods are recommended based on each key factor to mitigate ITSM project failures in Sri Lanka.

Keywords: IT support and maintenance project failures, offshore outsourcing, unsatisfactory cost reduction, leadership issues, communication issues.

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LIST OF ABBREVIATIONS

CAB	Change Advisory Board
CIS	Communication Issues
ICT	Information Communication Technologies
ISB	Information Security Breaches
ITSM	Information Technology Support and Maintenance
KTI	Knowledge Transfer Issues
LEI	Leadership Issues
LTS	Lack of Technological Skills
PBI	Product Backlog Item
PFL	Project Failures
UCR	Unsatisfactory Cost Reduction