

With J. Teng & M. Cheon. (1994) "A Descriptive Study on the Outsourcing of IS Functions," *Information and Management*, Vol. 27, 33-44.

A few years ago some major outsourcing contracts were signed by large corporations like Eastman Kodak and General Dynamics. Since then the trade literature in particular has examined the outsourcing of Information Systems (IS) functions as an important and growing trend. This paper attempts to provide a systematic overview of the outsourcing phenomenon. IS outsourcing is viewed from a definitional and an evolutionary perspective. It is argued that outsourcing is not new, but its nature has evolved over decades. An exploratory study of 188 firms is reported; it provides insight into the types of IS functions being outsourced and the relationship between outsourcing and certain demographics: size, industry and information intensity. The results suggest that while system-operations remains the predominant function outsourced, other functions are also being performed by external service providers. Further, industry and information intensity have some influence on the extent of outsourcing of certain functions.