

The Onshore Impact of Offshoring

SDT and the preservation of work motivation during a highly demotivating organisational event.

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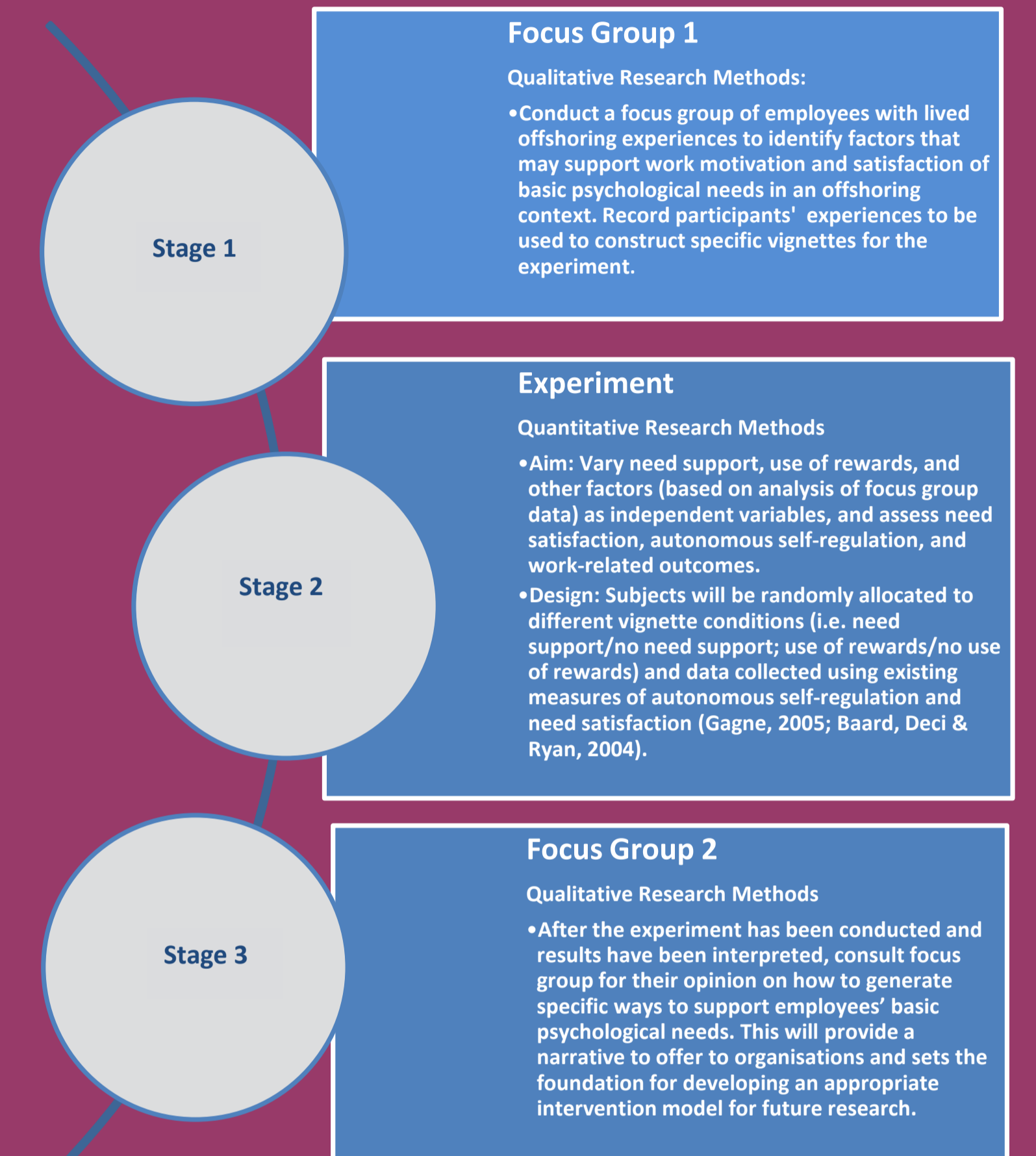
Literature Review, Gaps in the Literature and References

Concept	Literature Review	Gaps in the literature	References
1. Offshoring	<ul style="list-style-type: none"> Offshoring has received much attention in the literature in the last decade, with a focus on the why, what, how and where to offshore as well as on business, economic, financial and operational aspects (Jensen et al., 2011). Some existing research has explored "survivor syndrome" (Zimmerman et al., 2011) as well as the impact on the recipient of offshoring (Efendioglu, 2006). Only limited research has looked at the effects on employees (Elmuti et al., 2010). 	<ul style="list-style-type: none"> Paucity of empirical work on the effects of offshoring on employee attitudes, reactions, behaviour, engagement and motivation. Limited research on the factors that support work motivation during offshoring. Dearth of research on the onshore impact of offshoring. 	<p>Ambrise, M. & Kulik, C. 1999. 'Old Friends, New Faces: Multinational Research in the 1990s', <i>Journal of Management</i>, vol. 25, no. 3, pp. 231-292.</p> <p>Ankili, R.E. & Palliam, S. 2012. 'Building a networked workforce: exploring the sources of motivation', <i>Development and Learning in Organizations</i>, vol. 26, no. 2, pp. 7-30.</p> <p>Armanakis, A. & Bedeian, A. 1999. 'Organizational Change: A Review of Theory and Research in the 1990's', <i>Journal of Management</i>, vol. 25, no. 3, pp. 293-315.</p> <p>Bouckenoghe, D. 2010. 'Pushing Change Recipients: Attitudes toward Change in the Organizational Change Literature', <i>Journal of Applied Behavioral Science</i>, vol. 46, no. 4, pp. 500-531.</p> <p>Deci, E. & Ryan, R. 2000. 'The "What" and "Why" of Goal Pursuits: Human Needs and the Self-Determination Theory of Behavior', <i>Psychological Inquiry</i>, vol. 11, no. 4, pp. 227-268.</p> <p>Efendioglu, A. 2006. 'Outsourcing and Offshoring: Issues and Impacts on Venture Capital'.</p> <p>Elmuti, D., Grunwald, J. & Absher, D. 2010. 'Consequences of Outsourcing Strategies on Employee Quality of Work Life, Attitudes, and Performance', <i>Journal of Business Strategies</i>, vol. 27, no. 2, pp. 177-203.</p> <p>Gagne, M. & Deci, E. 2009. 'Self-Determination Theory and Work Motivation', <i>Journal of Organizational Behavior</i>, vol. 28, pp. 331-342.</p> <p>Iverson, S. D., & Zatzick, C. D. (2012). 'The effects of downsizing on labor productivity: The value of sharing consideration for employees' morale and welfare in high-performance work systems', <i>Human Resource Management</i>, 50(1), 29-44.</p> <p>Jaros, S. (2010). 'Commitment to Organizational Change: A Critical Review', <i>Journal of Change Management</i>, 3(3), 79-108.</p> <p>Jensen, P. & Pedersen, T. 2011. 'The Economic Geography of Offshoring: The Fit between Activities and Local Context', <i>Journal of Management Studies</i>, vol. 48, pp. 350-372.</p> <p>Niemiec, C., Soenen, B. & Vansteenkiste, M. (in press). 'Is Belonging Enough? On the importance of need support in different types of social experiences'.</p> <p>Orsi, S., Valsito, V. & Armanakis, A. 2011. 'Change Recipients' Reactions to Organizational Change: A 60-Year Review of Quantitative Studies', <i>Journal of Applied Behavioral Science</i>, vol. 47, no. 4, pp. 461-524.</p> <p>Zimmerman, J. & Boushaker, M. 2011. 'Collaborative IT offshoring relationships and professional role identities: Reflections from a field study', <i>Journal of Vocational Behavior</i>, vol. 78, no.3, p.301.</p>
2. Organisational Change	<ul style="list-style-type: none"> Organisational change has been a popular research area over the last 30 years (Oreg, 2011). Offshoring is a type of planned organisational change. Much research has been conducted on the antecedents of change, including both organisational (e.g. change process, culture, communication) and individual factors (e.g. attitude, commitment, resistance); outcomes of change; and life cycle and models of the change process (Bouckenoghe, 2010). Considerable research has been done on the effects of downsizing on the workforce (Jaros, 2010), and much has focussed on employee commitment, morale, and HR practices (Iverson & Zatzick, 2011; Makawatsukul & Kleiner, 2003). 	<ul style="list-style-type: none"> Downsizing and other types of organisational change are similar to offshoring, but several unique characteristics of offshoring (uncertainty, job loss, ambiguity) have had little research attention. Research to demonstrate that findings from other organisational change research can be applied to the context of offshoring. Models for mitigation of negative effects during offshoring. 	
3. Motivation	<ul style="list-style-type: none"> Motivation has been a pivotal research concern over the last 100 years (Ambrose & Kulik, 1999) and much research has focussed on work motivation (Jegge et al., 2010). A number of theories of motivation can be applied in understanding and explaining work motivation, and these have been researched in an organisational context (Ankili & Palliam, 2012). The Self-Determination Theory of motivation (SDT) examines the dynamics of intrinsic and extrinsic motivation (Deci and Ryan, 2000). SDT has been examined and applied to the life domains of relationships, education, organisations, health care, sports, and psychotherapy (Gagne & Deci, 2005). Much research within SDT has examined need support and need satisfaction, and how they foster engagement, well-being and positive behaviour across various life domains and social settings (Niemiec et al., in press). The application of SDT to organisational settings has been recognised as a successful approach to employee motivation (Ankili & Palliam, 2012). 	<ul style="list-style-type: none"> The use of traditional theories of work motivation may have limited application to phenomena such as offshoring (Ankili & Palliam, 2012). Paucity of research on factors that support work motivation during offshoring Measuring need satisfaction and self-regulation in various social contexts, especially offshoring. The prevalence of SDT research in organisational settings highlights the importance of more knowledge in this context. There is no model using an SDT framework to promote work motivation in a demotivating organisational change event. There is much call for SDT research using intervention methodology (Gagne et al., 2005). 	
4. Rewards	<ul style="list-style-type: none"> Much research has been done on the use of rewards as an organisational tool for motivation (Nohria et al., 2008). Research has examined the effects of systems that link contingent rewards to employee performance (Gagne et al., 2008), and suggests that financial incentives may improve performance quantity (Wegge et al., 2010). A few studies exist on effects on individuals. 	<ul style="list-style-type: none"> Use of rewards to support work motivation and satisfaction of basic psychological needs during offshoring. Research to examine the effects of compensation systems on employee well-being. 	

Context: Offshoring

- Offshoring is a global business trend whereby organisational functions and/or processes are moved across geographical boundaries for strategic purposes (e.g., lower costs, competitive advantage), and is generally associated with long periods of employment uncertainty and often requires workers to engage in tasks that may ultimately lead to their own job loss. As a result, such organisational change represents a challenge for preserving work motivation and supporting wellbeing.
- The effects of offshoring are far-reaching, as it impacts people (viz., employees, families, and stakeholders), the economy, and organisational outcomes. Offshoring is often associated with negative implications as people can be left jobless and the experience can leave them with feelings of low self-confidence and self-esteem. This is often exacerbated as the prospect of easily finding future employment is challenging in the current global economy.
- Self-determination theory (SDT; Deci & Ryan, 2000) may provide a framework for understanding the factors that affect employee work motivation in the midst of offshoring.
- Hence, it may be possible to minimise the negative effects of offshoring and to identify factors that support work motivation and maximise organisational outcomes in this context.

Proposed Methodology



Proposed Research Model

