The Role and Value of a Cloud Service Partner

Based on the case of “PartnerCo,” a multinational cloud service partner, this article describes four roles a cloud service partner can play in helping organizations to acquire and deploy cloud services. We also identify the challenges that may be faced when working with a cloud service partner and show how to choose the role best suited to business needs and preferences. The article provides guidelines for IT executives as they engage in different relationships with cloud service partners.\(^1^2\)

Cloud Service Value Hinges on Cloud Service Partners

“What is the cloud?” [That] is the first question from a lot of people ... Once you’ve gotten past that first question, the next questions are ‘How can I use it?’ ‘How can it work for me?’”

Director, PartnerCo.\(^3\)

Cloud computing is fundamentally changing how IT services are invented, developed, deployed, scaled, updated, maintained, and paid for.\(^4\) According to Synergy Research Group, during the period Q4 2014 to Q3 2015 cloud vendor revenues reached $110 billion, an increase of 28% from the previous year.\(^5\) This led Synergy Research to declare 2015 as “the year when cloud became mainstream.”

With cloud services now in the mainstream, enterprises are experimenting with and adopting a diverse set of cloud services built by and supported by an array of cloud service providers.\(^6\) Consequently, executives and IT managers are faced with tasks such as organizing and understanding a variety of cloud service contracts, keeping track of multiple data streams, and building and sustaining numerous vendor relationships.\(^7\) Unfortunately, executives are reporting that they are feeling overwhelmed, unprepared and ill guided when it comes to...
integrating the vast array of cloud services into existing business models and generating value from such integration.

Despite such strong interest in, and the many potential benefits of, cloud services, a fundamental question remains unanswered: How can IT executives ensure that cloud services add value to their organizations? A 2009 Gartner report helps to answer that question by suggesting that when cloud services become commonplace in organizations, cloud service partners will hold the key needed to "unlock the potential of cloud services." Nevertheless, our study of "PartnerCo," a large, multinational cloud service partner, indicates that organizations and IT executives still do not recognize the circumstances in which they may benefit from working with a cloud service partner or the value that cloud service partners can add. In this article, we describe how PartnerCo is adding value to clients' cloud services by playing four key roles:

1. Partner as a Provider
2. Partner as a Purchaser
3. Partner as a Support Merchant
4. Partner as a Second-level Orchestrator

These four roles emerged from a historical analysis of interviews with several employees of PartnerCo. The perspective of PartnerCo is unique and relevant because its employees thoroughly understand the roles and responsibilities of both cloud providers and clients, and because PartnerCo has a diverse customer base with a variety of business models.

As well as describing the four roles, we also identify several challenges customers may face when working alongside a cloud service partner, and the client preferences and business conditions most suitable for each role. Based on our analysis of PartnerCo, we provide five guidelines for executives who wish to get the most out of their relationship with a cloud service partner. The findings of our study have been corroborated both by presentations and discussions with IT leaders of different companies and, notably, by the chief technology officer of another large international consulting firm. This corroboration suggests that our findings are valuable for a wide range of IT executives.

Cloud Computing Key Stakeholders and Terminology

First, we provide a brief overview of the terminology associated with the relevant stakeholders discussed in the PartnerCo case. Cloud services are the “essential elements” of cloud computing. The ISO classifies cloud services into three main types: Infrastructure-as-a-Service (IaaS), Platform-as-a-Service (PaaS), and Software-as-a-Service (SaaS). A cloud service customer is an organization that uses a cloud service. A cloud service provider makes cloud services available to customers. In essence, providers are the stakeholders that build the cloud-centric products. A cloud service partner supports or supplements several cloud computing activities of a provider, customer, or both.

PartnerCo History and Transition into Cloud Services

PartnerCo is a European company that was founded in the late 1960s with the mission to deliver IT services and technical support to enterprises. In the 1970s, it began to offer IT consulting services and end-user support, which became its primary source of revenue. Over the next couple of decades, the company expanded into several industrialized nations and became a billion dollar business. Around the year 2000, PartnerCo and other industry leaders

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12 We do not suggest that these are the only four roles a cloud service partner can play.
13 More about our research methodology and the interviews can be found in the Appendix.

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witnessed the birth of a new marketplace for IT services and applications available over the Internet. Employees of PartnerCo described this as a time when they began to grasp the business implications of the Internet. In other words, they started to view the Internet as way to deliver "IT as a business," a mindset that was different from their then business model. A PartnerCo director noted that around this time he and other executives began to monitor Internet-driven business models, even though the company was profiting greatly from working with enterprises to support the implementation of ERP systems.

"I think software-as-a-service was seen as a very niche area. It was not a mainstream solution at all. We were planning for the big application service platforms. We had the big application service platforms." Director, PartnerCo

Since then, PartnerCo has transitioned to become a leading cloud service partner. During its transition, and today, PartnerCo has performed and still performs four distinct roles. We describe the circumstances under which PartnerCo entered each role and how the roles are relevant today.

Four Key Roles of Cloud Service Partners

Table 1 summarizes the key activities in each of the four roles.

<table>
<thead>
<tr>
<th>Role</th>
<th>Key Activities of PartnerCo</th>
</tr>
</thead>
</table>
| Partner as a Provider | ● Uses experience to analyze business models  
  ● Builds custom cloud services to support business needs  
  ● Supports end-user requests  
  ● Collects fees from customers |
| Partner as a Purchaser | ● Advises a customer to ensure that a cloud platform is used to its full potential  
  ● Leverages its valuable resources (an extensive network, reputable brand name, and scale) to purchase cloud services that fit a customer’s business model  
  ● Works alongside a customer to install the cloud service application it purchases  
  ● Supports the cloud service |
| Partner as a Support Merchant | ● Acts as a merchant by selling a provider’s software to its existing and new customers  
  ● Works with a customer to install and support the technology infrastructure needed to run a cloud service (e.g., network and hosting). While the cloud service provider builds and updates the software, the partner manages relationships between the provider and customers |
| Partner as a Second-level Orchestrator | ● Works closely with providers to aggregate and integrate several cloud services for a customer  
  ● Interfaces with its customers solely through a second-level ecosystem  
  ● Provides recommendations for cloud services or for getting the most value out of a service based on customer usage data  
  ● Designs user-friendly web portals with identity management for the customer |
Role 1: Partner as a Provider

The first role PartnerCo took on and still plays is that of Provider as a Partner. In 2005, PartnerCo responded to a request from a high-profile customer, a U.K. government defense agency. The agency wanted PartnerCo to build a software platform that would enable several software services to be shared by several customers that have mutually beneficial relationships. Specifically, the agency wanted a platform to support collaboration among approximately 30 public and private sector entities that specialize in aviation and defense. Initially, PartnerCo considered this request to be complicated and risky. For example, it would require PartnerCo to build a community software platform. Moreover, given the highly secure nature of the agency’s information, PartnerCo’s platform designers had to determine and implement the technology needed to securely connect both public and private sector users. PartnerCo eventually decided to build the community platform because it would be the sole provider.

“[W]e took all of the risk building the platform on the basis that we were the preferred provider. We had to recover all of the money [through] monthly charges. So we ended up with about 30 different customer groups on it, all paying us a per-user, per-month fee. [The platform] was put in in about 2004 or 2005, and it still runs today.” Digital Officer, PartnerCo

Thus PartnerCo performed the role of a cloud service provider. The public and private sector entities that use the community platform are the cloud service customers. PartnerCo exploits its IT consulting knowledge to work directly with a customer to analyze its needs. PartnerCo also supports all end-user requests, and the customers who subscribe to the platform pay PartnerCo a monthly usage fee.

Role 2: Partner as a Purchaser

In 2007, PartnerCo assumed a second role: Partner as a Purchaser. This role also originated from a request made by the U.K. government defense agency. The agency contacted PartnerCo to discuss integrating several new services into the existing community cloud platform. For example, the agency needed a travel management software service to monitor the travel activities of government and private sector employees. Rather than build a travel management service, PartnerCo decided it would purchase one from a third party and integrate it into the existing community cloud platform. PartnerCo purchased a cloud-based travel management software service from one of its existing customers, a French software company. With access to the source code, PartnerCo then reprogrammed the travel management service to ensure that it was highly secure and connected it to the existing community cloud platform.

“We needed to get the benefits out of a travel system; I shouldn’t build it, I should buy it; There are travel systems out there … We decided that we won’t build a travel management service … We would buy a service from a French company … We had to step up the security and manage the security of the data going to and from [the community cloud].” Digital Officer, PartnerCo

In the Partner as a Purchaser role, PartnerCo advises a client to ensure that a cloud platform is being used to its full potential. To do so, PartnerCo draws on its consulting heritage to develop a personalized relationship with a customer and to understand the customer’s needs. PartnerCo then leverages its valuable resources (e.g., an extensive network, reputable brand name and scale) to seek out and purchase cloud services that align with the customer’s business model. PartnerCo works with the customer to install the cloud service application it purchases and then supports it.

Role 3: Partner as a Support Merchant

Around 2008, PartnerCo assumed a third role: Partner as a Support Merchant. Fueled by the success of the defense agency’s community cloud, PartnerCo began to investigate how to deliver cloud services to other customers that wanted a private cloud solution. It leveraged its extensive network to consult with some of the world’s top computing companies about strategies for delivering a private cloud. PartnerCo decided that its overall strategy was to work with a large cloud service provider to sell the provider’s “one-size-fits-all” cloud environment to PartnerCo’s customers.
existing and new customers. The software would be installed on the customer’s on-premise servers and supported by PartnerCo.

“The original starting position was that it was going to be a private cloud environment that would be sold to our existing customer base ... The customer would have 500 servers physically with them. ... The marketplace we were trying to get into [was] long-term contracts ... We were looking at people using the environment for 6, 12, or 18 years, whatever we could get out of them. What we were looking to do is to get into [the customer’s] marketplace.”

Director, PartnerCo

In the role of Partner as a Support Merchant, PartnerCo works directly with a cloud service provider to sell the provider’s software to PartnerCo’s massive customer base. After making a sale, PartnerCo works with the customer to install and support the technology infrastructure needed to run a private cloud (e.g., network and hosting). However, the cloud service provider builds and updates the software, and the software is not customized.

**Role 4: Partner as a Second-level Orchestrator**

More recently, PartnerCo has assumed a fourth role: Partner as a Second-level Orchestrator. In this role, it works with a variety of cloud service providers to integrate several cloud services into a multi-provider cloud portal. In this portal, a customer logs in and chooses from a variety of “single-level” cloud services built by an array of cloud service providers. The individual cloud services are independent from one another and are hosted on multiple servers around the world. PartnerCo integrates the cloud services through code that it calls a “cloud orchestrator.” The orchestrator enables the “single-level” services to interoperate and to be managed by a single customer due to the unique identification credentials of the customer.

“Orchestration is where I treat everything as a service. But each service is independent. Then I’m going to wrap that around with the identity management to manage the information and the customer data around that and bring it back to a single view. This is really the key.” Chief Digital Officer, PartnerCo

Within the second-level ecosystem, the customer chooses from a variety of cloud services. The customer can group the services together as if they were a part of a single service. Technology therefore plays a critical role in second-level orchestration.

“The value-added proposition is web design, web integration, web orchestration. All of those things become a second-level integrator. I think we now have a second-level community on top of a community.”

Director, PartnerCo

Within the portal, PartnerCo uses a customer’s data to suggest different options for enhancing the value of the existing cloud services.

“We have 12 as-a-service offerings. When someone says they want a virtual machine, they should get a virtual machine with options to do more. The way of presenting the options back to the customer is key. ... [When customers] log in to the portal to look at their environment, PartnerCo presents them with more options. Did you know platform support for a virtual machine is $X per month? Did you know PartnerCo offers an XX platform, or message-as-a-service?”

Director, PartnerCo

As a second-level orchestrator, PartnerCo interfaces with its customers solely through the second-level ecosystem. Powered by the cloud orchestrator, the company provides customers with customized and real-time usage data. Based on the data, it offers customers recommendations for other services and how to get the most value out of a service. PartnerCo also provides customers with “how to” videos within the portal, as well as a digital ticket request system for support and other service requests to providers. PartnerCo works closely with providers to

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aggregate and integrate cloud services for the
customer. The customer therefore does not
interact with providers, manage contracts
with providers, or make payments to several
providers. Instead, PartnerCo does all of this for
the customer through the second-level ecosystem.

Challenges of Working with a
Cloud Service Partner

The PartnerCo case unearthed several
challenges IT managers may face when working
with a cloud service partner. Below we focus on
four challenges and discuss the roles to which
they are relevant.

Challenge 1: Considering Data
Protection and Data Ownership

Data protection and data ownership are
critical challenges facing customers when
experimenting with, adopting, and integrating
cloud services into their organizations.
Customers working with a cloud service partner
in the Provider, Purchaser, and Second-level
Orchestrator roles need to be especially mindful
of data protection and data ownership, given that
data will likely be stored on an outside server.
The key to overcoming this challenge involves a
customer making sure a cloud service partner
thoroughly understands the country in which
data is stored, as well as the data protection
and privacy laws for each country. A PartnerCo
director elaborated on the criticality of data
protection and ownership through an example of
a customer concerned about storing data in the
U.S., and specifically having issues with the Patriot
Act. (This example relates to customers who use
cloud services from IBM.)

“You have to spend the time with [a client]
that’s worried about the Patriot Act. … If
the FBI went calling to IBM and told [it] to
hand over your data, then they would hand
it over. … You get a lot of customers that
get a little bit stressed over the Patriot Act.”
Chief Digital Officer, PartnerCo

Challenge 2: Understanding Intricate
Partner-Provider Relationships

Customers need to be aware of the number
of companies that handle their data when
subscribing to a cloud solution. When acting as
a Second-level Orchestrator, PartnerCo builds
and manages several relationships with multiple
cloud service providers so that an array of cloud
applications can be available for customers
in the second-level ecosystem. Moreover, in
the Purchaser role, PartnerCo connects with
providers to purchase cloud services for
customers. Although this may sound simple,
the providers themselves likely support and
maintain cloud services that depend on several
other companies. For example, Dropbox, an
online cloud software and infrastructure storage
service, uses Amazon’s S3 storage service to store
that IT managers consider the intricate web of
relationships embedded in the partner-provider
relationship. A PartnerCo officer commented on
a specific example of the intricacy that exists when
working with a SaaS company:

“When you look at an SaaS provider,
within that provider, there are probably
four or five companies: there will be a box
provider; there will be a network provider;
there will be their own staff; there might be
some offshoring staff; there might be the
software; and there might be a little bit of
the business. And that’s what [a customer]
has to be aware of.” Chief Digital Officer,
PartnerCo

Challenge 3: Getting Employees
Involved

Customers working with providers in all
four roles should proactively ensure that
the cloud service application is being used
by employees. There is no guarantee that
employees will use a cloud service just because
it is adopted and promoted by an organization.
For example, PartnerCo, when working with
the U.K. government defense agency, found
that the agency’s employees were not using
the community cloud to its fullest potential. A
PartnerCo officer remarked that the community
cloud had about 6,000 users initially but had
the potential for about 50,000. This led to problems
because a small portion of the community was
regularly using the collaboration service, while others remained entrenched in the previous way of carrying out tasks.

“The [agency] had to invest all of this money in this service, but it really wasn’t getting exploited. It had about 6,000 users ... With 50,000 users you get more benefits and everything will flow.” Chief Digital Officer, PartnerCo

This challenge may be very relevant for customers of a cloud service partner playing the Second-level Orchestrator role. With this role, customers do not benefit from a personal assessment of how to integrate cloud services into existing business models and may therefore lack the understanding of how cloud services can be effectively integrated.

**Challenge 4: Recognizing the Evolving Nature of Cloud Services and the Ever-changing Role of Partners**

Customers must be aware that, like the cloud services themselves, the four partner roles are also continuously evolving. As a consequence, there could be a radical shift in the relationship a customer has with a cloud service partner. In the last ten years, for instance, PartnerCo has assumed at least four roles and within each role has taken on various responsibilities. Several employees of PartnerCo commented that because of such rapid evolution, existing roles may become obsolete, and new ones may emerge. As an example, a director discussed how customers embedded in a Partner as a Support Merchant relationship may see a radical shift in the way their software is delivered. This is because the enterprise-level companies building and supporting private cloud software are focusing on delivering these solutions over the Internet, not from a customer’s on-premise servers and data centers. The on-premise servers may therefore become unused and obsolete.

“You’ve got to question whether anyone will sell software in three to four years’ time. In that environment, what happens to [customers] data centers? They become legacy rundown environments. And it’s happening so quickly.” Director, PartnerCo

**Customer Business Needs and Preferences Associated with Each Role**

The PartnerCo case highlights several circumstances that may help IT executives decide on the nature of the role their cloud service partner should play, especially if they are considering adopting a new cloud service model or changing a current cloud strategy. As shown in Table 2, our analysis has unearthed four business needs and preferences that are associated with the four roles.

<table>
<thead>
<tr>
<th>Four Key Roles of Cloud Service Partners</th>
<th>Role 1: Partner as a Provider</th>
<th>Role 2: Partner as a Purchaser</th>
<th>Role 3: Partner as a Support Merchant</th>
<th>Role 4: Partner as a Second-level Orchestrator</th>
</tr>
</thead>
<tbody>
<tr>
<td>Time to Cloud Service Usage</td>
<td>Slow; Moderate</td>
<td>Slow; Moderate</td>
<td>Slow</td>
<td>Fast</td>
</tr>
<tr>
<td>Relationship</td>
<td>One-time; Personal</td>
<td>Ongoing; Personal</td>
<td>Ongoing; Personal</td>
<td>Ongoing/One-time; Digital</td>
</tr>
<tr>
<td>Desire for Variety</td>
<td>L</td>
<td>M</td>
<td>L</td>
<td>M, H</td>
</tr>
<tr>
<td>Need for On-premise Infrastructure</td>
<td>L, M, H</td>
<td>L, M, H</td>
<td>H</td>
<td>L, M, H</td>
</tr>
</tbody>
</table>

H, M, or L signifies high (H), medium (M), or low (L) preference. For example, in Role 4, H signifies a high desire for variety and a high need for on-premise infrastructure.
Time to Cloud Service Usage Preference

Time to cloud service usage is how long it takes an organization to deploy a cloud service. Customers looking to experiment with and use cloud services quickly should consider a Partner as a Second-level Integrator relationship because they can quickly sign up and begin deploying cloud services as soon as possible.17 Customers who prefer a more direct and hands-on approach should consider the other three roles. In the Provider and Purchaser roles in particular, a partner works with a customer to build custom cloud services and/or alter existing cloud services. Because these relationships are direct, they result in more customizable cloud services and therefore a greater amount of time is required to integrate cloud services into existing business models. Customers in a Partner as a Support Merchant relationship work with the partner to deploy a large-scale private cloud. Unfortunately, it may take several months for the cloud services to be ready for use, often depending on the scale of the enterprise.

Relationship Preference

There are two types of relationship preference: ongoing vs. one-time and personal vs. digital. When looking for an ongoing relationship with a cloud service partner, customers should seek to become primarily involved in the Purchaser or Support Merchant roles, because partners build a recurring relationship with customers in these roles. For example, PartnerCo worked with the U.K. government defense agency to integrate more cloud services into its existing community cloud. Although there could be an ongoing relationship in a Partner as a Second-level Orchestrator role, it would exist only in the sense that the customer continues to use a service or adopts new services within the second-level ecosystem. The Provider role is more conducive to a one-time relationship in which a partner builds and supports a custom cloud application but does not add to it.

Customers preferring a personal relationship should consider the Provider, Purchaser, or Support Merchant roles. With these roles, customers benefit from working directly with providers that seek to understand a customer's business processes at a personal level. However, with the Second-level Orchestrator role, the relationship exists only within the second-level ecosystem. This role is therefore appropriate for customers that have their own expertise and knowledge on how to properly integrate cloud services into their organization.

Desire for Variety Preference

The four roles vary in terms of the variety of options for cloud services. If customers are seeking a medium- or high-level of variety (i.e., more options), they should seek out a Second-level Orchestrator relationship. For example, within the second-level ecosystem, customers can choose from multiple cloud services. However, customers should be aware that only certain cloud services are available within a second-level ecosystem, and these services likely vary depending on the overseer of the ecosystem. Customers that prefer a more customized, multipurpose cloud solution should consider a Provider or Support Merchant role because the partner will work directly with them and build a custom cloud service that may integrate with various aspects of their business models. The Purchaser role is more appropriate for customers looking for a customized service but also having the ability to adapt and integrate more cloud services in the future.

Need for On-premise Infrastructure Preference

Customers will have different preferences for their need to retain servers and data centers within their own premises. Customers in a Second-level Orchestrator relationship have very flexible infrastructure needs. Thus, this role, as well as the Provider and Purchaser roles, could be appropriate for low, medium and high amounts of on-premise infrastructure. A customer who prefers to have very little on-premise infrastructure may benefit from the Second-level Orchestrator role specifically, and also the Purchaser and Support Merchant roles. The Second-level Orchestrator role is automated and delivers multiple cloud services to customers, including a variety of IaaS, PaaS, and SaaS platforms.

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By contrast, the Support Merchant role supports a cloud computing model based on the assumption that the customer has its own on-premise servers and data centers, and the partner builds the cloud services on these servers. However, given that the nature of cloud services is evolving, this could soon change.  

Guidelines for Getting the Most Out of Your Cloud Service Partner

Although the PartnerCo case may be atypical, our analysis has identified five general guidelines that IT executives should consider when working alongside a cloud service partner.

Guideline 1: Clearly Establish Support Relationships

IT executives should establish clear lines of communication with the companies that support their cloud services so they can contact the appropriate company to receive the required support. For example, in the Partner as a Support Merchant role, a cloud service provider and a cloud service partner both support and provide maintenance for a cloud service but at different levels (e.g., application and network). IT executives must therefore understand the nature of these support relationships (e.g., the specific roles of the partner and the provider). This also ensures that the partner and provider are accountable. As another example, in the Partner as a Second-level Orchestrator role, the partner works with a network of companies to deliver a second-level ecosystem. Customers should therefore understand exactly how to receive support for products and services, and understand the process through which support is provided.

Guideline 2: Recognize that a Thriving Ecosystem Could Lead to More Costly Services

IT executives should understand the level of reinvestment required after successfully implementing cloud services. For example, with a Second-level Orchestrator role, a cloud service partner offers customers the ability to choose from several services built by multiple providers. As the second-level ecosystem grows, it inevitably becomes more costly to run because cloud service providers and partners must reinvest in the services to support the customers. This reinvestment includes not only maintaining the cloud services, but also keeping pace with technological advancements. Thus, IT executives should anticipate the recurring costs over the lifetime of using a cloud service so that they are not surprised by unanticipated costs.

Guideline 3: Create a Consistent View of Cloud Services across the Entire Organization

During PartnerCo’s transition to a cloud service partner, its employees (e.g., sales representatives and software engineers) often did not understand the various roles the company was taking on. As a consequence, when, for example, assuming the Partner as a Second-level Orchestrator role, PartnerCo’s marketing division created a consistent view of second-level orchestration so that the concept was understood and well received internally. Obviously, IT managers working with a partner in all four roles should make sure they use the partner’s knowledge and expertise to ensure that the cloud services are installed smoothly and support the mission of the organization. But they should also ensure that internal employees understand when to use and recognize the value of the cloud services. In particular, a partner playing a Second-level Orchestrator role does not provide much, if any, customized guidance. Moreover, with a Partner as a Support Merchant role, customers are susceptible to the assumptions and processes embedded in the provider’s massive cloud solution.

Guideline 4: Ensure Easy Transition if Trouble Arises

IT executives should remember that cloud service providers are constantly being acquired by large companies or may go out of business. They should also remember that partner relationships with providers sometimes fail. Thus, when adopting cloud services, and especially when relying on a cloud service

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18 Eaton et al., op. cit., 2014

partner to build and maintain relationships, IT executives should work with partners to ensure that their data can be easily transferred from one service to another. They should also understand the contractual terms and conditions in case a provider goes out of business or a relationship fails.

**Guideline 5: Remain Open and Flexible**

Cloud computing provides a flexible computing environment. This means that the traditional, inflexible computing models in which organizations purchase a software license for a year, or pay a monthly fee for a piece of software, are quickly becoming obsolete. IT executives should consider this when signing up with a cloud service partner and integrating the partner into their visions for cloud computing. Unlike previous computing models, cloud computing enables organizations to expand and scale up and down quickly. Thus, IT executives should work with cloud service partners to ensure that their visions for cloud services align with this flexible computing environment.

**Concluding Comments**

Cloud services are significantly transforming the business world. This article has described the ways a cloud service partner can facilitate the acquisition and implementation of cloud services. Using a historical analysis of interviews with employees of a large, successful cloud service partner, we have identified four key roles cloud services partners may play: Partner as a Provider, Partner as a Purchaser, Partner as a Support Merchant, and Partner as a Second-level Orchestrator. We have also highlighted four challenges that IT executives may face when working with cloud service partners and discussed several customer preferences that will help IT executives decide which role best suits their needs. Finally, we have provided guidelines that will help IT executives better understand how to get the most out of a cloud service partner. This knowledge will enable IT executives to understand the key roles and responsibilities of cloud service partners and will ensure that cloud services are successfully integrated into their organizations. The findings presented in this article will enable organizations to realize the potential benefits of cloud services and overcome the challenges of implementing and using these services.

**Appendix: Research Design and Methodology**

We performed a historical analysis of 14 interviews with 12 employees of a large IT consulting firm (referred to as “PartnerCo”) conducted between 2012 and 2014. With the historical analysis technique, interviews start with open-ended questions, followed up with a “cluster of coordinated questions.” In essence, historical analysis identifies “how” something happened the way it happened. We applied this analysis technique to uncover the journey of PartnerCo to become a leader in today’s cloud service marketplace. We also attempted to use the historical analysis to unearth the phases of cloud services and key transitions that PartnerCo experienced during its evolution.

One of the authors of this article is a senior employee of PartnerCo. As well as being interviewed as part of the data collection process, he provided contact information for interviewees. A “snowball” technique was employed to identify other interviewees after an interview was completed. Interviewees held a variety of positions, which have been disguised at the request of PartnerCo. The position of the interviewees, their location, and the number of times they were interviewed is given in the table below. The diversity of positions ensured a multi-departmental, cross-company view of cloud services.

We began each interview by asking a single, open-ended question: *How have you seen cloud services evolve within your company?* We then followed up with a series of questions related to the response of each interviewee. Other than the initial question, no structured interview questionnaire or materials were crafted or used prior to the interviews. The interviews typically lasted from 30 to 90 minutes and were conducted both face-to-face and by VoIP. The interviews

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were recorded and subsequently transcribed by one of the authors and also by a transcription service.

To analyze the interview data, we treated the text as interpretive.\textsuperscript{22} The text was studied for evidence of the roles that PartnerCo took on during its transition into cloud computing. The lead author examined the data to gather information about the key stakeholders involved in each level, along with technologies needed, business conditions, and challenges. The analysis was validated in four ways. First, the authors compared the transcripts and findings with external case studies and internal documents. Second, the senior employee of PartnerCo thoroughly reviewed the findings (i.e., this article). Third, the lead author gave a presentation to 26 employees of PartnerCo, and the feedback received helped improve the validity and reliability of the findings. Fourth, the chief technology officer of another multinational IT consulting company discussed his interpretation of cloud services. The presentation by and interview with that CTO ensured that our findings were general and not specific to PartnerCo.


### Table 3: Position and Location of Interviewees

<table>
<thead>
<tr>
<th>Interviewee</th>
<th>Position in Company</th>
<th>Country</th>
<th>No. of Times Interviewed</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Director of Strategy and Infrastructure Services</td>
<td>U.K.</td>
<td>3</td>
</tr>
<tr>
<td>2</td>
<td>Chief Digital Officer</td>
<td>U.K.</td>
<td>1</td>
</tr>
<tr>
<td>3</td>
<td>Digital Advantage Officer</td>
<td>U.K.</td>
<td>1</td>
</tr>
<tr>
<td>4</td>
<td>Director of Rapid Design and Visualization, and Innovation Management</td>
<td>U.S.</td>
<td>1</td>
</tr>
<tr>
<td>5</td>
<td>Chief Technology Officer; Head of Digital Services</td>
<td>U.K.</td>
<td>1</td>
</tr>
<tr>
<td>6</td>
<td>Director of Enterprise Cloud Services</td>
<td>U.S.</td>
<td>1</td>
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<tr>
<td>7</td>
<td>Cloud Solutions Director</td>
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<td>11</td>
<td>Global Director of Policy</td>
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<td>12</td>
<td>Digital Transformation Officer</td>
<td>U.K.</td>
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</tbody>
</table>

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The Role and Value of a Cloud Service Partner

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