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Opening the Black Box of Advisors in Information Technology Outsourcing: An Advisory Activity Model

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Abstract:

Information technology outsourcing (ITO) is an important market phenomenon and research topic. Recently, research has identified advisors as a key driver for successful ITO engagements. In this paper, we investigate the activities of third-party advisors in ITO engagements for the first time. We used an exploratory qualitative research approach and conducted 14 expert interviews with experienced industry practitioners. In analyzing the data, we identified 104 activities that serve as the basis for a novel IT advisory activity model for ITO. We also identified common viewpoints among the practitioners and matched them with findings from other research studies based on a literature review. Our model provides interesting insights into ITO and the role that advisors play in client-vendor relationships. This study delivers a basis for further research about advisors' influence on clients and vendors in the ITO context.

Keywords: Information Technology Outsourcing, Client-Vendor Relationship, Advisors, Advisors' Services, Activity Model, Consulting, Qualitative Research.

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1 Introduction

Information technology outsourcing (ITO), which refers to an organization's subcontracting information technology-related tasks to an external vendor, continues to represent an important part of contemporary organizations' information technology (IT) strategy (Gartner, 2017; Lacity, Khan, & Yan, 2016). In 2017, market analysts estimated the global market for ITO to reach US\$303 billion in volume in 2017 and to grow by 5.9 percent in 2018 (Gartner, 2017).

The ITO client-vendor relationship represents a key success factor for overall ITO success (Ang & Straub, 1998; Levina & Ross, 2003; Pannirselvam & Madupalli, 2011). In the rich body of knowledge on client-vendor relationships (e.g., Kern, 1997; Kern & Willcocks, 2000; Lee & Kim, 1999), researchers have investigated different elements such as control, trust (Heiskanen, Newman, & Eklin, 2008), formal contracts, and the concept of relational governance (Gopal & Koka, 2012). However, information asymmetry between clients and vendors considerably increase the level of uncertainties in their relationship (Bapna, Gupta, Ray, & Singh, 2016).

Moreover, it has become apparent that a third party called advisors can have a major influence on the client-vendor relationship (Bapna et al., 2016; Lacity et al., 2016). Advisors help clients develop a sourcing strategy, select sourcing locations, develop requests for proposals, evaluate provider bids, negotiate contracts, assist in transitions, build retained capabilities, or review outsourcing relationship health (Lacity et al., 2016). Although we know much about advisory services' activities in areas other than ITO (Appelbaum & Steed, 2005; Gable, 1996; Kesner, Shapiro, & Sharma, 1994), we know next to nothing about ITO advisors and their effects. As such, we need to examine the specific activities through which advisors affect ITO success (Bapna et al., 2016).

Building on calls for further research on advisory services' activities (Bapna et al., 2016; Lacity et al., 2016), we more closely investigate advisors' activities for creating value in ITO projects in this paper. As such, we address the following research question (RQ):

RQ: What activities do advisors perform in ITO projects?

To answer this question, we conducted a series of exploratory interviews. All interviewees were experts and worked as advisors in several ITO projects. Based on our subsequent analysis and a previous literature review, we constructed an inventory and identified activities that affect the client-vendor relationship and ITO success. As our main results, we structured the activities in an advisory activity model for ITO.

Our model, which builds on empirical data and a sound understanding of existing work, describes the activities of ITO advisors for the first time. Practitioners can apply the model to foster clients to use advisors in a goal-oriented way. Researchers may use it as a starting point to further empirically investigate ITO advisors, as a foundation to more deeply explore the included activities and their workings, and to identify gaps in the existing research on the topic.

This paper proceeds as follows: in Section 2, we refer to the literature to explain the ITO and advisors concepts in detail. In Section 3, we explain the methodology we used. In Section 4, we present our findings. In Section 5, we discuss the findings and analyze them in terms of contribution to research, practical relevance, and future research directions. Finally, in Section 6, we conclude the paper.

2 Related Work and Theoretical Background

2.1 Information Technology Outsourcing Success and Client-Vendor Relationship Quality

A large body of ITO literature recognizes that one can define ITO engagements' success at multiple levels by nature, and various authors use different definitions and frameworks to explain and evaluate ITO success in their research (Koh, Ang, & Straub, 2004; Mathew & Chen, 2013; Poston, Simon, & Jain, 2010; Rai, Maruping, & Venkatesh, 2009). We build on Lee and Kim's (1999) well-known and well-used study on ITO client-vendor relationship quality, which used the concepts "business perspective" and "user perspective" to measure ITO success.

The client-vendor relationship has emerged as a salient concept to describe the ITO process. A client-vendor relationship in ITO refers to:

An ongoing, long term linkage between an outsourcing vendor and customer arising from a contractual agreement to provide one or more comprehensive IT activities, processes, or services with understanding that the benefits attained by each firm are at least in part dependent on the other. (Goles & Chin, 2005)

It is a key success factor for achieving a positive and, therefore, successful outsourcing outcome (Lacity, Khan, Yan, & Willcocks, 2010; Levina & Ross, 2003).

Building on this definition, the concept of ITO client-vendor relationship quality refers to the “degree of connectedness between a client and a vendor in an aim to achieve specified goals” (Winkler, Dibbern, & Heinzl, 2008). Client-vendor relationship quality itself is a multi-dimensional concept, and numerous studies have focused on developing a comprehensive ITO client-vendor relationship model for predicting quality and success (e.g., Blumenberg, Beimborn, & Koenig, 2008; Goles & Chin, 2005; Kern & Willcocks, 2000; Lee & Kim, 1999). In this paper, we build on Lee and Kim (1999) and their partnership quality model. The model describes how partnership quality (which the constructs trust, business understanding, benefit and risk share, conflict, and commitment define) positively affects ITO success and how specific determinants such as participation, information sharing, age of the relationship, or cultural similarity affect the development of partnership quality in general. Table 1 summarizes the key concepts of the model and studies that focus on their effects.

Table 1. Summary of Key Concepts in ITO

Key concepts	Description	References
ITO success	One can view ITO success as the level of fitness between the customer's requirements and the outsourcing outcomes. It is measured in terms of both business and user perspectives.	Koh et al. (2004), Lee & Kim (1999), Mathew & Chen (2013), Poston et al. (2010), Rai et al. 2009)
Client-vendor relationship	A client-vendor relationship is an ongoing, long-term linkage between an outsourcing vendor and customer that arises from a contractual agreement to provide one or more comprehensive IT activities, processes, or services with the understanding that the benefits that each firm attains depend on the other firm at least in part.	Goles & Chin (2005), Lacity et al. (2010)
Client-vendor relationship quality	Client-vendor relationship quality refers to the degree of connectedness between a client and a vendor when they focus on achieving specified goals.	Lee & Kim (1999), Winkler et al. (2008)
Partnership quality model	The partnership quality model describes how partnership quality (which the constructs of trust, business understanding, benefit and risk share, conflict, and commitment define) positively affects ITO success and how specific determinants such as participation, information sharing, age of the relationship, or cultural similarity affect the development of partnership quality in general.	Kern & Willcocks (2002) Lee & Kim (1999)

In sum, while the literature repeatedly points out that client-vendor relationship quality is important for ITO success in terms of reducing costs (e.g., Lee & Kim, 1999), existing relationship models have not considered external influences or the support that advisors provide to client-vendor relationships. In fact, researchers have not investigated the role of advisors in the client-vendor relationship context at all. Although recent results have shown that third-party advisors have a positive impact on ITO success, we know next to nothing about the impact on ITO success or client-vendor relationships (Bapna et al., 2016).

2.2 Advisors in Information Technology Outsourcing

Advisors such as what Accenture, PriceWaterhouseCoopers, or Deloitte offer represent prominent examples for the third party in ITO engagements (<https://www.iaop.org/Content/19/165/4701>). These advisors usually offer services to perform activities such as vendor-capability assessment, price-discovery facilitation, client-vendor matching and contracting, or contract monitoring (Appelbaum & Steed, 2005; Bapna et al., 2016; Chen, Sun, Helms, & Jih, 2008). Advisors' services do not include outsourcing or offshoring services—the “classical” ITO services that vendors offer. Although the client in an ITO engagement usually hires advisors, the advisory service supports the relationship between the client and vendor or acts as an intermediary (Mahnke, Wareham, & Bjorn-Andersen, 2008).

However, scant knowledge on the effects of advisors' services exists in ITO research. Researchers have conducted most research on advisors in mergers and acquisitions to investigate such phenomena as compensation (Kesner et al., 1994), opportunism (Lee, 2013), or expertness (Chen, Farh, & MacMillan, 1993). Advisors can have positive and negative effects on decisions in a project. For example, advisors bring in expertise and experience from other projects, which help to reduce legal and knowledge barriers (Kesner et al., 1994). In contrast, advisors have control over the information exchange in projects and can manipulate decisions. For example, Kesner et al. (1994) show that advisors in investment banking may have an incentive to raise premiums in merger and acquisition deals due to higher compensation for themselves.

In an ITO context, a recent empirical econometric study shows that less than five percent of ITO contracts involve advisors but that the presence of advisors in ITO engagements is associated with significantly higher revenues for the vendors and other positive contract outcomes (Bapna et al., 2016). Another study showed that advisors have a positive effect on the familiarity between clients and vendors, which has an indirect effect on the project's outcome (Oshri, Arkhipova, & Vaia, 2018). However, the exact reasons for these effects remain unexplained. We simply do not know what drives this positive effect. To the best of our knowledge, no studies have yet examined how advisors influence the client-vendor relationship and ITO success in a comprehensive model. Along with our limited knowledge on ITO advisory services, we also lack relevant conceptualizations and theorizing (Lacity et al., 2010).

Studies on advisors in other fields predominantly employ principal-agent theory (PAT) to, for example, investigate knowledge asymmetry in business exchanges with hired professional service companies (Sharma, 1997). PAT explains the difficulties that occur under conditions of incomplete and asymmetric information when a client (the principal) contracts with an outsourcing vendor (the agent) (Jensen & Meckling, 1976; Williamson, 1979). According to the theory, the agent should work in the interest of the principal, but each party in the relationship has their own goals such as gaining profit. Therefore, the principal has costs to monitor the agent to fulfill the contract and meet the principal's interests (Sappington, 1991). Although researchers developed PAT in the 1970s, it (along with transaction cost economics) has become one of the most well-established and well-used theories in economics and management, and recent research projects have shown its concepts and relationships to hold true in recent research projects in various contexts, which includes the outsourcing context (Bahli & Rivard, 2003; Basu & Lederer, 2011; Cuevas-Rodríguez, Gomez-Mejia, & Wiseman, 2012; Fitoussi & Gurbaxani, 2012).

PAT represents a useful theoretical lens for understanding advisors' services in ITO for two reasons. First, the concepts of hidden information and hidden action help to identify all sorts of activities related to advisors in ITO relationships. Second, PAT's theoretical assumptions such as information asymmetry, fear of opportunism, or bounded rationality pertain to all types of contracts and relationships in ITO, which includes advisors. As such, we use PAT as a starting point and initial theoretical lens for our study.

3 Research Design

We followed an exploratory, qualitative, and primarily inductive research design in which we empirically gathered data on advisors' activities in ITO engagements. To analyze the data and develop our IT advisory activity model for ITO, we used a three-stage process in which we performed open, axial, and selective coding (similar to Seidel, Recker, & Vom Brocke, 2013) due to inspiration from Strauss and Corbin's (1998) grounded theory recommendations. We specifically chose this approach because, with it, we could conduct open and generative coding with our empirical data on the one hand and sufficiently consider established knowledge on advisors on the other. To ensure we sufficiently considered the existing knowledge on advisors, we furthermore used results from a literature review about concepts of advisors' services for the data-coding and analysis process in the axial and selective coding stages. We developed new categories if we could identify no suitable category. We used PAT and especially the concept of information asymmetries to interpret the data. Figure 1 summarizes our research approach.

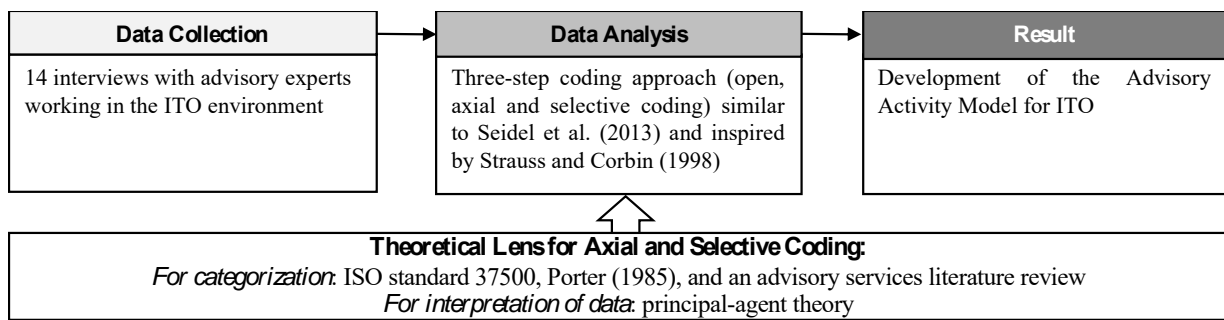


Figure 1. Research Approach

3.1 Data Collection

In our study, we conducted interviews with advisors to obtain their perspectives and collect data. We followed a conceptually driven sampling strategy. That is, we contacted experts in places and people from which we expected the most insights on the phenomenon under investigation (Strauss & Corbin, 1998). We identified 14 advisory service employees and project managers as expert interviewees with ITO project experience. Table 2 summarizes the research participants and their background.

Table 2. Interviewees

ID	Current position	Experience	Projects	ID	Current position	Experience	Projects
1	Senior manager	8	2	8	Manager	5	8
2	Manager	5	2	9	Manager	18	12
3	Director	>12	10	10	Partner	>20	>20
4	Manager	17	50	11	Senior consultant	5	15
5	Manager	8	6	12	Managing consultant	24	>30
6	Executive director	18	>10	13	Senior consultant	8	2
7	Senior manager	14	10	14	Managing consultant	17	15

Legend: experience = years of professional experience; projects = # of ITO projects participated in.

The interviews lasted between 41 and 85 minutes and took place either via phone or in face-to-face meetings. We tape-recorded, anonymized, and transcribed all interviews, which resulted in over 180 transcript pages.

We used a pre-defined, semi-structured guideline that included five consecutive steps to conduct the interviews. First, we briefly introduced the research project and the research project lead. Second, we explained the definitions and concepts we used to ensure a common understanding. Third, we proceeded with the main part of the interview in which we asked the participants to explain how they defined third-party advisors along with the products and services they provide in general. Fourth, we discussed one or two ITO projects with the participants in detail, which included its background information, project status and history, and what activities they undertook in the projects. We explicitly asked the participants for further details and specific project examples to support their statements. Fifth, we asked participants for information about their background and experiences and explained the next steps of the research project.

3.2 Data Analysis

To analyze the data, we conducted a three-step data-analysis approach with open, axial, and selective coding. We provide an exemplary coding step with Figure B1 in the Appendix. First, we started with the open coding after we finished collecting data. During the open coding step, we identified advisors' activities from their perspective. During the entire coding process, we used PAT as our theoretical lens. For example, we coded advisors' dedicated activities, which help the client to decrease information asymmetries in the client-vendor relationship. In total, we identified 152 activities in our interview-based data. Three researchers (one author and two external researchers) independently coded the data. Afterwards, the same three researchers consolidated the activities across all interviews and unified

activities that described similar situations or processes. In all, they created a final list of 104 consolidated activities with a consolidation quota of 68 percent. We ensured communicative validity by sending the interview transcripts back to the respondents for verification (Flick, 2014). We analyzed our data with a focus on reaching theoretical saturation (Glaser & Strauss, 2009; Strauss & Corbin, 1998). Because we identified no new activities in the last three interviews in a row, we are confident that we did so.

Second, we performed the next step (i.e., axial coding”) after we finished the open coding. We focused on categorizing our identified activities using already existing concepts from the current body of knowledge (e.g., ISO standard 37500 model), Porter (1985), and literature about advisors’ services) and newly developed concepts. Again, the same three researchers performed the axial coding and categorized all activities, which resulted in 30 different categories that formed the basis of our constructed inventory of advisory activities.

Finally, we performed the final step (i.e., selective coding) in which we developed our advisory activity model for ITO. We integrated the identified categories with their allocated activities into an overarching, theoretical scheme (Strauss & Corbin, 1998) based on the structure of Porter’s (1985) value chain model, which resulted in six different dimensions that describe the value of advisors.

4 Results: The Advisory Activity Model for IT Outsourcing

We use Porter’s (1985) value chain model to visualize our advisory activity model for ITO. We combine Porter’s idea with the generic structure of a process model with an input, an operation, and an output phase. Inputs describe the potential qualities and values that advisors bring to a project. The activities that advisors perform (which advisors separate into primary secondary activities) in the ITO project itself represent the main part of the model. The activities should lead to an improved ITO success and client-vendor relationship quality, which serve as the model’s outputs. For our study, primary activities such as “tendering process management” contribute directly to an ITO project’s operations. Secondary activities such as “knowledge management” enable and support the advisor’s primary activities.

Figure 2 overviews our model with the input dimension for ITO projects, primary and secondary ITO project operation dimensions, and the output towards the ITO success and client-vendor relationship quality. In Sections 4.1 to 4.6, we describe all the dimensions of the model in more detail.

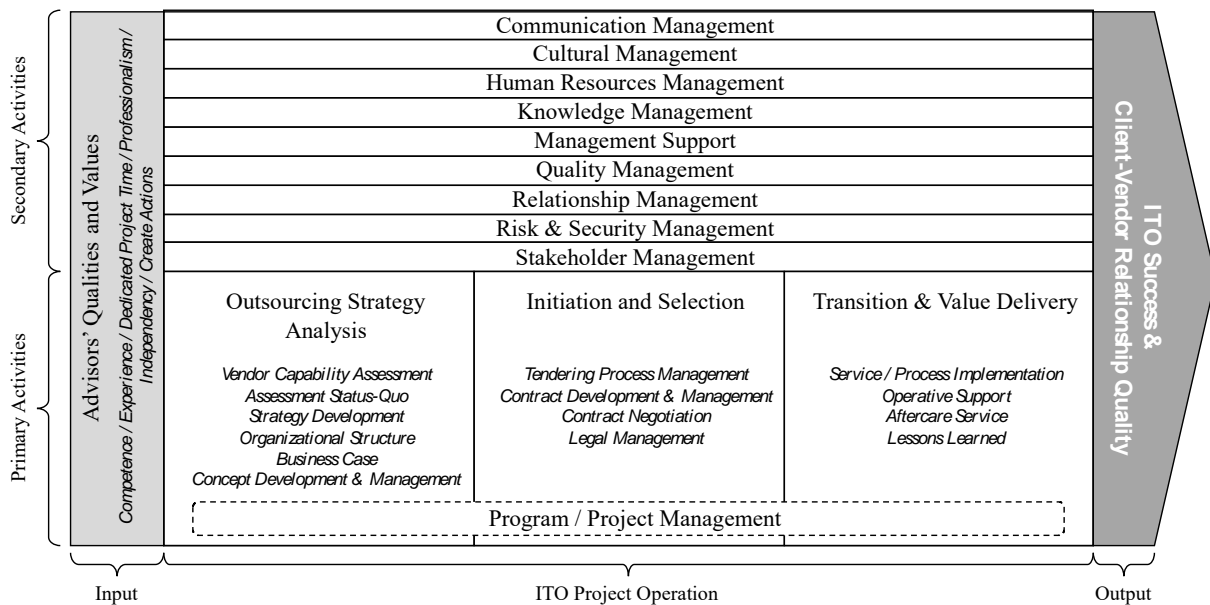


Figure 2. Advisory Activity Model for IT Outsourcing

4.1 Input: Advisors’ Qualities and Values

This dimension describes the advisors’ qualities and values that serve as input activities for ITO projects. Appelbaum and Steed (2005) describe why management consultancies have been so successful and why

clients hire advisors for projects. For our study, we stick to the six reasons for clients to hire external advisors that Bower (1982) provides: “competence”, “experience”, “dedicated project time”, “professionalism”, “independency”, and “create actions”. Figure 3 overviews the dimension “advisors’ qualities and values”. In the open coding, we identified 14 activities related to an advisor’s qualities and values. Afterwards, in the axial coding process, we grouped these activities into six categories that we gathered from the literature and show in the figure. Table A1 in the Appendix provides more details about the activities.

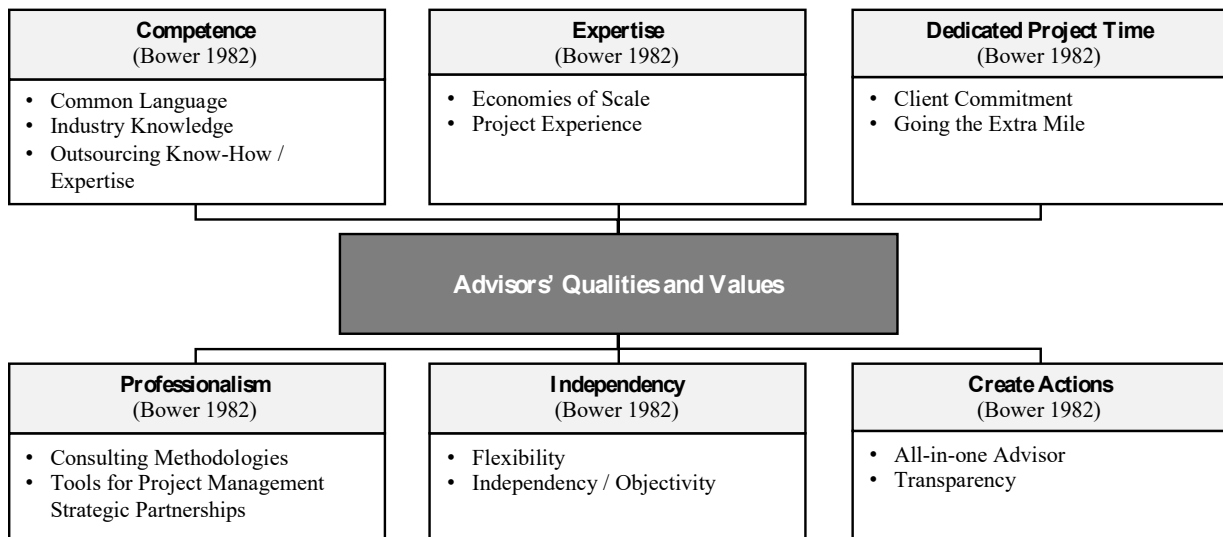


Figure 3. Overview About the Dimension “Advisors’ Qualities and Values”

From analyzing our data, we came to better understand the advisors’ qualities and values in ITO projects. For example, the interviewees saw consulting methodologies as a strong asset since they help them to structure projects and form a foundation for them right from the beginning. The methodologies provide detailed plans with several tasks and processes and improve the likelihood that a project will succeed. As one interviewee (ID 5) said: “We have developed a comprehensive methodology for providing detailed project actions and ensuring the integration of the business units within a given time frame”.

The interviewees saw the consulting methodologies as an asset (ID 2, ID 3) and “further develop[ed] them by special teams in order to stay abreast of market changes” (ID 6).

Most advisors have trustful experiences with the major IT vendor in the market. Furthermore, some advisors have explicit partnerships (e.g., with SAP, Microsoft (ID 8)) due to a long-term relationship with such vendors. For the client, such experiences and partnerships offer much value because the advisor can help ensure the client and vendor can work together and provide the best support for dedicated tasks.

As one interviewee said (ID 2): “If we talk about IT services (for example, on-site services for IT workplaces), we fall back on our partner for this issue. A partner which is a specialized.”.

Advisors also need dedicated competence in outsourcing related tasks and processes (e.g., outsourcing know-how/expertise and specific industry knowledge). As one interviewee (ID 11) said: “Our core competence is the automotive industry. That is the industry in which our company have [sic] the deepest industry knowledge”.

In summary, advisors’ qualities and values help them to reduce information asymmetries between clients and vendors. Advisors serve as an agent for the principal due to their deep knowledge and experience in outsourcing.

4.2 Operations: Primary Activity: Outsourcing Strategy Analysis

This dimension belongs to the ITO project operation phase and to advisors’ primary services. Activities in this dimension focus on initiating and evaluating outsourcing opportunities and establishing an outsourcing strategy that meets business requirements (ISO, 2014). In the open coding, we identified 24 activities

related to this dimension and grouped them into six different categories (see Figure 4). Table A2 in the Appendix provides more detailed information about the activities.

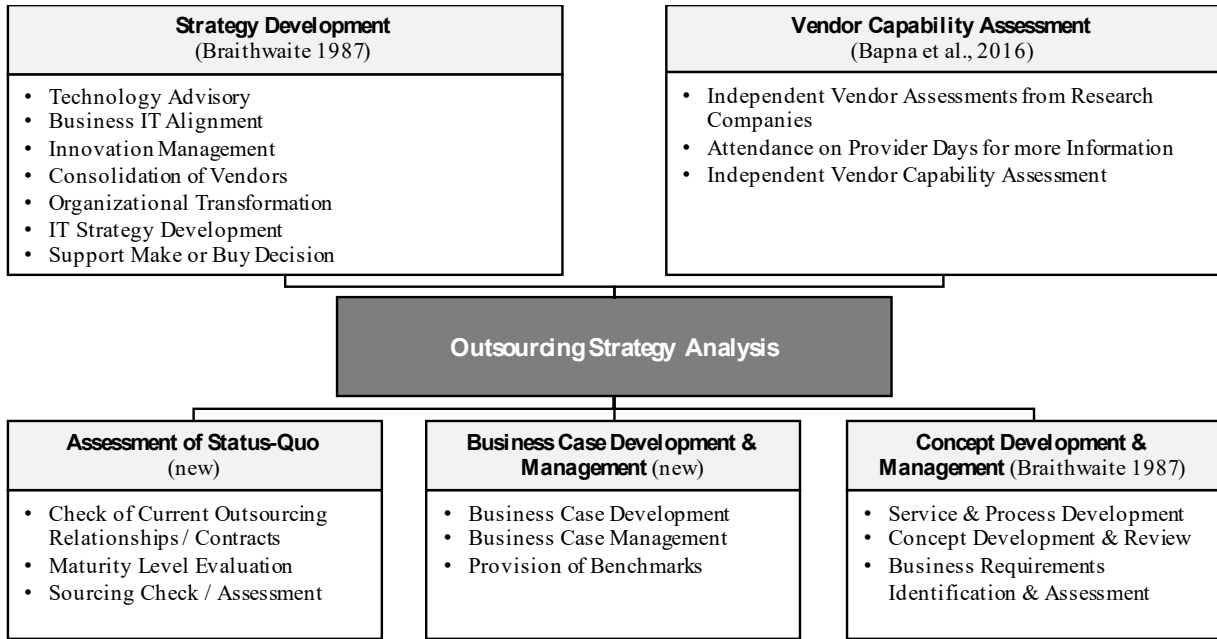


Figure 4. Overview About the Dimension “Outsourcing Strategy Analysis”

Advisors’ qualities and values that we explain above do not come from nowhere: advisors continuously work together with potential vendors for their clients. The category “vendor capability assessment” describes the information and actions advisors perform to always stay informed about the current market situation. For example, one interviewee (ID 3) mentioned that its organization used external sources from research companies such as Gartner or IDG to gain market information. Others (ID 6) mentioned so-called provider days in which IT vendors present new products or services and can answer questions from advisors and clients. Advisors used all collected data and develop their own market view of potential vendors with relevant information as one interviewee (ID 3) said: “There is a vendor overview/playbook. It is about how good the vendors are, what deals they have made and where we rate the vendors and their industry know-how.”.

The three categories “assessment status quo”, “strategy development”, and “organizational structure” all have a strategic character, and advisors perform them before a planned outsourcing project. According to various interviewees (e.g., ID 5, ID 8, ID 9), in assessing the status quo, an advisor assesses a client’s current organizational structure, contractual relationships with vendors, and services and processes. One interviewee (ID 9) described a typical request from the client for an assessment as follows:

Ok, we have an IT landscape, different processes and several external vendors. Please have a closer look on this. Our IT costs are quite high. How does it look like? Do you see any potential? What should we change?

Based on the assessment, the advisor can develop a strategy and a future state of the client’s organizational structure. The strategy development contains seven activities in total that concern decisions to make or buy, sourcing strategies, innovations, technological advices, and so forth. The strategy has an impact to the organizational structure as one interviewee (ID 3) said: “We provided a sourcing strategy with the focus on which parts of the IT organization stay in the company, which will be outsourced, and how to operate and manage the new structure”.

Advisors often model a change for the organizational structure in a target operating model for the IT department. It defines the boundaries of the department and the relationship to other departments and to external vendors. One interviewee (ID 10) described the task of developing a new target operating model in the following way: “What is the structure of the IT department? Which processes and capabilities do we need? Where do we need recruitment and where to we need to build new capabilities?”.

We mention advisors' independency and competence in the dimension "advisors' qualities and values" already above. Such attributes also are essential for the category "business case", and the advisors use them for developing and managing business cases. With all the knowledge and benchmarks about the sourcing market and the insights at the client, advisors can gain a comprehensive view about the situation and the following ITO project. As one interviewee (ID 8) described it: "What is the status quo? What does it cost at the moment and what would it cost with the use of the external vendor? These are classic business case calculations."

The last category, "development and management in preparation of an ITO project", covers several activities: identifying and assessing business requirements, developing processes and services, and reviewing concepts. One interviewee (ID 3) described a typical situation at the client:

There were several meetings in which we identified the business requirements and if the [client's] IT system fulfill them. If not, what are the other opportunities or workaround and the discussion about them. We were always present in these meetings and identified solutions and supported the management of the requirements.

Another interviewee (ID 7) focused on the "joint processes, which have to be mapped. And the interfaces!". All documents describe the to-be status of the client's organization and form the basis for the tendering process and especially the request for information (RFI) and the request for proposal (RFP) documents.

4.3 Operations: Primary Activities: Initiation and Selection

This dimension concerns advisors' initiating and selecting a vendor for the client. It involves converting the concepts into a contract, selecting adequate vendors, negotiating the contract, and establishing an outsourcing agreement (ISO, 2014). We identified 17 activities for the initiation and selection dimension in the open coding phase and grouped them into four different categories: "tendering process management" (ISO, 2014), "contract development and management" (Bapna et al., 2016), "contract negotiation" (Bapna et al., 2016), and "legal management" (new) (see Figure 5). Table A3 in the Appendix provides more details about the activities.

Several interviewees mentioned the importance of supporting the client's tendering process (ID 7, ID 5, ID 8, ID 10). For example, the advisor collaborates with the client to develop the RFI and RFP documents for the vendors (ID 3, ID 10), identifies potential vendors for the specific project (ID 3, ID 7), develops a long and shortlist (ID 3, ID 7), and evaluates and select the vendors (ID 5, ID 7). Besides these operative activities, some advisors have a moderating function in the tendering process and arbitrate between client and vendor as one interviewee (ID 3) explained:

The moderation of the tendering process was an important factor and I would say it still was until the conclusion of the contract. ...We prepared the outsourcing with the employees in a constructive and efficient way although there were motivational problems because the employees did not want to leave the company.

The other three categories describe contractual support that advisors provide clients. It is the first time in the ITO project that clients, vendors, and advisors become involved in the project on an operative level at the same time. First, the client and the advisor develop the contract and manage it in the negotiation phase. The contract development is an iterative process that includes development and review cycles between the client and vendor. The advisor helps clients by offering them client-exchange options with previous clients who already have a contract to a dedicated vendor and who can give advice on key measurements or provide support on an operative level (ID 3). Second, the advisor helps the client negotiate with the vendor by evaluating the biddings, giving financial advice, and supporting the organizational process. As one interviewee (ID 3) said: "Our role was to prepare the negotiations, to document the current status and open issues and to provide clarification of them".

Third, some advisors can provide legal advice for clients to ensure they meet all regulatory requirements and that their contracts meet the necessary legal requirements (ID 4, ID 6, ID 7). As one interviewee (ID 4) said: "We could support the contract negotiations and if it is required, we could provide our own legal expertise to make the contract watertight so that it meets the requirements of the customer".

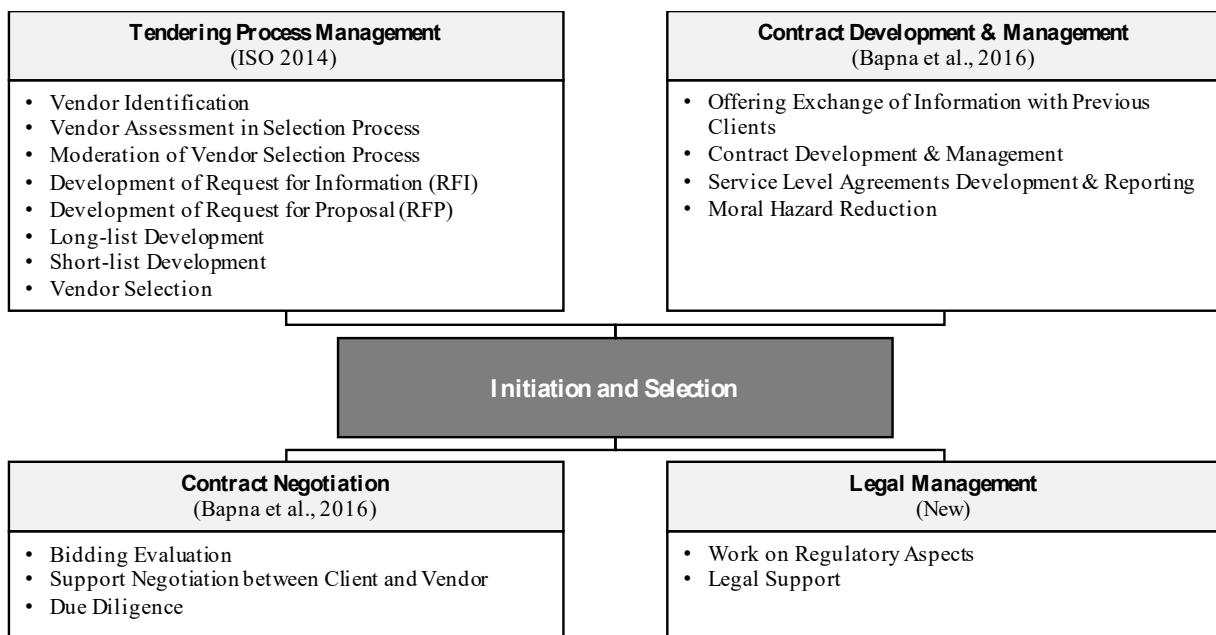


Figure 5. Overview About the Dimension “Initiation and Selection”

4.4 Operations: Primary Activities: Transition and Value Delivery

The third dimension focuses on the transition and value delivery in ITO projects. During the transition, advisors should enable the vendor to provide delivery capabilities. All parties (the client, vendor, and advisor) process all planned activities of the previous phases to reach outsourcing project’s goals. Afterwards, the client and vendor should ensure the service delivery to understand and sustain the value of the outsourcing engagement (ISO, 2014). In this dimension, we identified 12 activities in the open coding phase and grouped them into four different categories: “service/process implementation”, “operative support” (Lee, Trauth, & Farwell, 1995), “aftercare services” (new), and “organizational learning” (new) (see Figure 6). Table A4 in the Appendix provides more detailed information about the activities.

“Service and process implementation” concerns the transition of all planned concepts to the vendor’s IT environment. The advisors support the service and process integration at the vendor, transfer them to the delivery unit of the vendor, manage rollouts, and support the change process in the organization. As one interviewee (ID 1) said: “Our team implemented the services, which we have designed and developed”.

“Operative support” concerns supporting the client on an operative level. For example, the advisor may perform daily tasks rather than the client if the client lacks the resources as one interviewee (ID 7) said: “We took over the project steering because there were no employees in the beginning of the project. Now there is one who should do the work and now we support him.”.

Other activities include acting as task forces for major issues at the client (ID 1), conducting problem analyses (ID 10, ID 9) or preparing and presenting meetings or workshops for the client (ID 8). Advisors provide additional services to their clients after a project goes live. The advisors check the contract after the implementation, adjust implemented services due to occurred problems, and perform service improvements (ID 8).

We assigned activities about lessons learned to the category “organizational learning”. Specifically, after an ITO project has completed, advisors tend to perform feedback loops in which they discuss all performed activities with the client for its long-term development. As one interviewee (ID 1) said:

You had a major incident and have a look for the causes. Then we perform a problem analysis and identify the causes...and provide individual improvement measures to avoid such problem in future or at least to minimize the implications.

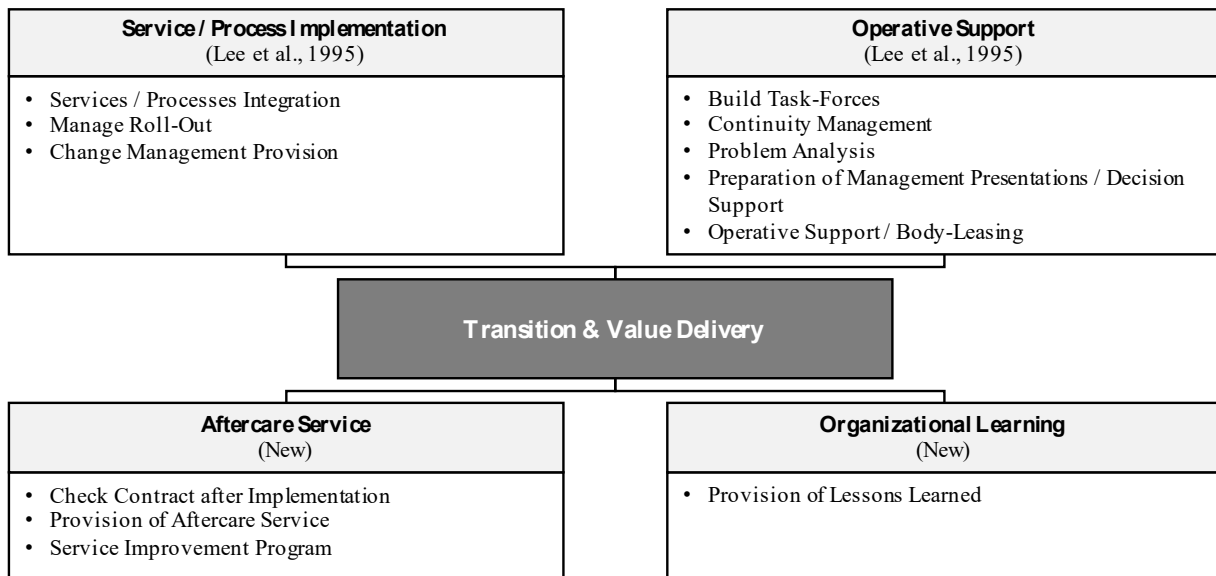


Figure 6. Overview About the Dimension “Transition & Value Delivery”

4.5 Operations: Primary Activities: Program/Project Management

The category “program/project management” represents a special case in our model. As Figure 2 shows, we assigned it to all three dimensions in the project operation phase: “outsourcing strategy analysis”, “initiation and selection”, and “transition and value delivery” (see Figure 7). The advisor can perform all 13 activities in all of the phases of an ITO project. Table A5 in the Appendix provides more detailed information about the activities.

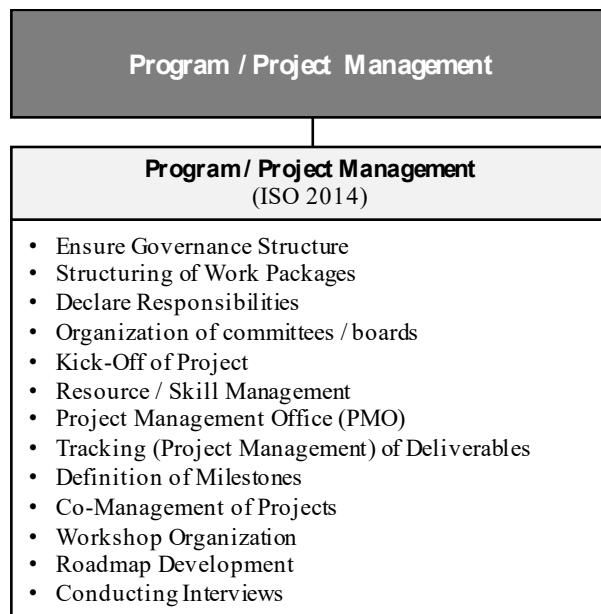


Figure 7. Overview About the Dimension “Program/Project Management”

Our interviewees often mentioned program or project management as an important task that they conduct in ITO projects. The different activities describe advisors’ wide range of tasks such as planning projects, which includes declaring responsibilities; organizing meetings, workshops, or committee boards; and continuously tracking the project’s progress (ID 1, ID 5, ID 7). These activities closely connect to the activities that the outsourcing governance phase in the ISO 37500 model describes (ISO, 2014). For example, advisors typically structure work packages and develop roadmaps. As one interviewee (ID 3)

said: “It has helped massively that we [the advisor] structured, present, and describe the business model for the vendor”.

Another interviewee (ID 1) mentioned that clients find tracking project deliverables highly relevant: “the client was always in the picture, which topics we are currently working on, what risks exists, what deliverables were behind including the causes”.

We also discovered that the integration of close collaboration between the advisor and client represents as an important activity in this dimension. In some projects, the advisor had a co-management role. One interviewee (ID 1) said positions in subprojects were “staffed redundantly...[with] one client team member and one advisory team member”.

4.6 Operations: Secondary Activities

Advisors provide a range of secondary activities for clients during an ITO project, which we grouped in the “secondary activity” dimension. In this dimension, we identified 24 activities in the open coding phase and grouped them into nine different categories: “communication management” (new), “cultural management” (new), “human resources management” (new), “knowledge management” (Sharma, 1997), “management support” (new), “quality management” (new), “relationship management” (new), “risk and security management” (Heemstra & Kusters, 1996), and “stakeholder management” (new) (see Figure 8). Table A6 in the Appendix provides more detailed information about the activities.

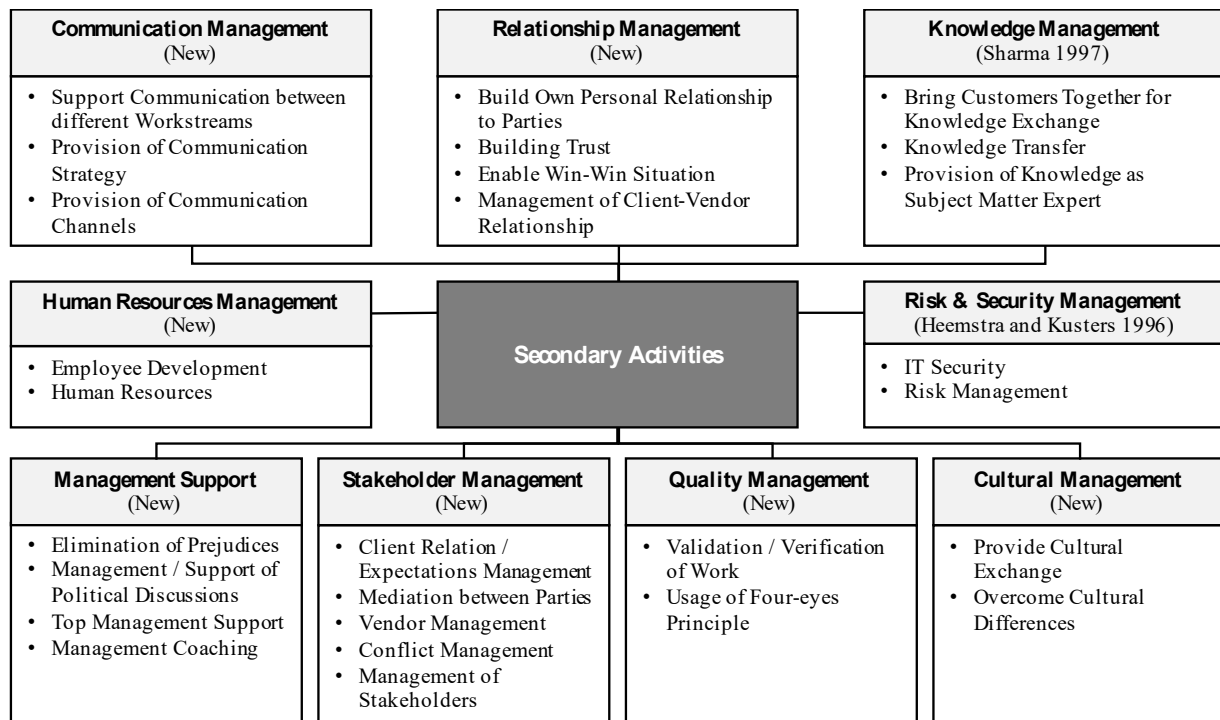


Figure 8. Overview About the Dimension “Secondary Activities”

Communication represents one major activities for the relational governance in ITO projects (Lacity et al., 2016). Several interviewees recognized the relevance of communication and described activities such as communication exchange between different workstreams, communication strategy, and the provision of alternative communication channels. For example, one interviewee (ID 10) said: “We had a communication strategy, which started then. Town halls, briefing for the management, regular question and answer sessions via phone where we started to inform about the status quo”.

Other interviewees pointed out the benefits that advisors’ independent position affords them when they communicate with client’s and vendor’s management since the advisors have an outside and objective viewpoint (ID 6).

We listed several reasons for why clients and vendors hire advisors for their ITO projects in the dimension “qualities and values”. Clients find it important that advisors transfer their knowledge from previous

projects to the clients' project team. Advisors should enable clients to operate on their own after projects end (ID 2, ID 5, ID 7). Further, clients also consider the knowledge that advisors and their previous client have exchanged when selecting a suitable vendor. The new client can obtain valuable insights and lessons learned from others who have experience with potential vendors as one interviewee (ID 8) said: "We offered a customer knowledge exchange for the current client with one of our previous clients for exchanging experiences about the vendor".

Our interviewees also often mentioned relationship management as a relevant category for advisors. Because clients and vendors in ITO projects have different interests, a third party such as advisors can improve the relationship between both parties. The advisor builds their own personal relationship to all involved parties, builds trust, ensures a win-win situation between client and vendor, and tries to manage the client-vendor relationship. As one interviewee (ID 8) said: "We as an organizational advisor are involved as an independent partner who bring together client and vendor and to pour oil on troubled water".

5 Discussion

In this paper, we answer the research question: "What activities do advisors perform in ITO projects?". In doing so, we unbox the advisor concept in an ITO environment. Due to the large ITO market and frequent project delays or failures (Horvath & Partners, 2014), advisors play an important role for both clients and vendors (Bapna et al., 2016; Oshri et al., 2018). This relevance for practice and the lack of knowledge about this phenomenon in research make it a worthy topic to study. Table 3 summarizes our main findings. In answering our research question, we develop a model for ITO, which expands our knowledge on client services in several ways.

5.1 Contributions to Research

First, we identified 104 activities from interviews with practice experts that described advisors' activities. Although some studies have examined such activities in other disciplines, the activities differ from each other due to the specific context. We used Bapna et al.'s (2016) study and the activities advisors use to create business value as the foundation for our study. We specify and enhance the five different categories to cover the whole range of service performance from third-party advisors. Other researchers can use our identified activities for their future studies.

Second, we developed the advisory activity model for ITO (see Table 3) as a framework, which structures advisors' activities in ITO engagements. To the best of our knowledge, this model represents the first in the literature to integrate a third party in ITO projects. By analyzing the different dimensions and categories in the model, we identified gaps in the current research. Our study opens the black box of advisors and provides groundwork for further investigations.

We encourage other researchers to use our model, widen its scope with other activities, deepen our knowledge about advisors, and verify it in other projects.

Third, overall, we fairly equally distributed the activities to the assigned categories and dimensions. As we have no data available to provide evidence that one category has more importance than another, we leave it to other researchers to conduct research on every dimension. In this section, we provide some research ideas for each dimension.

Advisors' quality and values: these qualities and values closely relate to why clients hire external advisors for ITO projects. In this dimension, we contribute directly to the literature on management consultants (Appelbaum & Steed, 2005) by detailing the categories and transferring them to ITO projects. Although only five percent of the ITO contracts conclude with an advisor in general, our study provides more insights about the value that advisors add. For example, advisors' consulting methodologies and tools support clients and help structure their projects in advance. Moreover, advisors' rich experience help clients to perform better in specific situations since the advisors have handled them before. This finding corresponds with insights from PAT in other domains. The advisor is the agent who supports the client as the principal. Future researchers could dig deeper and assess the importance of each identified activities, which could result in appropriate recommendations for clients about identifying and selecting a suitable advisor.

Table 3. Summary of Key Findings in Relation to Literature

Existing body of knowledge	Key findings from analysis	Relation to literature
Existing literature focuses on different activity clusters of advisors. Researchers have identified few activities that advisors perform in ITO projects (see Section 2.2).	Identified 104 activities gathered from interviews with industry experts that describe advisors' performance in the context of ITO.	Complements Bapna et al. (2016) and Oshri et al. (2018).
To the best of our knowledge, no integrated activity model for advisors in ITO projects exists.	Developed the advisory activity model for ITO framework, which structures all the identified advisor activities found in ITO engagements.	Newly identified; we adapted the structure of the model from Porter (1985).
Many research studies have investigated why clients hire advisors for their projects but focus on business projects instead of ITO.	Identified advisors' qualities and values; provided more insights and additional value of the advisors' activities for ITO projects.	Complements Bower (1982) and adjusted to ITO projects.
Strategic consulting forms an important part of the advisor's portfolio, and researchers have investigated it from different facets. Although the vendor capability assessment relates to ITO projects, others do not.	Identified outsourcing strategy analysis; provided prerequisites for the successful, strategic use of third-party advisors in ITO engagements.	Complements Bapna et al. (2016) and Oshri et al. (2018).
Bapna et al. (2016) studied the initiation of ITO projects and the selection process. They provide activities for contract development, management, and negotiation. ISO (2014) overviews the management of the tendering process well.	Identified initiation and selection; our study confirms the importance of the initiation and selection process and the valuable support of the advisors. Nonetheless, we could identify legal management as a new category.	Confirms Bapna et al. (2016) and ISO (2014) and identifies legal management.
The transition and delivery are operative parts of such projects that researchers have studied in the business context without any adaptation of ITO-related tasks.	Identified transition and value delivery; identified further research paths as advisors mostly operate during the earlier process stages.	Complements Lee et al. (1995). Provides further research paths.
Researchers have studied program or project management well, even in relation to ITO.	Identified program/project management: verified the high importance of program and project management, especially for advisors.	Confirms and details ISO (2014)
Researchers have studied most of the categories in a business context but without taking advisors into account and without adapting the situation to ITO projects.	Identified secondary activities: separated between primary and secondary activities and showed the importance of secondary activities such as knowledge or communication.	Newly identified except for knowledge management and risk and security management.

Outsourcing strategy analysis: this dimension serves as a preparation phase for outsourcing to an external vendor. In most cases when advisors enter a client-vendor relationship, the advisor has a relationship only with the client without the vendor's direct involvement. According to Appelbaum and Steed (2005), the advisor's knowledge and experience represents a key activity for projects to succeed. Advisors use these qualities to develop strategy, assess the status quo, or develop concepts and manage the outsourcing. Our interviewees implicitly confirmed that the outsourcing strategy analysis dimension has high relevance by identifying that it contains a large number of activities. Our study contributes to Bapna et al.'s (2016) and Oshri et al.'s (2018) findings and expand on the advisor activities they recognize with a more detailed and fine-grained inventory.

Initiation and selection: similar to the dimension "outsourcing strategy analysis", our interviewees implicitly confirmed initiation and selection as highly relevant. Typically, clients rarely tender outsourcing contracts since the relevant parties sign them on a long-term basis. Again, advisors benefit from their knowledge and experience about tendering processes and knowledge about various vendors on the market. Clients gain a managed process and the confidence that advisors will help them to select the right vendor. The general process of the initiation and selection dimension is well documented (ISO, 2014), and Bapna et al. (2016) have already described some activities related to this dimension. But our study shows that an advisor performs many more activities in addition to facilitating price discovery or reducing moral hazards (Bapna et al., 2016). Future researchers could use our model as a foundation to evaluate the different levels of influence of each activity in this dimension or the working mechanisms connected to them. It would be interesting to understand which activities add the most value to the client.

Transition and value delivery: during the transition and value delivery, the advisor's role changes and the advisor becomes more involved in the operative business (Chen et al., 2008). Overall, we coded fewer activities in this dimension compared to the other dimensions. The type of firm our interviewees worked for may partly explain why. Most interviewees focused on the first phases of an outsourcing project and supported the client in the transition phase only if requested. Nonetheless, the transition and value delivery phase has relevance for advisors because it typically lasts the longest compared to any other phase in an ITO engagement. In this phase, the advisors could improve their relationship with the client and act as a so-called trusted advisor. Future research should focus on what role the advisor plays in this phase and especially on the changes that occur between a project's phases or when critical events occur.

Program/project management: program and project management is a well-researched area (ISO, 2014), and organizations have access to numerous frameworks, such as PMBOK or Prince2. Our study shows the relevance of program and project management for advisors as well. Indeed, our interviewees noted that clients placed much importance on this key activity. Our results show that—even today after a long history of research on project management—we need more research to further improve the program and project management approach in ITO projects.

Secondary activities: we use the secondary activities dimension to describe the extra services that advisors perform beside the main outsourcing project tasks. For the client, the secondary activities such as knowledge or communication management could pose a key aspect of an advisor's value. To the best of our knowledge, we are the first to separate between primary and secondary advisor activities. In our view, a successful ITO project or project in general requires advisors to conduct both types of activities because they have a special role in such projects. Clients look for support because they cannot manage the ITO project by themselves. They need advisors for operative support, which advisors provide via their primary activities, but they also expect advisors to bring their experience, which advisors provide via their secondary activities.

5.2 Contributions to Practice

Furthermore, our findings and model provide valuable insights for practitioners—whether advisors, clients, or vendors. All parties can use our model to identify areas that need improvements regarding the different dimensions. For example, advisors could use the model to identify how they could improve their own service portfolio, such as by offering their clients additional services in the tendering process.

For clients, our model provides transparency about advisors' activities. The model can help clients understand what external support they could receive and, thus, can plan ITO projects in more detail. For example, they could investigate why they should use an external advisor for an ITO project, what services advisors provide during such a project, and what specific project phase they need support in. Our model helps clients to assess their existing capabilities and provide answers for such questions.

The vendor has an opposite view on advisors. In most cases, the advisor provides external support for the client. The vendor has to deal with a second party besides the client during the outsourcing process. Our model encourages the vendor to more deeply understand the client's behavior. For example, the vendor needs to know that the client has an advisor and, thus, can better negotiate contracts in order to ensure it can adequately answer questions from both the client and the advisor.

5.3 Limitations

While we answer our research question, our study has several limitations that future research needs to address. First, while we identify the activities that advisors perform in ITO engagements', we do not rank such activities, categories, or dimensions in the model or compare them to each other.

Second, we collected our data only with advisory experts. We built our model on the knowledge, project experience, and service portfolios of these individuals. It would be interesting to enhance the model with clients' and/or vendors' views. The holistic, triangular view would help to validate the model. In particular, considering such a view along with the relevance of the activities would represent a worthwhile research direction.

Third, we provide mostly descriptive findings with our categorized activities. At this step, we did not intend to theorize about working mechanisms or causal relations but instead soundly understand what advisors actually do. Thus, although. Nevertheless, researchers need to conduct further qualitative and quantitative research on this topic to improve our model and to gain insights about its relevance. For example,

researchers could use multiple case studies to validate the findings in other project setups by testing the activities that pertain to them. Most importantly, researchers can now investigate the activities we identified in detail for causal relations and mechanisms, put them into context with more theoretical concepts, and/or provide a process model or process theory, which we did not have the scope to do in this paper.

6 Conclusion

In this study, we investigate the activities that third-party advisors conduct in ITO projects. To the best of our knowledge, we develop the first activity model for such advisors in the ITO context. We used an exploratory qualitative research approach and conducted 14 interviews with experienced practitioners. In analyzing the data, we unboxed the concept of advisors by identifying 104 activities that serve as the basis for our IT advisory activity model for ITO. We identified common viewpoints among our advisors and matched them with findings from other research studies. Our model provides interesting insights into ITO, the client-vendor relationship, and advisors. This study provides a basis for further research about how advisors influence clients and vendors in the ITO context. Second, we provide a broad range of advisor activities and categorized them. We contribute to Bapna et al.'s (2016) results to cover the full range of services that third-party advisors provide. Third, we present the activities in dimensions according to Porter's (1985) value chain model and provide potential paths for further research on each dimension. Finally, we provide insights for practitioners, who may use our model to identify how to improve their own service portfolio.

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Appendix A

Table A1. Advisors' Qualities and Values

Category	ID	Activity factor	Definition	Reference
Competence (Bower, 1982)	QV.1	Common language	Broad language skills for arbitrating between different parties/departments	ID 7
	QV.2	Industry knowledge	Detailed knowledge about the specific industry of the client	ID 7
	QV.3	Outsourcing know-how/expertise	Specific know-how of the advisor about outsourcing services	ID 5
Experience (Bower, 1982)	QV.4	Economies of scale	Advisor's gathered information about vendors for multiple clients	Bapna et al. (2016)
	QV.5	Project experience	Advisor's gained knowledge and experiences from similar outsourcing projects	ID 2, ID 5, ID 7, ID 8
Dedicated project time (Bower, 1982)	QV.6	Client commitment	Strong support from the client for enabling the project and the change in the organization	ID 1
	QV.7	Going the extra-mile	Willingness of the client and the advisor to work on the project with full commitment and a bit more	ID 2
Professionalism (Bower, 1982)	QV.8	Consulting methodologies	An advisor's assets, methodologies, and frameworks for structuring the project	ID 2, ID 3, ID 5, ID 6
	QV.9	Tools for project management	IT-enabled support for the project management	ID 1, ID 9
	QV.10	Strategic partnerships	Close cooperation and collaboration to various vendors or other advisors for an optimal support of the client	ID 1, ID 2, ID 7, ID 8, ID 10
Independency (Bower, 1982)	QV.11	Flexibility	The advisor's ability to meet the client's expectations and requirements	ID 1
	QV.12	Independency/objectivity	Consultation of the client without any dependencies on vendors	ID 3, ID 4, ID 8, ID 9, ID 10
Create actions (Bower, 1982)	QV.13	All-in-one advisor	An advisor that provides the full range of consulting services (strategy, tactical, operational)	ID 3, ID 5, ID 8
	QV.14	Transparency	Communication about project issues, activities, and outputs for all involved parties for an equal knowledge level	ID 1, ID 4, ID 11

Table A2. Primary Activities: Outsourcing Strategy Analysis

Category	ID	Activity	Definition	Reference
Vendor capability assessment (Bapna et al., 2016)	OS.1	Independent vendor assessments from research companies	Assessing vendors from independent research companies such as IDG, Gartner, Forrester, etc.	ID 3
	OS.2	Attendance on provider days for more information	Gaining information about various vendors in the market on dedicated industry conferences	ID 6
	OS.3	Independent vendor capability assessment	Independently reviewing vendors by the advisor for challenging its products, services, processes, and so forth	ID 2, ID 3, ID 4, ID 8, ID 11
Assessment of status quo (new)	OS.4	Check of current outsourcing relationships/contracts	Conducting an individual third-party check of the current client's outsourcing contract and relationship with its vendor	ID 5, ID 6
	OS.5	Maturity level evaluation	Checking the maturity level of an organization	ID 10
	OS.6	Sourcing check/assessment (status quo)	Conducting an individual third-party check of the sourcing division of an IT department	ID 4, ID 5, ID 8, ID 9, ID 10
Strategy development (Braithwaite, 1987)	OS.7	Technology advisory	Providing strategic consulting for technological topics such as block-chain, cloud, etc.	ID 4, ID 6
	OS.8	Business-IT alignment	Aligning the strategy and goals of the business, IT, and sourcing departments	ID 4
	OS.9	Innovation management	Continuously achieving innovations for the client	ID 4
	OS.10	Consolidation of vendors	Narrowing down the number of vendors to strengthen the individual relationship	ID 5
	OS.11	Organizational transformation	(Digitally) Transforming business models of the client	ID 6
	OS.12	IT strategy development	Developing an IT strategy with regards to outsourcing aspects of the client	ID 3, ID 4, ID 9, ID 10
	OS.13	Support make or buy decision	Supporting the general outsourcing decision and its outcomes	ID 7, ID 8
Organizational structuring (new)	OS.14	Proposing target operation model	Structuring the IT department including setup, services, processes, etc.	ID 2, ID 4, ID 5, ID 10
	OS.15	Identification/providing sourcing boundaries or sourcing cut	Identifying and proposing the organizational boundaries between the IT department and the outsourcing vendors	ID 4, ID 6
Business case development and management (new)	OS.16	Business case development	Developing the business case for the sourcing project	ID 3, ID 8, ID 10
	OS.17	Business case management	Continuously checking and adjusting the business case if required	ID 4
	OS.18	Provision of benchmarks	Using external market information/benchmarks for the assessment of sourcing projects	ID 4, ID 6, ID 8, ID 10, ID 11
Concept development and management (Braithwaite, 1987)	OS.19	Service and process development	Developing new services and processes for the client to ensure a successful sourcing project	ID 1, ID 5, ID 9
	OS.20	Concept development and review	Developing and reviewing concepts to prepare for an outsourcing project (e.g., for potential vendors)	ID 6, ID 8, ID 9, ID 11
	OS.21	Business requirements identification and assessment	Identifying and assessing the business requirements of the client for the sourcing project	ID 1, ID 3, ID 4, ID 6, ID 7, ID 8

Table A3. Primary Activities: Initiation and Selection

Category	ID	Activity	Definition	Reference
Tendering process management (ISO, 2014)	IS.1	Vendor identification	Identifying potential vendors for the client's sourcing project	ID 3, ID 5, ID 7, ID 8, ID 9, ID 11
	IS.2	Vendor assessment in selection process	Supporting the assessment process by the advisor during the down selection of potential vendors for the client	ID 3, ID 5, ID 7, ID 8, ID 9, ID 10, ID 11
	IS.3	Moderation of vendor selection process	Mediating between client and vendor in the vendor-selection process (e.g., content-related, organizational, etc.)	ID 3, ID 4, ID 7, ID 8, ID 10
	IS.4	Development of request for information (RFI)	Preparing a document for collecting basic information of the vendor for a sourcing project	ID 5, ID 8, ID 10
	IS.5	Development of request for proposal (RFP)	Preparing an extended tendering document for the vendors with required business requirements from the client	ID 3, ID 4, ID 5, ID 7, ID 9, ID 10
	IS.6	Long-list development	Identifying potential vendors for the sourcing project	ID 3, ID 6, ID 7, ID 8, ID 10
	IS.7	Short-list development	Selecting potential vendors from the long-list for further project negotiations	ID 3, ID 7, ID 8
	IS.8	Vendor selection	Supporting the client for the selection of a suitable vendor for the sourcing project	ID 4, ID 5, ID 6, ID 8, ID 9, ID 11
Contract development and management (Bapna et al., 2016)	IS.9	Offering exchange of information with previous clients	Using the customer base of the advisor to transfer knowledge about vendor from one client to another	ID 8
	IS.10	Contract development and management	Developing and managing the sourcing contract and together with client and vendor	ID 3, ID 5, ID 8
	IS.11	Service-level agreements development and reporting	Proposing service-level agreements in line with the market and ways to manage them	ID 4, ID 9
	IS.12	Moral hazard reduction	Monitoring the vendor during the tendering process	Bapna et al. (2016)
Contract negotiation (Bapna et al., 2016)	IS.13	Facilitate price discovery	Broadening the bidding process by increasing the numbers of bidders to archive better pricings for the client	Bapna et al. (2016)
	IS.14	Support negotiation between client and vendor	Supporting the negotiation process between the client and vendor and solve upcoming issues	ID 3, ID 4, ID 5, ID 8, ID 10
	IS.15	Due diligence	Supporting the due diligence process between the client and vendor	ID 4, ID 5
Legal management (new)	IS.16	Work on regulatory aspects	Being updated with regulatory aspects for the client and help the client to implement them	ID 6, ID 7
	IS.17	Legal support	Providing legal support to the client during the sourcing project	ID 4

Table A4. Transition and Value Delivery

Category	ID	Activity	Definition	Reference
Service/process implementation (Lee et al., 1995)	TV.1	Services/processes integration	Providing active support for the client and vendor to integrate new services/processes	ID 1, ID 9
	TV.2	Manage roll-out	Organizing products, services, or process roll-outs for the client	ID 1
	TV.3	Change management provision	Supporting and enabling the change management process of the client	ID 9
Operative support (Lee et al., 1995)	TV.4	Build task forces	Solving major project issues with a dedicated team of the advisor	ID 1
	TV.5	Continuity management	Establishing the continuously operative business for the client	ID 9
	TV.6	Problem analysis	Deeply analyzing a dedicated problem including solving strategies	ID 9, ID 10
	TV.7	Preparation of management presentations/decision support	Preparing key steering committees for the management to foster major project decisions	ID 8
	TV.8	Operative support/body-leasing	Filling employment vacancies with consultants for a short period of time	ID 5, ID 7
Aftercare service (new)	TV.9	Check contract after implementation	Reviewing the signed contract after the implementation	ID 5
	TV.10	Provision of aftercare service	Supporting the client for a short period of time after the go-live of the sourcing project	ID 3, ID 8, ID 11
	TV.11	Service improvement program	Proposing a program for several long-term improvements after the go-live of the sourcing project	ID 10
Organizational learning (new)	TV.12	Provision of lessons learned	Identifying lessons learned for further sourcing projects	ID 1

Table A5. Program/Project Management

Category	ID	Activity	Definition	Reference
Program/project management (ISO, 2014)	PP.1	Ensure governance structure	Building a project structure for an optimal project governance	ID 1
	PP.2	Structuring of work packages	Structuring the project work into smaller pieces	ID 3
	PP.3	Declare responsibilities	Declaring clear responsibilities for project work packages and tasks	ID 9
	PP.4	Organization of committees/boards	Preparing project committees and board meetings	ID 1
	PP.5	Kick-off of project	Organizing a kick-off meeting at the start of a project for bringing everybody on the same information level	ID 8
	PP.6	Resource/skill management	Defining required resources and skills for the project and after the go-live	ID 2
	PP.7	Project management office (PMO)	A dedicated team that manages the project organization, communication, and reporting	ID1, ID7, ID8, ID10
	PP.8	Tracking (project management) of deliverables	Continuously tracking the status of the project deliverables by the PMO	ID1, ID4, ID8
	PP.9	Definition of milestones	Clear definition of project milestones in consultation with the client	ID 1
	PP.10	Co-management of projects	Providing a double project lead with one person from the client and one person from the advisor	ID1
	PP.11	Workshop organization	Organizing project workshops for gaining information, arbitrating between parties, etc.	ID 2, ID 5, ID 7, ID 10
	PP.12	Roadmap development	Developing a project roadmap for enhancing the time planning	ID 2, ID 11
	PP.13	Conducting interviews	Collecting information from all involved parties by conducting interviews	ID 2

Table A6. Secondary Activities

Category	ID	Activity	Definition	Reference
Communication management (new)	SA.1	Support communication between different workstreams	Enabling communication between the various project teams	ID 3
	SA.2	Provision of communication strategy	Proposing the communication strategy, such as the questions what, when, to whom, etc.	ID 3, ID 10, ID 11
	SA.3	Provision of communication channels	Proposing the different communication channels (e.g., online, reports, face-to-face, etc.)	ID 6, ID 9
Cultural management (new) Human resources management (new)	SA.4	Provide cultural exchange	Providing options for the client to enable cultural exchange between involved parties	ID 8
	SA.5	Overcome cultural differences	Supporting the client and vendor to reduce cultural differences	ID 9, ID 11
	SA.6	Employee development	Enabling employees to improve individual skills	ID 10
	SA.7	Human resources	Working on project topics, which are related to the human resources	ID 4
Knowledge management (Sharma, 1997)	SA.8	Bring customers together for knowledge exchange	Enabling clients to exchange knowledge with previous clients of the vendor	ID 8, ID 10
	SA.9	Knowledge transfer	Enabling knowledge transfer between the client and vendor as well as between client and advisor	ID 2, ID 5, ID 7, ID 10
	SA.10	Provision of knowledge as subject matter expert	Using the role as advisor/expert to provide knowledge for a specific topic	ID 6
Management support (new)	SA.11	Elimination of prejudices	Supporting the management to eliminate any kind of prejudices of team members	ID 9
	SA.12	Management/support of political discussions	Arbitrating between involved parties to smoothen political project issues	ID 9
	SA.13	Top management support	Gaining top management support for the execution of the project	ID 3, ID 9, ID 11
	SA.14	Management coaching	Helping managers to enhance their skills and to improve their standing in the organization	ID 2, ID 5
Quality management (new)	SA.15	Validation/verification of work	Executing quality assurance tasks as a third-party controller	ID 1, ID 4, ID 5
	SA.16	Usage of four-eyes principle	Using the four-eyes principle for dedicated tasks of the project team	ID 1
Relationship management (new)	SA.17	Build own personal relationship to parties	Establishing relationships to different project parties for a better collaboration	ID 2, ID 6, ID 9, ID 10
	SA.18	Building trust	Developing trust to the client and vendor for a more open working environment	ID 7, ID 9
	SA.19	Enable win-win situation	Trying to establish a win-win situation between client and vendor	ID 4
	SA.20	Management of client-vendor relationship	Improving the relationship between client and vendor	ID 1, ID 8, ID 9
Risk and security management (Heemstra & Kusters, 1996)	SA.21	IT security	Supporting the client in IT security questions (standards, tools & systems, etc.)	ID 6, ID 9
	SA.22	Risk management	Establishing a risk management system/process for the project	ID 1, ID 3, ID 8

Table A6. Secondary Activities

Stakeholder management (new)	SA.23	Client relation/expectations management	Preparing the client for the outcome of the sourcing project and manage its expectations	ID 1, ID 3, ID 11
	SA.24	Mediation between parties	Mediating between all involved stakeholders of a sourcing project	ID 2, ID 7, ID 9, ID 11
	SA.25	Vendor management	Assuming the client's tasks and managing the vendor during the project	ID 4
	SA.26	Conflict management	Managing and solving conflicts between the stakeholders	ID 6
	SA.27	Management of stakeholders	Enabling stakeholders to bond with one another and managing them properly	ID 4, ID 7, ID 9, ID 11

Appendix B

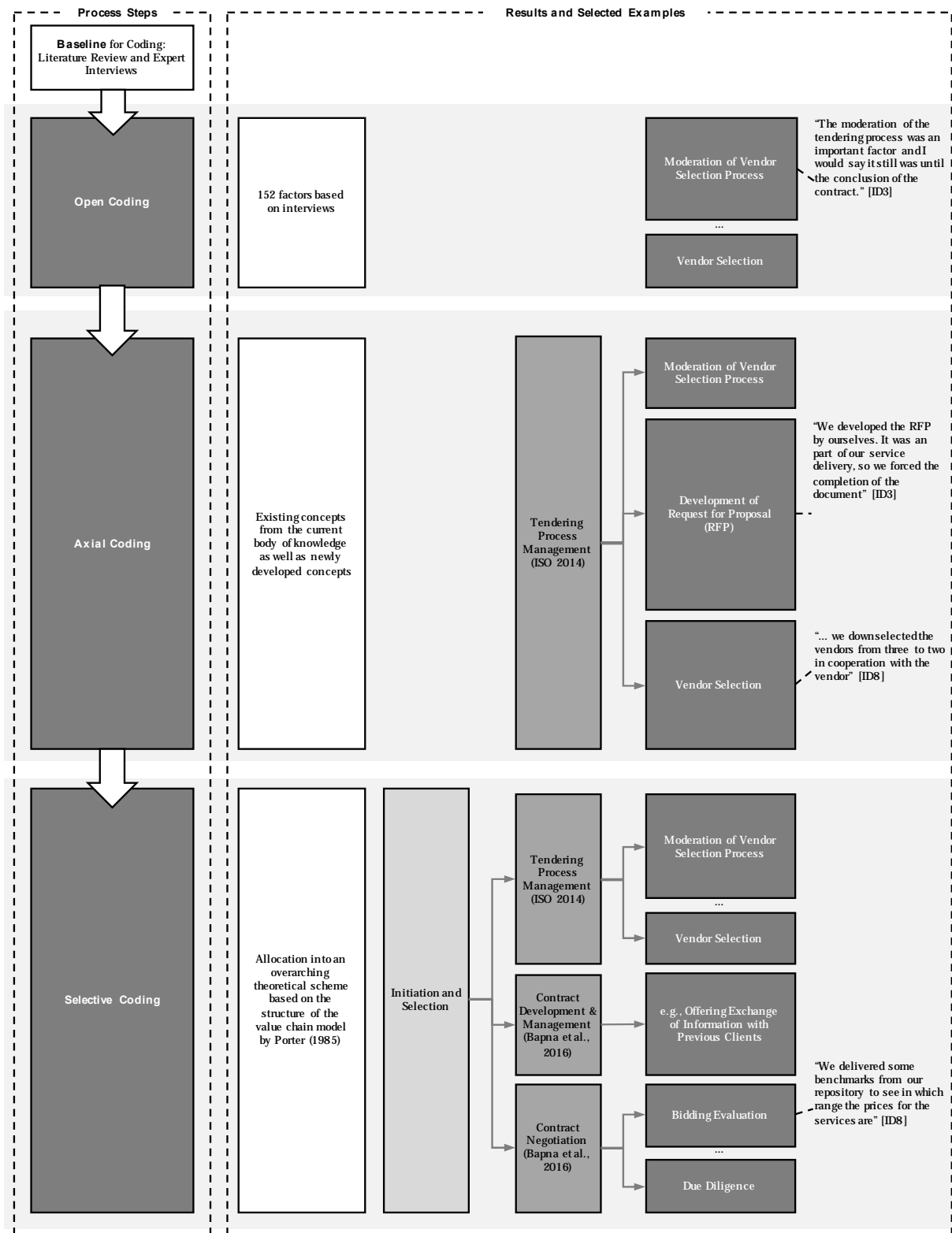


Figure B1. Coding Example

About the Authors

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