Towards effective knowledge systems: Helping consultants identify their world view

C.L.Massey

Department of Management, Massey University, New Zealand,
E-mail: C.L.Massey@massey.ac.nz

ABSTRACT: *In this study the researcher sought to identify the barriers to effective organisational consulting, and to understand the choices consultants make in working with clients. In the first stage of the research the consultant's experiences, their educational qualifications and their knowledge of the consultancy literature were identified as important factors. However, they concluded that the most important influence on the way in which the consultants planned client projects was the way in which they 'saw' organisations. This notion provided the basis for the final cycle of an action research project. Here the researcher and the consultants sought to describe their organisational metaphors for organisations, and assess the degree to which they influenced their behaviour with clients.*

Keywords: consultants, knowledge systems, organisational performance, metaphors

INTRODUCTION

Today's organisations are faced with increasingly difficult choices about appropriate development strategies and structures, within an environment that is increasingly characterised by the large amount of data that is available for decision making. Judging by the recent average growth in the revenues of the major international consulting firms, (which was 34% in the period between 1998 and 1999 according to Kennedy Information 1999), it appears that it is increasingly common for external consultants to be called in to assist the organisation's managers to select appropriate strategies from the plethora of available choices. If the consultancy project is successful the organisation's knowledge system will have been effectively extended. However, two factors have increased the challenges facing managers and consultants as they engage in improving organisational performance. The first is the explosion of knowledge, both in terms of best practice management and the practice of consulting: the consultant's 'body of knowledge' is larger than ever before. The second is the rapid expansion in the size of the consulting industry.

The emergence of management & management consultancy

The field of management emerged at the end of the nineteenth century in response to the demands of the increasingly industrialised economies of United States and Europe. Whilst it was the development of management as an area of study that was the chief force behind the development of management consulting, some individual figures are of particular significance. In the early part of the nineteenth century Frederick Taylor published his well-known treatise on 'scientific management' (1911) and this provided the basis for the field that we know today as management consulting.

One of the results of the growth in the field of management as an area of study and of management consultancy as an arena for *practice*, is that there has been an enormous explosion of information available to today's consultants. They have access to a 'body of knowledge' that covers all aspects of consulting to organisations, including the definition of management consultancy (see for example Steele, 1975; Greiner & Metzger 1983; Lippitt & Lippitt 1986; Kubr, 1996). Different models of change are identified (Bartunek & Moch 1987, Kubr 1996, Van de Ven & Poole 1995), organisational processes are described (see Damanpour 1991, French & Bell 1995, Narayanan & Nathu 1993, Van de Ven & Poole 1995, Wolfe 1994), and the consultant's diagnostic orientation is described as developmental (Barcus & Wilkinson 1995) or problem-centred (Kubr 1996). A choice of consulting 'approach' is offered: resource (Kubr 1996, Margerison 1988) or process (Schein 1969), and a model of the consulting 'process' is described as linear (Kubr 1996) or cyclical (Cockman Evans & Reynolds 1992). A plethora of different consulting tools are described (Champy & Hammer 1993, Porras 1987), and ways of assessing success are discussed (French & Bell 1995, Porras & Hoffer 1986).

In addition to the literature on consulting, there is a vast literature on management itself. Those interested in the practice of management can consult books on managing change (Pettigrew 1987; Senge 1990), take advice on improving organisational performance (Lawrence & Lorsch 1969,

Stolovitch & Keeps 1992), and identify frameworks for analysing issues such as organisational structure (Peters & Waterman 1982, Porras 1987, Porter 1990).

This ever-increasing stack of books and journals keeps consultants up to date in the latest theories about management, and introduces them to new tools and techniques for use with clients. But the size of the literature means there is simply too much material for any one consultant to comprehend. As a consequence, there is a tendency amongst organisational consultants to choose a particular area of specialty, drawing upon the literature that is specific to a single area such as strategic planning or performance improvement. The drawback of this approach is that consultants who specialise in this way will almost certainly be forced to ignore other areas of the literature on organisations. These consultants rely on their knowledge of a speciality area or a particular technique to provide them with client credibility, and often remain ignorant of the size of the literature on consultancy that exists, and the core concepts that underpin their work. At the same time these specialised consultants will almost certainly fail to recognise the 'big picture', and the need to understand the inherently systemic nature of organisations.

This situation provided the context for the study, where the researcher was primarily focused on understanding the barriers to effective consulting. Working with three consultant research partners over the course of two years in an action research study, the researcher sought to understand the reasons for the choices the consultants made in terms of their client interventions. In the first stage of the research the research team identified a number of influences, including their experience, their educational qualifications and their knowledge of the consultancy literature, as summarised above.

However, while these factors were clearly important in the way they affected project outcomes, the team concluded that the most important influence on the way in which the consultants planned client projects was the way in which they 'saw' organisations and organisational processes.

This notion (that their image of organisations was significant) provided the basis for the final cycle of the project. Here the researcher and the research partners sought to describe their organisational metaphors for organisations, and assess the degree to which this 'world view' influenced their behaviour with clients. This paper describes this process and presents a framework for a 'consulting approaches assessment' that was developed in the final stages of the study.

IN THE FIELD

After the study's first two research cycles the researcher concluded that there are a large number of factors that have the potential to act as barriers to success within a client assignment. Some of these factors relate to the client, others to the projects, and some to the client system. However, the researcher concluded that the most important influence on success is the consultant. He or she plays a key role in assessing the project elements and developing an appropriate strategy for the client. This task is of great importance; however, the researcher did not find an integrative framework which consultants could use to assess client projects in a systematic way.

To assist consultants with this task the researcher and the research partners worked together to develop a framework for consultants to use when identifying weaknesses in any of the intervention elements. Once this had been done, it would be possible for them (although not always straightforward) to identify intervention conditions and develop strategies that would minimise any negative effect.

Although this tool appeared to be a new development in terms of the consulting literature, and of real use to the consultants in this study, it had its limitations. This appeared to be chiefly due to the consultants themselves. Their ability to develop strategies for specific projects appeared to be dependent on their being highly skilled consultants already, with a strong foundation in the theory and practice of working with organisations. This was problematic, given that none of the three research partners had undertaken formal education in the practice of consulting.

This conclusion (that the limitations of the consultants is an important factor) guided the researcher in the development of a framework that would assist consultants to assess their own approach to consultancy and guide their professional development. The researcher aimed to raise the consultants' awareness of organisational consultancy as a field that is rich both in theory and in practical tools. As had already been demonstrated in this study, this relationship is not always explicit for practising consultants. A consultant may be trained in a particular discipline and yet take an eclectic approach to practice, picking up new tools as the opportunity presents itself. The resulting personal portfolio of products and services is not necessarily based on a single theoretical base, and the consultants in this study made little effort to assess whether the tools they were selecting in a particular case were

consistent with their conceptual understanding of organisations that derived from their theoretical grounding.

The framework that was developed in the third research cycle was based on seven key themes that had been identified within the literature as being important for practising consultants. These were: the model of change; organisational processes; diagnostic orientation; consulting approach; consultancy model; consulting process; assessing success and consulting tools.

Metaphors of organisations

In this cycle of the study the researcher worked with each of the three consultants separately. They were asked to develop a metaphor for an organisation, either through images or diagrams, and they were specifically asked to select a metaphor that would be 'useful' in terms of their work as consultants within organisations. The consultants worked through a number of images including a forest, an orchestra, a bunch of balloons and a game of snakes and ladders, before producing their final choices. One consultant produced an image of a ship undertaking a voyage, with the consultant acting as pilot. Another produced an image of an ecosystem, with the consultant as 'gardener'. A third image was that of the staircase, with the consultant depicted as guiding a client towards the top of the stairs (interpreted as representing the organisation's goals and objectives (Massey 1999).

Following the exercise the group was introduced to Morgan's work on organisational metaphors, with a particular emphasis on his statement that while metaphors help us to 'see' some things, they also prevent us from seeing others (Morgan 1997). They were also introduced to a way of categorising the different change theories. Van de Ven and Poole (1995) identify four basic types: life-cycle, teleology, dialectics, and evolution. They argue that these are the broad approaches that are used in the context of organisational change, either on their own or in combination.

The work of these two commentators provided the starting point for the discussion that followed, where the consultants shared with the researcher the insights they had reached as a result of making their own metaphors explicit. It was clear to each of them that their metaphors did influence the way in which they planned and carried out client interventions, and in the next phase of the research the consultants were asked to identify a relationship between their own frameworks for change and the way in which they approached client assignments, using the seven themes of the literature already identified. For example, the consultants who identified the ship and the staircase were unconsciously identifying their predisposition towards a teleological approach to change (following Van de Ven & Poole 1995), with organisations as self-determining entities. They identified this as their 'model of change'.

In the discussions that followed the consultants and the researcher explored the notion that there is a hierarchy within the dimensions. This hierarchical relationship meant that the model of change was seen as being central to all of the other frameworks that are associated with an organisational intervention. For example, the concept of organisations as self-determining seemed to be consistent with strategic planning as a consulting tool, and problem-centred as a diagnostic orientation.

By contrast, a third consultant drew a complex ecosystem, complete with vegetation, animals, a volcano, a forest and a river. Although he had been unable to describe his favoured 'change model' to the writer on a previous occasion, his pictorial representation said it all for him; in his mind organisations move through a natural cycle of change. This was consistent with a 'developmental' diagnostic orientation, and intervention activities that were centred on unlocking the potential of individuals and groups.

Reflecting on the research experience

In a further extension of the hierarchy notion the researcher developed Figure 1, which shows a regrouping of the concepts in terms of three distinct levels: conceptual, strategic and practical. This presentation drew upon the six cases in the entire study as well as the literature on organisational consulting, which could be organised in terms of its contribution to technical (or practical) issues (see for example, Kubr 1996, Porras 1987), strategic issues (French & Bell 1995) and conceptual issues (Schein 1988, Weisbord 1987).

The way in which the conceptual, strategic and practical levels fit together are explored below, in the researcher's final reflections upon the study. At the *conceptual* level the key issue is the way in which the consultant views change. Consultants who adopt the 'staircase' approach are likely to assume that organisations are 'self determining', whereas consultants who conceptualise the organisation as an ecosystem are likely to view it as entity undertaking a 'journey of change'.

Similarly, 'staircase' consultants may be more likely to identify organisational processes such as decision-making and planning as being important, while 'ecosystem' consultants focus on people-centred processes such as communication and 'organisational learning'. Another possible consequence of the focus on self-determination (or a teleological perspective) is that 'staircase' consultants will tend to take a diagnostic orientation that focuses on identifying and solving problems. By contrast, ecosystem consultants are more likely to be interested in 'developing' the organisation's potential.
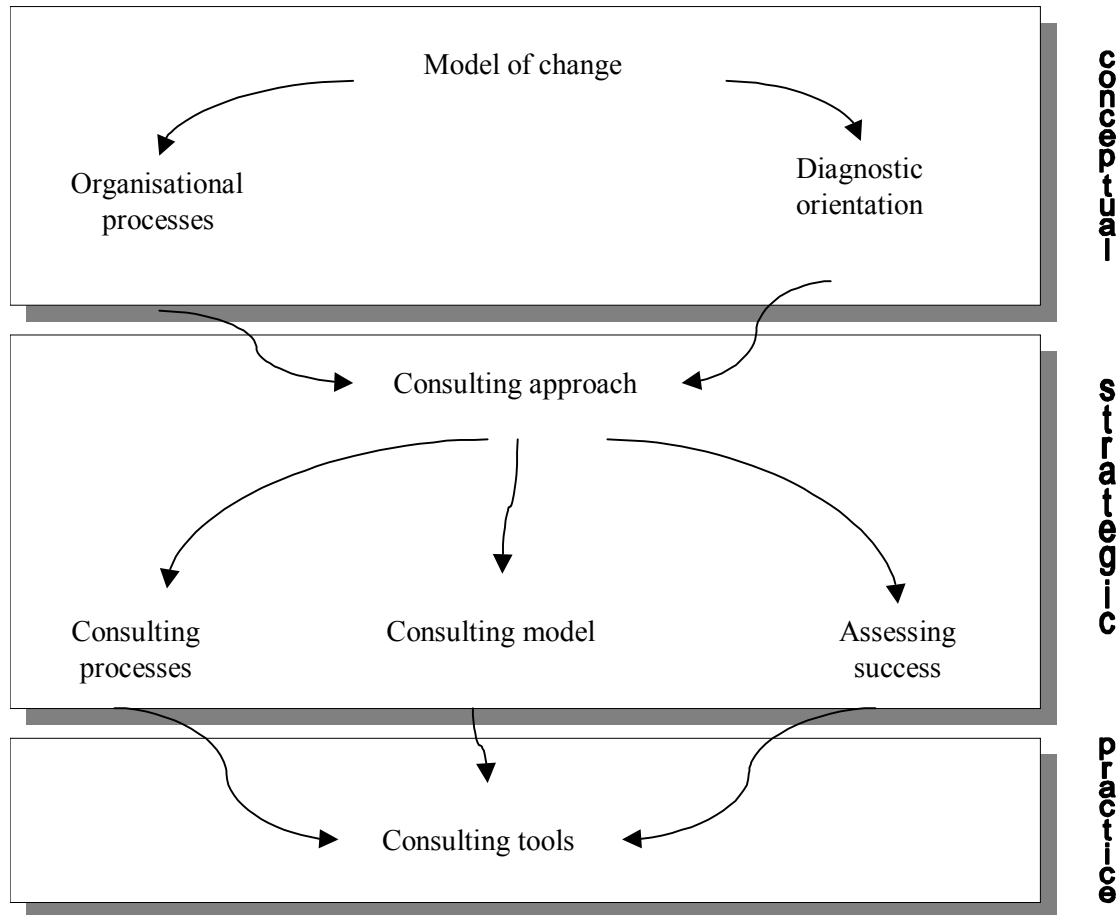

Figure 1: A model for organisational consultants

At the *strategic* level the difference is seen in the way the consultant approaches the client organisation, either focusing on 'gap analysis' or 'process congruency', depending on whether a problem centred or a developmental diagnostic orientation is taken. This choice then influences the choice of the consultancy model that is selected (expert or process), the process that is followed, and the way in which success is assessed. Thus, consultants with a staircase worldview will tend to operate as 'experts' view the consulting process as discrete and attempt to assess the project's success in terms of how well the organisation meets its objectives.

By contrast, a consultant with an ecosystem world view may be more likely to operate as a 'process consultant' will view the consulting process as inter-related to other organisational processes, and assess success in term of the 'value' of the process.

At the level of *practice* the difference is in the tools that are selected. Whereas staircase consultants may use strategic management or Business Process Reengineering as a way of approaching an organisational assignment in terms of practice, an ecosystem consultant would use other techniques and tools such as action learning.

CONCLUSIONS

As the consulting industry has grown, thousands of new consultants have emerged: individuals who have come to the field by a number of different paths. These new consultants are not always aware of the main theoretical frameworks for organisational consulting, and the researcher argues that one of the

results has been a weakening of the link between a consultant's actions and his or her 'theoretical base'. In a more recent trend, new consulting tools have been developed which are not linked to a conceptual base.

In practice this means that theory has become less critical to many of the hundreds of thousands of consultants who operate around the world today: for these consultants it is the tools of 'practice' that provide their underpinning frameworks, models and guiding principles. The consequence is that a consultant may undertake a client assignment without any attempt to relate his or her actions to a disciplinary base. For most consultants the link between theory and practice is neither implicit nor explicit; it is *intuitive*.

There is a risk in this situation for clients: It is their organisation that consultants are working with, their organisational processes that are the context for consultants' interventions. The degree of influence that consultants have on organisations means that clients deserve to know how they approach an organisation in change. Clients also need to know that whether the consultant conceptualises the consulting environment as an ecosystem or a staircase, as he or she will choose a different set of tools for each.

However, few organisational consultants are able to identify the underpinning theoretical approach that they use, although most will be able to talk at length about their favourite techniques for analysing the organisation's issues or evaluating its options for the future. Partly this is because the consulting literature is so extensive that few practitioners are able to keep pace with its rapid growth. The risk of this situation is that consultants will focus on the practical tools of consulting rather than its fundamental concepts, and that the link between robust organisational theory, and practice, which is already tenuous, will become weaker still.

Given the apparent importance of consultants in organisations today (as suggested by the growth in industry revenue internationally), this is a serious situation for managers. In organisations everywhere managers are struggling with the explosion of knowledge sources. They have access to data on competitors, new markets, customers, products, and an increased amount of advice on best management practices. They have every right to expect that consultants will be able to guide them through some of these information mazes – at least those that are concerned with the seemingly endless pieces of advice on management practice. However, if consultants themselves are unaware of the link between theory and practice, this is unlikely to occur. Not only will they be unable to advise clients on the quality of the new offerings from the management press, they will be unable to make this same literature meaningful for themselves.

In this study the consultants were encouraged to identify the frameworks that were fundamental to the way they approached organisations. This was their metaphor of organisations – a concept that could be described as their organisational 'worldview'. The act of identifying their worldview appeared to assist them to be critical about their intervention choices, and to take more considered actions in client projects.

The researcher suggests that if organisations are to improve their performance in the context of the 'knowledge economy', their needs to be greater recognition of organisations as existing within a knowledge *environment* – an environment that is inhabited by other organisations as well as by consultants and advisors with particular 'worldviews'. The model developed in this study is offered as a contribution to this debate.

REFERENCES

Barcus S. W. and Wilkinson J. W. (1995) *Handbook of Management Consulting Services* (2nd ed.), McGraw Hill, New York.

Bartunek J. M. and Moch M. K. (1987) First-order, Second-order, and Third-order Change and Organization Development Interventions: A Cognitive Approach. *Journal of Applied Behavioral Science*, **23**(4), pp. 483 -500.

Champy J. and Hammer M. (1993) *Reengineering the Corporation*, Nicholas Brealey, London.

Damanpour F. (1991) Organizational Innovation: A Meta-analysis of Effects of Determinants and Moderators. *Academy of Management Journal*, **34**(3), pp. 555 -590.

French W. L. and Bell C. H. Jr. (1995) *Organization Development: Behavioral Science Interventions for Organization Improvement* (5th ed.), Prentice Hall, Englewood Cliffs, NJ.

Greiner L. E. and Metzger R. O. (1983) *Consulting to Management.* Prentice Hall, Englewood Cliffs, NJ.

Kennedy Information (1999) Big Five Post 32.4% Consulting Growth. *Consultant's News*, **29**(2), pp. 1, 12.

Kubr M. (1996) *Management Consulting: A Guide to the Profession* (3rd ed.), International Labour Office, Geneva, Switzerland.

Lawrence P. R. and Lorsch J. D. (1969) *Developing Organizations: Diagnosis and Action,* Addison Wesley, Reading, MA.

Lippitt G. and Lippitt R. (1986) *The Consulting Process in Action* (2nd ed.), University Associates, San Diego, CA.

Margerison C. J. (1988) *Managerial Consulting Skills: A Practical Guide,* Gower, Aldershot, England.

Massey C. (1999) *The Role of the External Consultant in Facilitating Enterprise Development,* Unpublished doctoral dissertation. Massey University, Palmerston North, New Zealand.

Morgan G. (1997) *Images of Organization* (2nd ed.), Sage, Thousand Oaks, CA.

Narayanan V. K. and Nathu R. (1993) *Organization Theory: A Strategic Approach,* Irwin, Homewood, IL.

Peters T. J. and Waterman R. H. (1982) *In Search of Excellence: Lessons from America's Best Run Companies,* Harper Row, New York.

Pettigrew A. M. (1987) *The Management of Strategic Change,* Blackwell, Oxford, England.

Porras J. I. (1987) *Stream Analysis: A Powerful Way to Diagnose and Manage Organizational Change,* Addison Wesley, Reading, MA.

Porras J. I. and Hoffer S. J. (1986) Common Behavior Changes in Successful Organization Development Efforts. *Journal of Applied Behavioral Science,* **22**(4), pp. 477-494.

Porter M. (1990) *The Competitive Advantage of Nations,* Macmillan Press, London.

Schein E. (1988) *Process Consultation: Its Role in Organization Development* (2nd ed.), Addison Wesley, Reading, MA.

Senge P. M. (1990) *The Fifth Discipline: The Art and Practice of the Learning Organization.* Doubleday, New York.

Steele F. (1975) *Consulting for Organizational Change,* University of Massachusetts Press, Amherst, MA.

Stolovitch H. D. and Keeps E. J. (1992) *Handbook of Human Performance Technology: A Comprehensive Guide for Solving Performance Problems in Organizations.* Jossey-Bass, San Fransisco.

Taylor F. W. (1911) *Scientific Management,* Harper: New York.

Van de Ven A. H. and Poole M. S. (1995) Explaining Development and Change in Organizations. *Academy of Management Review,* **20**(3), pp. 510-540.

Weisbord M. R. (1987) Toward Third-wave Managing and Consulting. *Organizational Dynamics,* **15**(3), pp. 5-24.

Wolfe R. A. (1994) Organizational Innovation: Review, Critique and Suggested Research Directions. *Journal of Management Studies,* **31**(3), pp.405 -431.