

Consultants as agents of organizational learning: the importance of marginality

Berthoin Antal, Ariane; Krebsbach-Gnath, Camilla

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**"Consultants as Agents of Organizational Learning:
The Importance of Marginality"**

by

Ariane Berthoin Antal and Camilla Krebsbach-Gnath*

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Wissenschaftszentrum Berlin für Sozialforschung gGmbH (WZB)

Reichpietschufer 50, D-10785 Berlin

Telefon +49- (0) 30-25491-0, Fax + 49- (0) 30-25491-684

ABSTRACT

This article explores the wide range of roles that consultants can play to either enable or hinder organizational learning processes. A core concept in this analysis is the achievement of an appropriate "marginality" of the consultants' role, in order to allow the organizational members to maintain the "centrality" for themselves that is needed to assure that learning is retained in the organization. The article argues that a number of forces can conspire to propel the consultants to central roles, and thereby impede rather than promote organizational learning. The clarification and negotiation of roles between the consultants and the members of the organization are therefore treated as a key process in determining the impact of consultants' interventions on organizational learning.

ZUSAMMENFASSUNG

Berater können im Prozeß des Organisationslernens ein breites Spektrum von Rollen einnehmen. Dieser Artikel untersucht, inwieweit diese Rollen den Lernprozeß entweder stützen oder verhindern. Kernstück der Analyse ist das Erreichen einer angemessenen "Marginalität" der Beraterrolle, die erst den Mitgliedern der Organisation ermöglicht, die "Zentralität" im Lernprozeß zu gewinnen, die notwendig ist, um Lernen und Lernergebnisse in der Organisation zu halten. Gezeigt werden eine Reihe von Kräften, die Berater in eine zentrale Rolle bringen und dadurch Organisationslernen eher verhindern als unterstützen. Die Klärung und Aushandlung von Rollen zwischen Beratern und Organisationsmitgliedern wird als Schlüsselprozeß dafür gesehen, ob und wie erfolgreich der organisationale Lernprozeß verlaufen kann.

More and more companies are hiring consultants to help them solve a variety of problems and improve or stabilize their position in the market. Reengineering, Total Quality initiatives, Culture Change, and Lean Management are the leading headings under which management consulting has been conducted in the last decade, each of which often require organizations to engage in significant learning processes. This chapter explores the roles that consultants play in organizational learning and highlights how many of these roles can either promote or hinder organizational learning. It discusses how both consultants and their clients shape the conditions for a positive or negative role impact.

There is very little research explicitly on how consultants contribute to or impede organizational learning (for overviews see Steyrer, 1991; Ginsberg & Abrahamson, 1991; Delany, 1994). It is therefore necessary to look in the neighboring fields of organizational development and change management to find studies exploring the roles of consultants in these related processes. Although the work in these fields rarely treats organizational learning explicitly, there is often an implicit learning dimension to both organizational development and change management, particularly in the commitment to "help for self-help" that underlies the work of consultants in organizational development (French & Bell, 1984; Thom, 1992; & Küster, 1993).

In order to generate a fuller picture of the roles of consultants in organizational learning, we built on this research base with four additional sources: reports on management consultants in the business press and practitioners' journals; publications by some of the major consultancies¹; interviews with managers who have worked with consultants²; and our own experience in working with a variety of client organizations over the past twenty years. Drawing on these combined resources, we sought to understand how consultants and their clients conceive of organizational learning, how they define the roles to be played in the process, and how they analyze their experiences to date.

¹ The authors would like to thank Ekmel Cizmecoglu, John Gaynor and Kristina Vaillant for their research assistance.

² The interviews conducted in the context of a study of how companies have learned how to downsize, in which managers reflected on the use and usefulness of consultants (Berthoin Antal, 1997).

I. Defining the population

The consulting profession has a long tradition of helping organizations prepare for the future, reaching back to soothsaying by high priests and court jesters (Turner, 1995:155; for an overview of the history of management consulting and of types of consultancies today, see Kubr, 1996:27-40) The population of consultancies today ranges from large multinational companies providing a range of services to smaller, focused consultancies, through to the individual experts or part-time academic consultants. Furthermore, there are organizations that, in addition to their primary roles, also provide advice to companies, such as the trade organizations and industrial associations in Germany which provide consultancy to their members.

A small but growing segment of the population of consultants can be found inside organizations: for example, companies are designating some employees as "change agents" and are developing their human resource managers to take on roles as internal consultants (Berthoin Antal & Lange, 1997). There are strong business reasons for developing internal consultants and clear advantages for organizational learning: they know their organization better and can read the politics more effectively, they generally identify more strongly with the interests of the organization, and they are often better accepted by lower level managers than external consultants. However, there is a downside in that they usually share the same blind spots as do the managers of their organization and cannot bring in as much experience with other ways of seeing and doing things as external consultants can. Being a part of the existing culture and structure, they are rarely in a position to conceive of introducing major changes (Staehele, 1994:918). Experiences in the fields of organizational development and change management suggest that these limitations can sometimes be compensated for by building a team of internal and external consultants (Block, 1986; Newstrom & Davis, 1993:296).

Not only does consulting have a long tradition--it is a very large and growing business. The market is currently booming on a global scale (Staute, 1996:9; Bierach, 1996a:162; Jackson, 1996:8; Kurbjuweit, 1996). The most visible, and probably dominant, members of the population are the big international management consultancies (see Table 1,

appendix). Although there are no reliable statistics on the population of the smaller and individual consultancies, their influence should not be underestimated, neither for its scope nor for its creativity.

For the purpose of understanding the dynamics of consultants as actors in processes of organizational learning, this chapter will focus on the category of management consulting.³ This is a wide category that includes a range of organizational change and strategic development work. A generally accepted definition that encompasses the generic purposes of management consulting describes it as an "independent professional advisory service assisting managers and organizations in achieving organizational purposes and objectives by solving management and business problems, identifying and seeing new opportunities, enhancing learning and implementing changes" (Kubr, 1996:8). The growing significance of strategy consulting is illustrated by the fact that 61 percent of the 1559 top managers in 12 European countries surveyed by CSS (Customer Satisfaction Surveys) reported that their company had brought consultants in on at least one strategic project in the past year, compared with 48 percent two years earlier (Bierach, 1996b:132).

The clients of management consultants are diverse. Although the prime candidates remain large companies, the pressures of change and globalization are broadening the client base. Companies of all sizes are seeking help from consultants in strengthening themselves for international competition and rapid technological change (Kurbjuweit, 1996). For example, "clients are asking us to work on strategic partnerships, alliances,

³ The focus on "management consulting" does not include such consulting services as executive search, consulting on information technologies (IT), and other special expertise. The outcome of executive searches may have an impact on organizational learning, in that newly recruited members of management can be expected to influence learning processes (Carley, 1996; Virany, Tushman & Romanelli, 1996), however, the actual process of working with an executive search firm is not central to organizational learning as such. The field of IT consulting is also excluded here because, as Jackson points out, the growth of consulting activities corresponds to a kind of outsourcing whereby the consultancy companies are "buying the company's IT staff and running the process because they are better at it...and that's not consulting as I understand it" (Jackson, 1996:8). The focus on management consulting avoids the Pandora's box of equating training with organizational learning. Training, whether for individuals or, more recently, for teams and units in organizations, is dedicated to learning, but its relevance for organizational learning remains indirect at best. The concern is that "training programs, regardless of how personally powerful, do not change organizational behavior...(because) these programs simply do not affect enough elements in the system--roles and responsibilities at work, the boss, rewards, and structure for example--to change organizational behavior" (Beer, Eisenstat & Spector, 1990:33; also provides an overview of the literature.)

and projects in ways they didn't before. And the global requirement will take in south-east Asia and eastern Europe, which the global player will have to respond to," points out the European director of management consultancy at Price Waterhouse, Peter Davis (Jackson, 1996:8, see also Byrne, 1996). Furthermore, it is not only in the private sector that the consultancies are engaged. For example, in Germany as diverse a clientele as the Bremer Theater, the city of Ludwigshafen, the football club of Bayern München, St. Georg's hospital in Hamburg, Deutschlandfunk (a major nation-wide public radio station in Germany), and the protestant church in Munich has called on McKinsey (Kurbjuweit, 1996).

II. How consultants conceive of learning

The academic literature has generated a multiplicity of definitions of organizational learning (for recent overviews and critiques see, for example, Krebsbach-Gnath, 1996; Moingeon & Edmondson, 1996; and Marriott & Morrison, 1996). It would not be surprising if consultants produced as great a range of definitions. Before exploring the roles consultants play in organizational learning processes, it is therefore useful to look at how they conceive of these processes⁴. The key elements from the academic literature to look for in consultants' representations are:

1. To what extent do they include an awareness of both a behavioral and a cognitive dimension to learning?

The definitions by such scholars in the area as Huber, who suggests that "an entity learns if, through its processing of information, the range of its potential behaviors is changed" (1991:89) bring out change in behaviors as an outcome of learning, but do not limit it to observable behavioral change (Cook & Yanow, 1993:377). Huber's definition does not explicitly include a perceptual dimension in learning processes, but enables it to be subsumed in information processing, since perceptions play a significant role in organizational learning by filtering the

⁴ Seven major international consultancies were asked to provide materials for this analysis, including brochures on products and services, newsletters, and publications describing experiences with learning processes in client organizations. The range of publications of smaller or individual consultancies are not systematically accessible nor have representative surveys of them been undertaken on which we could draw.

information considered relevant for processing (Berthoin Antal, Dierkes, & Haehner 1997).

2. How do they distinguish between individual and organizational learning?

There is a broad consensus in the academic literature that while individuals are the agents of organizational learning (Friedman, forthcoming) organizational learning is more than the sum of individual learning (Argyris & Schön, 1978). This is not simply a matter of diffusing information. Therefore attention is focused on the processes of interaction between individuals that lead to the generation of shared knowledge (Nonaka, 1994), collective framing and sensemaking (Daft & Weick, 1984; Brown & Duguid, 1991) and the integration of individual learning into an organization's memory and structure (Kim, 1993).

3. What kind of process model do they assume?

There is a view of organizational learning as an ongoing dynamic which can be channeled or unblocked, but not planned (Schreyögg & Noss, 1995). However, most researchers see it in terms of phases and steps that can be initiated and planned, whereby the process is usually conceived of as iterative, with feedback loops to allow adjustments for unforeseen developments (Daft & Weick, 1984; DiBella, Nevis & Gould, 1996).

The definitions used by the consultancies are quite consistent. They all emphasize learning as an ongoing process, and as an outcome of the acquisition of knowledge and the review of experience. Price Waterhouse, for example, defines a learning organization as "one that has the willingness and capacity to acquire knowledge and leverage it to modify behavior in the pursuit of enhanced organizational effectiveness. The ultimate goal should not be the pursuit of a precise answer, but rather the stimulation of new thinking that leads to productive action" (Pederson & Dickinson, 1995:7). Arthur D. Little contends that organizational learning is "an Organization's capacity to learn from its experience, to examine its own processes, and change itself" (Lancaster, 1995:45). Boston Consulting Group writes that "learning occurs when the requirements of knowledge, will, and ability are continually realized in many small steps" (v. Oetinger, 1994:2, our translation).

The process of organizational learning is outlined by Arthur D. Little as occurring in five classical stages: "awareness, understanding, action, review, and reflection" (Lancaster, 1995:19 and 59). The other consultancies do not specifically identify steps in learning processes in their materials, but they do describe steps in change processes. For example, Schitag, Ernst & Young (1996b) specify "1. Strategy/problem analysis; 2. organization; 3. analysis; 4. design; and 5. Realization" (p. 6, our translation). They also highlight the need to analyze the willingness and ability to change, which would presumably precede their first step. Booz Allen & Hamilton do not mention organizational learning specifically, but do describe their approach to re-engineering in terms that are relevant for learning:

1. Understand the process as it exists, rather than how we believe it works.
2. Listen to and solicit input from employees who actually do the work.
3. Redesign processes from the customers' perspective.
4. Look for innovative ideas and model against the best companies.
5. Deploy all new processes and systems at a test site before rolling them out company-wide (Lee, 1996:59).

Boston Consulting Group also conceives of a process but emphasizes that "the sequential progression of analysis, discovery, and implementation must be abandoned. The development of strategy and its implementation must occur simultaneously" (Habgood, 1986:col. 1, our translation).

In summary, these definitions indicate, first of all, an awareness on the part of the consultancies of both cognitive and behavioral dimensions to organizational learning. They appear to have avoided the trap of becoming locked into one of the two academic traditions and succeeded in bridging them as academics are currently being encouraged to do (e.g., Hedberg & Starbuck, forthcoming).

The second conclusion from this review is less positive, however. The consultancies do not elaborate on the distinctions or links between individual and organizational learning, but rather anthropomorphize the organization as an actor. A lack of differentiation and clarity on this matter augurs badly for role specification in learning processes. If consultants and their clients are not clear about the key characteristics of organizational

learning as distinct from individual learning, it is very likely that insufficient attention will be paid to the dynamics of embedding individual learning in the organization.

Thirdly, the materials suggest that the consultants equate learning and change, which they see as processes that progress through definable steps. These steps are treated as plannable, and usually as sequential. Mention is made of simultaneous processes, but the iterative and unplannable dimensions of learning and change processes treated in the academic discussion are not reflected in the consultants' publications. From a marketing point of view, this is not surprising for two reasons. Firstly, it is easier for a client to understand and embark on a neat looking process with a clear beginning and a clear end point than it is to sell a client a process that appears unplannable and messy. Secondly, as Schreyögg & Noss (1995) point out, the logical consequence of the latter view of organizational learning is that agents who are not full members of the system have a relatively limited contribution to make. It would appear to contradict basic principles of marketing to expect consultants to highlight the marginality of their potential contributions (Kieser, forthcoming). In fact, it is precisely in this positioning that the crucial tension between the roles of consultants and the expectations of their clients lies. In order for consultants to contribute effectively to organizational learning, they need to manage this tension in the relationship with their clients.

March (1991) pointed out that it is "on the margin" that consultants⁵ can ideally contribute to organizational learning. By this he meant that consultants should "attempt to complement, rather than duplicate" what members of organizations have already learned through their own experiences (March, 1991:26). The concept of marginality can usefully be expanded to include several dimensions: marginality of perspective, of influence, and of action. External consultants can offer their clients a "marginal" perspective, in the sense that they can add value to the client's learning process by bringing an outside view to the organization. During an intervention, consultants can choose to exert influence over the client's choice of actions in a directive or non-directive manner, whereby less directive approaches imply that the consultants play a more

⁵ March (1991) introduces the concept of "marginality" in an article exploring the contributions of consultants and researchers to the experiential knowledge of managers. Empirical research by Hofmann

marginal role in the client's decision. Marginality in action refers to the relative centrality of the client versus the consultant in actually undertaking steps during the intervention. A core thesis of this paper is that the achievement of an appropriate marginality of the consultant vis à vis the client on all three of these dimensions is needed in order to assure that learning is generated and retained in the organization.

III. Roles Consultants Play in Organizational Learning

Consultants are very rarely (if ever) brought in to organizations specifically with the charge of "improving organizational learning." They are generally called to "solve problems" with the aim of enhancing the performance of the organization. There is, however, an implicit learning agenda behind the problem-solving/performance improvement task because it assumes that things must be done differently or new things done, both of which require learning. In seeking to fulfill their mission, consultants play a wide range of roles in organizations, and these roles vary in their potential impact on learning. The various roles can make different kinds of contributions to organizational learning, and, depending on how they are played, roles can have a positive or a negative impact on the learning process.

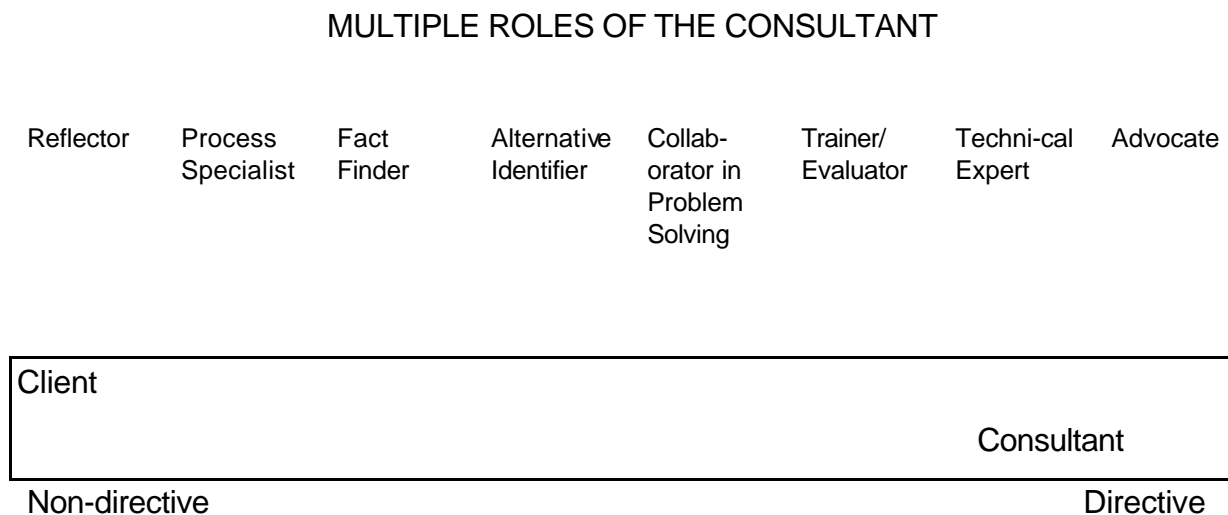
A. Typology of Consultants' Roles

The two most commonly used categorizations to distinguish between different types of consultants' roles are content vs. process, and the directive/non-directive continuum (e.g., Kubr, 1996; Schreyögg & Noss, 1995). Content-focused consulting roles involve the provision of expertise (e.g., information) and delivery of a specific service for the client (e.g., designing a new system). Process consulting, by contrast is „a set of activities on the part of the consultant that help the client to perceive, understand, and act upon the process events that occur in the client's environment" (Schein, 1987:34). There is currently a trend toward recognizing the complementarity of content and process consulting, and consultants are finding it necessary to develop skills in both modes (Kubr, 1996:58).

(1995) revealed a similar phenomenon in the positioning of the expertise offered to small and medium sized firms by academics as well as consultants.

The range of types of activities management consultants can provide in organizations can be distributed along the directive/non-directive continuum, as illustrated in Figure 1. The figure also serves to highlight how the consulting activities at the non-directive end of the continuum place the client in the position of primary actor and the consultant on the margin, while the activities toward the directive end of the continuum assign a far greater presence to the consultant and tend to marginalise the activity level of the client.

Figure 1 Type and level of consultant activity vis à vis client



Level of Consultant Activity in Problem-Solving

| | | | | | | | |
|---------------------------------|---|--------------------------------------|--|---|--|---|--|
| Raises questions for reflection | Observes problem-solving processes and raises issues mirroring feedback | Gathers data and stimulates thinking | Identifies alternatives and resources for client and helps assess consequences | Offers alternatives and participates in decisions | Trains the client and designs learning experiences | Provides information and suggestions for policy or practice decisions | Proposes guidelines, persuades or directs in the problem-solving process |
|---------------------------------|---|--------------------------------------|--|---|--|---|--|

Source: Milan Kubr (ed.) (1996) *Management Consulting. A Guide to the Profession*, 3rd edition. Geneva: International Labor Office: 61 (adapted from University Associates, La Jolla, California, USA). "Copyright © International Labour Organization 1996"

Although the boundaries between content and process types of management consultancy approaches are blurring in practice, it is worth noting that in their "pure" modes they imply different assumptions about learning. The content mode of consulting assumes learning to be a process whereby information and skills are transferred from expert to student, whereas the process mode of consulting treats learning as a participative experiential process that the consultant can facilitate for the client. This distinction highlights the fact that the role played by the consultant as a particular counterpart role for the client. For example, if a client organization is not a willing recipient of the information that the consultant is capable of providing, learning is not likely to result from the intervention. Similarly, if the consultant attempts to facilitate a participative learning experience, but the client organization is seeking an input of information or clear directions on what to do, the learning process will be impeded. This means that in order for the consultant to contribute effectively to meeting the client's needs, the client organization must play its counterpart role appropriately as well.

B. Categorizing Clients

Much less work has been done to differentiate client roles than consultant roles and (Hoffmann & Hlawacek, 1991: 419; Strasser, 1993) although the need to look at the match in roles and expectations has been recognized for a number of years (Gattiker & Larwood, 1985:127). A preliminary categorization that offers connections to organizational learning uses two axes: the willingness of the client to learn and cooperate with the consultant, and the level of problem urgency or pressure the client is experiencing when calling in the consultant (Fleischmann, 1984 cited in Hoffmann & Hlawacek, 1991:420; Carqueville, 1991:271). Figure 2 illustrates the four types of clients that result from these two dimensions. A typology such as this one is more of a snap-shot view of a client at a particular time dealing with a specific problem than a permanent label. Clients can move between cells depending on the situation they are facing.

Figure 2 Typology of clients

| | | Willingness to learn and cooperate with the consultant | |
|---------|------|--|--------------------------------------|
| | | Low | High |
| Urgency | High | I. The Driven | II. The Crisis Managers |
| | Low | IV. The Image Managers | III. The Cooperative Problem Solvers |

Based on Fleischmann, P. (1984) p. 123 found in Hoffmann, Werner & Stefan Hlawacek (1991) "Beratungsprozesse und -erfolge in mittelständischen Unternehmen" in Michael Hofmann (ed.) *Theorie und Praxis der Unternehmensberatung. Bestandsaufnahme und Entwicklungsperspektiven*. Heidelberg: Physica: 420 (our translation).

The matrix suggests that two kinds of clients can be found when there is urgent pressure to resolve a problem: those who want the consultant to solve the problem for them (the Driven) and those who are interested in learning and participating in resolving the problem themselves (the Crisis Managers). When there is low problem pressure, clients may feel that they can afford to take the time to learn (the Cooperative Problem Solvers), or they can be quite uninterested in learning (the Image Managers). These categories were used in a study of 62 consulting cases in Austria, revealing a distribution that appears quite promising for organizational learning: 16 percent of the clients were categorized as Driven; 23 percent as Crisis Managers; 52 percent as Cooperative Problem Solvers; and only 9 percent as Image Managers. In other words the overwhelming majority (75 percent) were considered willing to learn and take an active role in resolving their problem (Hoffmann & Hlawaceck, 1991:421).

C. Matching consultant roles with client roles

There have been theoretical and empirical efforts to match the four very rough categorizations of client types presented in Figure 2 with consultants using the

content/process and the directive/non-directive typologies (Carqueville, 1991:270-272; Hoffmann & Hlawacek, 1991:419-423). These studies suggest that "Driven" clients will seek only to use the content input a consultant can provide but they are not likely to be interested in participative learning processes. "Crisis Managers" are in principle more willing to engage with the consultant in a learning process, but still have a high focus on using the consultant's input in order to resolve the immediate problem. "Cooperative Problem Solvers" are the ideal clients for consultants skilled in stimulating participative learning processes. Lastly, the "Image Managers" are the most likely to bring in consultants as a symbolic gesture, with little or no intention of learning from the intervention, so the consultant will be asked to provide content inputs but no process is put in place for the input to be used. The researchers concluded that in practice the directive modes of consulting dominated for all four client types, with a greater amount of non-directive consulting reported only with "Cooperative Problem Solvers" (Hoffmann & Hlawacek, 1991:422-23). Since directive modes of consulting tend to put the consultant rather than the client in a central position, the marginality of the consultants' role that is needed for effective organizational learning appears to be difficult to achieve.

These categorizations are very broad, so it is useful to look more closely at the process of role clarification. The clearer the consultants and the clients are about the type of learning sought, and their respective expectations in the process, the greater the likelihood that organizational learning will result from the interaction. Market research suggests that client organizations are quite clear about what they expect from consultants, so at first glance it might appear easy to achieve the match between learning needs and expectations. For example, an international study by CSS listed as the three primary reasons given by senior managers for engaging consultants:

- 66 percent lack of in-house know-how
- 49 percent "objectivity" of external perspective
- 48 percent to benefit from experiences of other companies (cited in Bierach, 1996b:131).

A closer look at the dynamics of role-taking and role-making (Carqueville, 1991) processes involving consultants in organizations shows that this first impression is misleading. The process of matching learning needs and roles is more complex, and

the outcome is often not conducive to maximizing the use of learning opportunities. First, the official or explicit reason a client chooses to bring in a consultant does not necessarily correspond exactly with the actual needs in the organization. The discovery of the needs is in fact one of the major initial tasks in the consultancy, and can result in different roles than those that appeared to flow from the first definition of the problem. This means that the role originally given to the consultant by the client frequently has to be revised, implying that the original role the client expected to play in the process should be revised as well. Secondly, consultants tend to play several roles over the course of an assignment, not just one. While working on a project, consultants "make" their own roles, e.g., as a result of their professional style and their perceptions of the changing needs in each phase of an assignment, and they "take" the roles given to them by their different counterparts in the client organization. Thirdly, much of the role taking and making process is handled implicitly, rather than explicitly. Even in the contractual phase some roles are left unspoken by both the consultant and the client (Carqueville, 1991:263). Fourthly, and possibly most significantly, the power relations in the process of defining roles and achieving a congruency between the expectations of the consultant and the client are skewed. Since the client has the power to hire and fire the consultant, the client is in the driver's seat in determining expectations and roles. While the consultant can exert a certain amount of influence on the client to achieve a mutually acceptable congruence, in the end the choice is between modifying his or her own expectations to match those set by the client, and not accepting the task.

There is therefore no guarantee that the match is well made to support organizational learning. As a result, it is likely that blockages to learning that are deeply embedded in the organization's culture will remain untouched. For example, when the client succeeds in so circumscribing the consultants' role that they cannot gain access to the necessary information, or when the consultants limit their own role and collude with the client to leave the barriers hidden.

IV. How Consultants Support or Impede Organizational Learning Processes

Consultants can play different roles in different ways during the organizational learning process. Various stage models have been suggested to date, generally agreeing on four stages (Berthoin Antal, 1997). The models of organizational learning processes tend to start with knowledge acquisition, then information interpretation and diffusion, to translation into action, and finally, storage in organizational memory. The iterative nature of organizational learning processes is explicitly recognized in some models, so the presentation of stages should not be seen as a simple linear approach (see Pawlowsky, forthcoming). Although the current stage models of organizational learning start with knowledge acquisition, when one observes the roles consultants play in practice, additional preliminary phases become visible: the generation of an awareness of the need to learn, and the definition of the problem to be dealt with. Consultants can be involved in both content and process dimensions during these phases, in directive and non-directive ways. They can share levels of activity with their clients to greater or lesser degrees of marginality and centrality.

1. Generating a need to learn

a) Direct impact

The generation of the awareness of the need to learn to do or see things differently is a primary function of consultants. This is particularly evident when clients are expecting consultants to take over the problem and make it go away. In order to put the client into the center of activity, consultants have to awaken a need to learn. Some consultants seek to achieve this by combining a content and process approach in a directive manner that involves confronting the client with very different realities. Wilhelm Rall of McKinsey reports shaking up his German clients by showing them production sites in Japan. They "experience an existential uprooting. At first they think they have no chance, that it is totally hopeless. Then, after analysing the situation, they usually come to the conclusion: 'I can do that too.' It is then that change becomes conceivable for them" (Kurbjuweit, 1996, our translation). In this case, the consultant takes on the role of generating a need and willingness to learn in the client organization by exposing a group of opinion-makers and decision-makers in the organization to new information and challenging them to change their mindsets about what is possible. The clear message

in this approach is that the client must learn--the consultant can only help by creating the conditions for the client to learn; his or her role is marginal compared to the centrality of the client in the learning process.

Generating a need to learn often requires challenging existing recipes for success in solving problems that have been built up in the organization (Phills, 1996; see Dierkes & Marz, forthcoming). This means that the consultant must get the client to accept greater levels of complexity and discomfort to resolve the problem than the client probably originally expected. It also often means dealing with discrepancies between espoused theories and actual behavior by the client, which can be painful for the client and frustrating for the consultant (Argyris, 1991; Friedman & Rothman, forthcoming). Not surprisingly, consultants who tackle such difficult issues face a high risk of being rejected by the organization. External consultants are then fired, internal consultants are assigned to other projects and asked to leave. Nevertheless, such challenging of assumptions and reframing of past solutions as inappropriate for current problems is a key role consultants play to trigger learning processes (see Hedberg & Starbuck, forthcoming).

b) Indirect influence

There is another way in which consultants generate a need to learn that is not included in the existing role typologies because the typologies focus on the roles consultants play once they have been brought into the organization. The indirect ways in which they influence organizations remains invisible in these typologies, but they are very significant in both stimulating and impeding the ability of the organization to learn. The past decade has witnessed a parade of management techniques and processes under various headings, published in books, seen on videos, heard in speeches by consultants (Pascale, 1991; Shapiro, 1995). The diffusion of concepts has had an agenda-setting impact for organizational learning. "By ushering in new conceptualizations and jargon, consultants act like fashion-setters who create new frames of reference that force top managers to recognize the antiquated nature of previous strategic orientation and the 'fashionability' of the new" (Ginsberg & Abrahamson, 1991:177). The diffusion process has become international in scope.

Many of the bestsellers in the U.S. and the U.K. are translated into other languages and attract a business readership abroad, even if they are accompanied by sharp criticism for their superficiality and weaknesses (e.g., Gloger, 1996; Kieser, 1997; Bender, van den Berg & van Bijsterveld, 1998).

This agenda setting function can, however, also impede organizational learning. The danger with the agenda-setting role is that the speed with which new topics are put on the management agenda can leave too little time for organizational learning processes to take hold. "Employees have barely had the time to understand lean management before the wave of re-engineering washes over them" (Shapiro, 1996:170, our translation). The increasing speed with which new management concepts have been launched in recent years is well illustrated in Figure 3 (see appendix) Agenda-setting can then degenerate to fad-setting. If each concept is presented as a totally new and different solution, then members of organizations easily become cynical about the value of learning and engaging in any change process. Instead, they learn that it is better to wait, and this new concept, too, will pass.

To their credit, there is also evidence that consultants are aware of the dangers of their role in launching fads and they actively caution companies not to undertake an initiative for the wrong reasons. For example, the Boston Consulting Group advised the readers of its report *Re-engineering and Beyond* (1993): "Don't re-engineer simply to reduce costs...Excessive cost-cutting can destroy value' and they emphasized the need to 'care for the human dimension of change'" (cited in Mumford & Hendricks, 1996:23). In a similar cautioning vein, McKinsey was among the first to express serious doubts about re-engineering, based on its experiences in projects in more than a hundred companies which it published in its *McKinsey Quarterly* (cited in Mumford & Hendricks, 1996:24). One could even consider this an additional role consultants play: a cautionary role. Kieser (forthcoming), however, points out that consultants may use this strategy simply to generate more business for themselves.

2. Problem Definition

A correct diagnosis of the issue is usually seen as the first and most important task in an assignment, not only by consultants but also by researchers in the field. "No amount of sophistication in the execution of an intervention can overcome an error in problem definition" warn researchers (Mitroff & Featheringham, 1974 cited in Krantz & Gilmore, 1991:308). The external view that consultants can bring to the situation from their position on the margin of organizations, as well as from their experience in many other comparable situations, puts them in a good position to generate a definition of the problem that is not hampered by the culturally determined perceptions shared by members of the organization, nor by the political interests of factions in the organization.

On the other hand, the very fact that consultants bring a different frame of reference to a situation can raise barriers for organizational learning. Phillips (1996) distinguishes between two types of barriers to learning in this context. Cognitive barriers can emerge for managers as a result of the fact that consultants use different (and often complex) concepts to define problems. Motivational barriers refer to the resistance that is generated when the way the problem is defined implies assessments of past performance. In other words, members of an organization are likely to resent and reject problem definitions that affect the way they are seen in the organization and that could endanger their future status (for insights into defensive routines that impede organizational learning in such situations, see Argyris, 1991 and 1993). The position of consultants as outsiders to the organizational politics may enable them to voice problems that are difficult for insiders to bring up, but this does not make the issue politically less sensitive, so micropolitics can continue to act as blockages to learning (Coopey, 1995).

Some critics see the problem definition phase as one in which consultants can play a central role in order to generate business rather than to foster learning "Consulting is a contrived-demand business; you may not be sick, but a consultant's diagnosis will convince you that you are...Problem defining is really where all the action is. There was always a huge opportunity for us to spin the business our way" confessed a former consultant after leaving the profession (Anonymous, 1996:71). This is a particularly cynical view of a trap in the problem definition role that consultants play. Although this

suspicion may not be totally unfounded, the phenomenon may be greater in theory than in practice, since many client organizations have become experienced in assessing marketing jargon from consultancies. They are increasingly aware of the trap that consultants might come in with a pre-defined notion of the problem in order to apply their preferred solution. This is illustrated by the comment of a German personnel manager we interviewed after his company had worked with a major consultancy on a downsizing project: "They just need a good method to cut 20 percent of costs. This is their general rule of thumb. If it were a 14-15 percent cut only, they would be disappointed."

A more frequent and insidious danger in this stage stems from the over-reliance by clients on the ability of the consultant to define the "real" problem because the consultant is seen to have the gift of objectivity. This shifts the consultant from the margin to the center of the process. If clients do not participate actively in problem definition, they will not own the problem enough to learn from the process. It will come to be seen as an exercise in solving the consultants' problem.

3. Knowledge Acquisition

Consultants can aid their clients in acquiring knowledge from external as well as internal sources.

a) External knowledge acquisition

When organizations are faced with situations they have not managed before, they are likely to draw on consultants to bring in knowledge in order to learn vicariously rather than relying exclusively on their own trial and error experimentation (Huber, 1991). The competitive pressures of globalization, downsizing, and IT, for example, are experienced as new by many companies and therefore requiring information not yet available in-house (or not perceived to be available). Consultants are seen as bearers of the needed knowledge because they have developed an expertise in these areas, and also because they can bring in the experience from other companies in managing similar challenges (Kieser, forthcoming). As a German personnel manager in an international company that had downsized for the first time reported "the consultancy knows what the best practice is, without giving us the names of the competitors... . They tell us how the process could be performed better. This is one of the best arguments for the consultancy." It is worth noting that this manager also added that "at the end, they

may not know better than we do. But you have to look. You have to perform such a process." Such managers evidently place a value on maximizing their knowledge and see consultants as a useful resource to tap into.

There are blockages and limits to the effectiveness of consultants as importers of information and experience for organizational learning. The first blockage is that members of a client organization may not believe that the consultants can add any information of value. "The consultants usually tell you what you exactly know...we don't need consultants" was the kind of comment made by quite a few managers interviewed about their knowledge acquisition processes for planning downsizing processes. For these managers, the ability of consultants to bring relevant information to the organization without an intimate knowledge of the company and its employees is questionable⁶. As March (1991) pointed out with his concept of marginality, unless the consultants succeed in positioning their knowledge as complementary to and relevant for the organization, they cannot serve as useful contributors to internal learning processes. A second blockage is that there can be emotional resistance to accepting external information as relevant. A Dutch manager we interviewed reported that "consultants came and gave us comparisons with the competition, and at first we did not believe them. We rejected their information and recommendations. After a while we decided to look into it and see whether a cost gap really existed."

These blockages can be overcome by drawing the clients into a more central role during knowledge acquisition. The more that consultants can activate their clients in the process of knowledge acquisition, the more useful and acceptable the information will be perceived to be in the organization. This can be achieved by involving members of the client organization in external benchmarking exercises, for example, and by coaching them through organizational inquiry processes such as action learning (e.g., Mumford 1995, Reason 1997, Senge, 1990; also Friedman, forthcoming).

b) Internal knowledge acquisition

⁶ For an insightful analysis of the symbiosis consultants and clients can cultivate to achieve the necessary intimate knowledge of the companies' business, and the drawbacks this strategy has for learning, see: Lilja, Penn & Tainio (1993).

The familiar specter of "armies of young MBAs (who)...fan out throughout the company, carrying clipboards and laptops" (Mumford & Hendricks, 1996:24) is a diagnostic service the client expects to pay for. The learning function this can fulfill for the organization may be far more significant than the formal role assigned to the young consultants. In the course of collecting data in the organizations, consultants tap into knowledge and experience residing among the members at all levels that otherwise tend to remain unrecognized. The consultants are thereby activating internal knowledge. For example, Jim Down, a partner at Mercer Management Consulting, tells his clients "we know that you have already dreamed up the best ways to improve your business. But if you're like every other company, those great ideas are probably not being acted upon" (Lieber, 1996:75). It is therefore not the consultants' external knowledge, but rather the internal knowledge that has center stage. By supporting internal knowledge acquisition, consultants serve as the instruments through which the thinking that has been going on among members of the organization who do not have direct access to top management is allowed to surface and be legitimized as useful and relevant.

3. Information Interpretation and Diffusion

The crucial step in organizational learning between knowledge acquisition and application is the interpretation and adaptation to the needs of the organization. As Levinson (1991:58) points out, the communication of the consultants' knowledge is not a sufficient condition for learning in the organization to be said to have occurred. The knowledge imported from external sources needs to be worked with, integrated, and anchored within the organization (Büchel & Raub, forthcoming). The danger is great that new knowledge will be treated in an additive fashion, without regard for how it contradicts existing practices in the organization, or it might not be processed at all. Several writers highlight the function of consultants as external agents for challenging the existing cognitive order and the traditional way of seeing things to which members of an organization are acculturated (Staute, 1996:24). Consultants can "state the obvious, ask foolish questions, and doubt--all of which helps organizational members get outside of themselves" (Smircich & Stubbart, 1985:731). They are seen as "quite useful in helping to reframe managerial perspectives regarding the external environment" (Ginsberg & Abrahamson, 1991:181)

The process of interpreting information and making sense of it lays the ground for agreeing on ways of dealing with the problem. The difficulty that consultants must manage with their clients in this phase is that the more complex and uncertain things are, the more likely it is people that will want quick and easy, reassuring solutions from consultants. It is precisely then that consultants need to stimulate their clients to open up to more unknown ways of tackling the problems.

A blockage to organizational learning during this phase can stem from the positioning of the consultant as the dominant figure and expert interpreter. If the consultant is not seen to be the helpmate to the members in understanding their organization, people are likely to have an interest in impeding the consultant's work. A German personnel manager reported that "people tend to be proud that the consultant didn't find out how they hid the lack of efficiency. 'What can I do in order to make the consultants shut up?' All sorts of games." This kind of response is also to be expected when the consultants are seen to be acting in the interests of one group of people in the organization at the expense of other groups. "Information is distorted and efforts towards change are often undermined by implicit and unrecognized forces that emerge in the course of an intervention" (Krantz & Gilmore, 1991:307). Clearly, if consultants cannot break through such barriers to achieving a solid analysis of the problem, they cannot contribute much to organizational learning. A key factor that emerges as a precondition for consultants to support learning is trust in the relationship with members of the client organization. If the consultant is seen to be driven by self-interest, trust and openness are difficult to achieve. The cynical attitude of a former consultant turned businessman illustrates the limits on learning imposed by a non-trusting relationship. "The way I would use those guys is as an outside resource, to bring me knowledge and insight, to tell me what they know. But, man, I would not tell them (consultants) what I know, and I certainly wouldn't tell them what direction my business will head in...I don't share anything. I don't trust them" (Anonymous, 1996:72).

Probably the most common blockage to organizational learning in this phase with which consultants have tended to collude is the focus on working with a small elite group (Staehele, 1994:864). It is too often assumed that this group can learn for the

organization, rather than conceiving elites as responsible for creating learning environments for the broad membership (Sadler, forthcoming). There are few examples of consultants facilitating broader-based learning process encompassing a greater participation of the organizational membership (see Dierkes & Marz, and Hedberg & Wolff, forthcoming.).

4. Translation into Action

The issue of centrality and marginality of consultants in the implementation phase is a particular source of tension. Traditionally, consultants have been seen as the people who "produce theories and methods which promise to solve problems" (Shapiro, 1996:176, our translation), but not involved in their application. Even in cases where they had been positioned in the center rather than on the margin for the other stages, there has been general agreement that by this stage in the process the responsibility for action is squarely with the client. It only quite recently that consultants have come to participate in the implementation phase, in some cases even ranging to consultants becoming "interim managers" (Wimmer, 1991:63-65).

This current shift is due to problems that emerged as a result of the positioning of consultants in a role during the implementation phase that was not on the margin--they were simply absent. Their analyses and recommendations turned out to be too theoretical to implement. As a senior manager in Audi noted, it was evident from the report they produced that "the authors would not be responsible for the implementation" (Kurbjuweit, 1996, our translation). The negative cliché of this process is that consultants "fly in, make an analysis, and afterwards tell people what to do". Axel Leeb, Partner in Boston Consulting Group in Munich explains the implications of the current shift for his company: "BCG used to be a pure ideas factory and produced highflying plans for the CEO. Since the middle of the 1980s we emphasize the implementation of our projects" (Bierach, 1996a:164, our translation). The closer involvement of consultants in the implementation process seems to lead to better results. For example, Beer, Eisenstat & Spector (1990) distinguished between "leading" and "lagging" companies in their sample. They found that there was a more active participation of consultants in the implementation phase in those companies labelled "leading" (1990:167).

There are "marginal" ways in which consultants can support organizational learning processes through catalytic roles during the implementation stage. Consultants can enable change to happen in the organization because they come into the company under different rules, they are not bound by the hierarchical structures or cultural taboos that limit the scope of action experienced by members of the organization. "We are good catalyzers" summarizes Herbert Henzler, Chairman of McKinsey Germany (Kurbjuweit, 1966). In a similar vein, Heuck, head of central controlling in the German multinational company BASF, believes that consultants can be useful change agents because they are "effective communicators, who can overcome barriers in the company" (Bierach 1996a: 163, our translation). In addition, their contribution may lie in the pressure they create for action. As one observer comments, "maybe the value of consultants is the speeding up of agreement to act and the pressure to implement decisions" (Staute, 1996:30, our translation).

There are, however, also ways that consultants can impede organizational learning in the implementation phase. These stem from the consultants, the clients, and the organizational situation.

a) Inappropriate behavior by consultants

The ability of consultants to contribute to organizational learning during the implementation phase can be torpedoed by a lack of interpersonal skills and credibility. Such skills are particularly needed considering that "consultants embody the uncertainty that change brings, and this may cause some skepticism or outright hostility" (Lieber, 1996:75). Problems can emerge in this domain because consulting companies tend to send in young people to do the leg work in projects. "When the consultants are young and inexperienced, insult can be added to injury" (Mumford & Hendricks, 1996:26). Age and level of experience are important in being credible and effective change agents, but arrogance and insensitivity are features that can also characterize older consultants. "I've had to kick individual consultants out who were brutalizing my people, ones who didn't realize that they shouldn't be critical or were talking over the heads of my employees" reported a manager of Kaiser Permanente (Lieber, 1996:75). All the

knowledge that consultants can bring to an organization is useless if their behavior does not support learning.

b) Inappropriate behavior by client

Companies have found that blaming the consultant is a way of relieving tension and deflecting anger from other internal actors when problems arise in a process (Shapiro, 1996:176). As the CEO of a German corporation explained "the consultants did not need to tell him how to restructure his company. He knew that himself. But with the external report from the consultants, which recommended cutting several thousand jobs, he had a lightning rod to which to direct the anger of the employees" (Kurbjuweit, 1996; for other examples see Behrens & Bierach, 1996:138). Using the consultant as a lightning rod may be a useful technique to manage anger and frustration, but it can also become a barrier to learning. If all the problems of a process are blamed on the consultants, then members of the organization might assume that getting rid of the consultants will resolve the problem. The actual problems inherent in the organization may not be grappled with if failure is "outsourced" to the consultants. The extent to which consultants can help their clients face up to problems and learn from failures is an indicator for how successfully they can contribute to organizational learning processes.

c) Inappropriate organizational assignments

There is a significant danger in the increased involvement of consultants in the implementation phase that stems from the fact that this trend is partially driven by downsizing. In other words, the increased involvement of consultants in the implementation phase is not only a result of learning from experience that this role shift improves the quality of the consultants' service. A very different explanation for the increased involvement of consultants in the implementation of their recommendations has little to do with learning from past experiences, but rather with resources. "The downsizing of middle management means that companies use consultants to staff one-off projects, where previously they could rely on their own pool of talent" (Jackson, 1996:8). The reasons for concern are multiple. It represents a questionable trend toward the abdication of responsibility by management for the running of the company by placing too much responsibility on consultants (Krantz & Gilmore, 1991:312). Remembering that organizational learning is an ongoing and iterative process, another

negative consequence of the trend toward involving consultants in the implementation is that it blurs the boundary line between the perspectives of consultants as outsiders to the organization and the inside members of the organization. This could have implications for the usefulness of consultants in future as a source of "objective" perspectives for organizational learning processes of re-framing and questioning internal mindsets. Its other implications lead into the storage stage of organizational learning.

5. Storage in Organizational Memory

Knowledge and experience with new processes needs to be stored in the organization's memory (see Kieser, Beck & Tainio, forthcoming). The contribution of consultants has tended to be limited. Ideas and recommendations from consultants can be stored in reports and in the new policies or systems that grow out of their interventions. The effectiveness of the storage in the form of reports is low, while the learning embedded in new policies and systems can be high, if they are coherent and accepted by the members of the organization.

There are, however, several ways in which consultants can have a negative impact on organizational memory. First, when consultants recommend restructuring and downsizing exercises without regard for the wealth of tacit knowledge held for the organization by its employees, this component of organizational memory is lost to the organization when employees are laid off. A second source for concern about the impact of consultants on the storage of learning lies in the changing balance in the relationship between the consultant and the client during the implementation phase. Whatever learning is gained by the consultants about how to implement an agreed project is likely to leave the organization with the consultants at the end of the assignment. Therefore, the more the consultant moves towards the center of the stage during the implementation phase, the greater the risk that the organization will not retain learning from experiences in managing a given situation.

V. Conclusion

Consultants can contribute to organizational learning in a number of significant ways. It is the commitment to the adoption of "marginal" roles by consultants and "central" roles

by the client throughout the process that maximizes their contribution to organizational learning. The consultant cannot learn "for" the client, each has to play their own roles. "Unless the client collaborates in the assignment, he is unlikely to learn from it. Learning does not occur by defining terms of reference and accepting or rejecting a final report, but by joint work at all stages of the assignment, starting with problem definition and diagnosis, and ending with the implementation and assessment of the results actually obtained." (Kubr, 1996:42) There are, however, a number of factors that conspire to pull and push the consultant into the center of the process, and thereby marginalize the actors in the organization itself.

The client can "pull" the consultant out of the "margin". When organizations are faced with problems that have to be resolved under pressure, the tendency is to "get someone to fix it quickly", and the trend toward leaner organizations has increased the likelihood that the "fixer" will be sought outside, particularly when new skills are required. In addition to the pull that results from scarce in-house human resources, there are political and psychological reasons that lead members of an organization to shift responsibility to the consultant. Carver Johnson, Sears systems executive, offers fellow managers useful advice against falling into the following traps:

1. Using consultants as a rubber stamp for your decisions is generally a waste of time. If your management is sound and well-versed in the issues at hand, you rarely need to hire someone to validate a strategy everyone agrees is correct.
2. Consultants should not act as corporate referees, either. If two competing factions are fighting over strategy, you're asking for trouble by hiring a consultant to throw up a jump ball.
3. If you're calling in consultants to second-guess your people, that's not smart either. If your people are inefficient, you fix that by getting better people, not by trying to circumvent the problem with consultants (Lieber, 1996:74).

There are also undoubtedly "push" factors that lead consultants to propel themselves onto center stage. The need to market themselves as indispensable emanates from their primary interest in their own survival and growth as a business. Doubtless there is a certain amount of such behavior among consultants who hope to maintain a demand for their support by feeding a sense of dependence on the part of their clients (Kieser,

forthcoming). However, not only is such dependence-generating behavior contrary to the ethic of "help for self-help" that underlies the work of organizational development consultants (Block, 1981; Thom, 1992) it is generally recognized to be a short-term business strategy. Consultants find that they are more likely to remain credible partners for future business if they do not overextend their stay in any one project.

Another "push" factor is more psychological. Studies suggest that there is a "tendency for consultants to over-function... The overfunction consultant often takes on a kind of executive staff role that unintentionally reinforces fantasies of internal incompetence and efforts to sidestep responsibility for difficult actions" (Krantz & Gilmore, 1991:326).

These push and pull factors that shift consultants to the center and marginalize the role of the client can not only diminish the potentially very positive contributions that consultants can make to organizational learning; it can also create lasting blockages to learning. It is therefore in the interest of both partners to be acutely aware of the roles they are taking themselves and thereby giving each other.

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Table 1: World's Largest Consulting Firms Ranked by Revenue

| World's largest consulting firms ranked by revenues | Revenues (\$m) | | Growth rate % | Effective date | Staff numbers | | | 1996 Revenue per consultant \$ |
|---|----------------------|----------------------|---------------|----------------|---------------|-----------------------|--------|--------------------------------|
| | 1996 | 1995 | | | Consultants | ⁷ Partners | Total | |
| Anderson Consulting | 5,300.0 | 4,224.0 | 25.5 | Dec 96 | 37,389 | 1,036 | 44,801 | 141,753 |
| Ernst & Young | 2,010.4 | 1,523.0 | 32.0 | Sep 96 | 10,657 | n/a | n/a | 188,646 |
| McKinsey & Co | 2,000.0 | 1,800.0 | 11.1 | Dec 96 | 3,994 | 587 | 7,527 | 500,751 |
| KPMG | ⁸ 1,836.0 | ⁸ 1,544.0 | 18.9 | Sep 96 | 10,673 | 888 | 11,888 | 172,023 |
| Deloitte Touche Tomatsu International | 1,550.0 | 1,200.0 | 29.2 | Aug 96 | n/a | n/a | 10,000 | n/a |
| Coopers & Lybrand | 1,422.0 | 1,221.0 | 16.5 | Sep 96 | 8,511 | 564 | 10,298 | 167,078 |
| Arthur Andersen | 1,379.6 | 1,169.5 | 18.0 | Aug 96 | n/a | n/a | n/a | n/a |
| Price Waterhouse | 1,200.0 | 964.0 | 24.5 | Jun 96 | 8,900 | 470 | 10,300 | 134,831 |
| Mercer Consulting Group | 1,159.2 | 1,056.4 | 9.7 | Dec 96 | n/a | n/a | 9,241 | n/a |
| Towers Perrin | 1,001.3 | 867.9 | 15.4 | Dec 96 | 6,500 | 635 | 6,888 | 154,046 |
| Booz-Allen & Hamilton | 980.0 | 880.0 | 11.4 | Mar 96 | 5,300 | 228 | 7,000 | 184,906 |
| AT Kearney | 870.0 | 650.0 | 33.8 | Dec 96 | 2,300 | 200 | 3,600 | 378,261 |
| IBM Consulting Group | ⁹ 730.0 | ⁹ 600.0 | 21.6 | Dec 96 | 3,970 | n/a | n/a | ⁹ 183,879 |
| American Management Systems | 812.2 | ¹⁰ 632.4 | 28.4 | Dec 96 | 6,042 | n/a | 6,800 | 134,426 |
| Watson Wyatt Worldwide | 656.0 | 593.0 | 10.6 | Dec 96 | 3,730 | n/a | 5,000 | 175,871 |
| The Boston Consulting Group | 600.0 | 550.0 | 9.1 | Dec 96 | 1,550 | n/a | n/a | 387,097 |

⁷ Or partner equivalents

⁸ Gross fee income

⁹ Estimated by MCI

¹⁰ AMS restated 1995 revenue (\$561m) due to a change in accounting principles

| | | | | | | | | |
|------------------------------|--------------------|--------------------|------|--------|-------|-----|-------|----------------------|
| Gemini Consulting | ⁹ 600.0 | 548.0 | 9.5 | Dec 96 | 1,200 | n/a | 1,700 | ⁹ 500,000 |
| Hewitt Associates | 568.0 | 449.0 | 26.5 | Sep 96 | n/a | n/a | 5,500 | n/a |
| Bain & Co | ⁹ 459.4 | ⁹ 375.0 | 22.5 | Dec 96 | 1,350 | 145 | 1,800 | ⁹ 340,296 |
| ¹¹ Aon Consulting | 490.0 | 460.0 | 6.5 | Dec 96 | 2,700 | n/a | 4,400 | 181,481 |

Source: Management Consultant International., found in *Financial Times* (1997), "Survey on Management Consultancy", June 19:iv.

¹¹ Represents the combined revenue of Aon Consulting and Alexander Consulting