

# A. Introduction

## I. Problem and Aim

*“The 2002 outlook for professional services is indeed grim []. But the recession is not entirely to blame. Consultants have been the first to preach customer-relationship management [] to their clients—but the last to adopt such practices themselves”<sup>1</sup>*

During the last decade, there has been increasing interest from both practitioners and researchers and, as a result, a growing number of academic studies, in the area of knowledge, knowledge transfer and creation, and knowledge management.<sup>2</sup> The notion that knowledge is the most significant resource in the modern economy<sup>3</sup> and that industrial societies are transforming themselves into knowledge societies<sup>4</sup> has been discussed extensively. It has been argued that knowledge-intensive firms or professional business service firms are at the forefront of these developments.<sup>5</sup>

Due to the dramatic increase in the amount of knowledge available, and necessary, for creating products and services, it has been suggested that companies need to gain access to both their customers’ and other organizations’ knowledge to ensure their long-term competitiveness.<sup>6</sup> Furthermore, organizations need to learn how to jointly create knowledge and thus use both their own respective advantages and each other’s expertise and experience. For professional business service firms in particular, it has been repeatedly emphasized that the integration of the client in the consulting process is the most important success factor.<sup>7</sup> However, research rarely states exactly what a close cooperation between clients and consultants implies, and in particular, what it implies for the problem-solving process.

The following work concentrates on the relationship between client organizations and professional business service firms to discuss how companies solve problems during their interaction. Because the problem-solving process involves the exchange and production of knowledge, the following work focuses on questions regarding the nature of knowledge, its transfer, and creation. Professional business service firms are especially suitable for this analysis, as knowledge and experience is what they offer to their clients.<sup>8</sup> Although there has been increased recognition and research of this topic, it has been

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<sup>1</sup> Bonchek (2002), p. 14.

<sup>2</sup> See, e.g., Alvesson/Kärreman (2001); Empson (2001); Tsoukas/Vladimirou (2001); Reihlen/Ringberg (2006); Scarbrough/Swan (2000); Hansen et al. (1999); Sarvary (1999).

<sup>3</sup> See Krogh/Roos (1995), p. 180; Probst et al. (2000), pp. 2-5.

<sup>4</sup> See Bell (1973), p. 212; Drucker (1969), p. 278; Stehr (1994), pp. 5-17.

<sup>5</sup> See, e.g., Alvesson (1995a), pp. 6; Starbuck (1992), p. 715; Sveiby/Lloyd (1987), pp. 10.

<sup>6</sup> See, e.g., Bettencourt et al. (2002), p. 101; von Hippel (1988), Sveiby (1998), p. 41.

<sup>7</sup> See Köppen (1999), p. 84; O’Farrell/Moffat (1991), p. 206; Schön (1983), p. 290; Tordoir (1995), p. 139; Werr/Styhre (2003), p. 43.

<sup>8</sup> See Reihlen (2003a), p. 2.

argued that much work still needs to be done in order to analyze how knowledge can be exchanged between clients and consultants.<sup>9</sup>

Human interactions, however, are always influenced by power,<sup>10</sup> and the following work shows how power relations influence knowledge transfer and creation, i.e. how they influence problem-solving within client-consultant teams.<sup>11</sup> Additionally, by providing insights on the micro processes of power emergence that lead to the development and/or dissemination of management fads or ideas, this work enhances one's understanding of the origin, development, and the factors that influence the success of management practices and their dissemination. This should enable both clients and consultants to gain a better understanding of their role in the production and dissemination of management ideas.

Therefore, this work concentrates on the relationship between clients and professional service providers within the scope of service production. As such, it addresses a gap in the literature by developing a new *conceptual* model that provides a more differentiated view of the cultural and political relations between clients and consultants during service production. In professional business service firms, cultural relations overlap to some extent with economic relations—the economic process of service production is at the same time a cultural process of knowledge transfer and creation.<sup>12</sup> This work also sheds some light on the economic aspects of client-consultant interaction. However, other activities that are *relevant* for the success of client-consultant relationships, such as costing and pricing of assignments; project management; management and integration of professional work and workers within professional service firms; quality management; and the processes of building, maintaining and transferring professional reputation; are not, or only briefly discussed, as they are not at the heart of this work.<sup>13</sup>

Because professional services are created through teamwork, this work focuses on client-consultant teams as the smallest social unit of professional work.<sup>14</sup> Clearly, these relations are embedded in a broader institutional context, including long-term client-consultant relationships and alliances between client and consultant companies.<sup>15</sup> In other

<sup>9</sup> See Czerniawska/May (2004), pp. 20-21. The authors further argue that “it is a process that neither side fully understands at present and to which each side has been only half-heartedly committed in the past”. Ibid, p. 21.

<sup>10</sup> As Townley puts it, “whether explicitly acknowledged, or not, the experience of work is located in, and constituted by, power relations”. Townley (1994), p. 1.

<sup>11</sup> Lawrence et al. point out that because organizations are inherently political, any analysis of organizational learning without an understanding of its political dynamics will always be incomplete. See Lawrence et al. (2005), p. 180. See also Bryson who argues that the client-consultant interaction depends on cultural and power relations. See Bryson (1997), p. 103. Additionally, Brown points out that projects in organizations, including consulting projects, are often vehicles for communicating new sets of power relations, and as such, they legitimate these new power relations. See Brown (1995), p. 962. In contrast, most of the research on consulting assumes that clients and consultants develop trust to each other, which implies that power relations become irrelevant. See, e.g., Köppen (1999), p. 85.

<sup>12</sup> See chapter B.II.4.1.1 for an extensive discussion of this issue.

<sup>13</sup> See chapter B.II.4.4 and B.II.4.5. These aspects have to be further developed in consequent research. See also Lowendahl (1997), Kubr (1996), Maister (1982a); Maister (1993), Müller-Stewens et al. (1999) and Sadler (1998) who discuss some of these issues.

<sup>14</sup> See also chapter B.II.

<sup>15</sup> See, e.g., O'Farrell/Wood (1999), pp. 134-135. Whereas in the 1960s and 1970s consulting was typically thought of as a single, discrete project where consultants moved after project termination to the next interesting client, today, the general norm in many professional business service firms is to strive for long-term relationships with their clients. Estimates of

words, client-consultant relationships exist and can be analyzed at different levels. This work concentrates on the *micro* relations between clients and consultants.<sup>16</sup> However, some of the insights presented within this work can be appropriated in a subsequent study in order to analyze the long term, project-spanning relationships between clients and professional service providers.<sup>17</sup> This would imply, in particular, a stronger focus on the so-called mobilizing practices of professional service providers that are oriented towards developing trust and reputation.

Professional business service firms are one of the most dynamic and advanced industries in the modern economy. Throughout the last several decades, most professional business services have gained increased economic significance in all developed economies. For example, the management consulting industry was one of the fastest growing sectors in the last 10 years of the 20<sup>th</sup> Century. In 1980, the worldwide industry revenues were around \$3-5 billion; by 2001, this figure had increased to approximately \$62 billion<sup>18</sup> and in 2004, it was more than \$123 billion,<sup>19</sup> demonstrating that the economic impact of the management consulting industry is undeniable.<sup>20</sup> With management consultants taking on increasingly active roles within companies, governments, and institutions they serve,<sup>21</sup> the organizational impact of consulting activities is rising as well. This is true for all professional business service firms. *Giddens*, for example, points out that experts “provide the systems of technical accomplishment and professional expertise that organize large areas of the material and social environments in which we live today [] and influences many aspects of what we do in a continuous way”.<sup>22</sup> *Reed* suggests, “the specialized knowledge and skill that experts provide plays a pivotal role in framing decision-making agendas and the substantive outcomes which flow from them.”<sup>23</sup> Thus, management consultants have been recognized as important change agents who introduce new perspectives and frames of reference in client organizations.<sup>24</sup> However, increasing client dissatisfaction, aided by the post-dot.com economic slowdown and the wave of corporate scandals (e.g., Enron, WorldCom), has hit management consulting hard.<sup>25</sup> In 2002, global consulting revenues declined for the first time in more than 30 years, signaling a significant turning point for the prevailing business model of management consulting. More than 24 months later, the industry’s long-term growth forecasts of 3% are a fifth of what they once were,<sup>26</sup> and still

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the consulting industry show that at least 60 percent of current consulting revenues originate from existing or former clients. See Poulfelt et al. (2005), p. 16.

16 It should be clear that consultants will be successful in establishing long term business relationships with their clients only if they master their relationships within single projects.

17 Some implications of long-term client-consultant relationships are discussed in D.III.3.7. and D.IV.6.3.

18 See Fincham/Clark (2002-3), p. 7. Since 1990, the industry has grown at an average rate of 10 percent per year with the top firms growing at rates of 20 to 30 percent. See Fombrun/Nevis (2004), p. 6.

19 See Byrnes (2004), p. 120.

20 See also Kipping (2002), pp. 269-270.

21 See Fombrun/Nevis (2004a), p. vii; Morris (2000), pp. 126-128; Kitay/Wright (2003), p. 21.

22 Giddens (1991), p. 27.

23 Reed (1996), p. 574.

24 See Abrahamson (1996), p. 265; Ginsberg/Abrahamson (1991), pp. 176-177; Suddaby/Greenwood (2001), pp. 938.

25 See also Armbruster/Kipping (2002-3), p. 20.

26 See Byrnes (2004), p. 120.

there is little evidence of significant change to the prevailing consulting business model. This is accompanied by an increase in the number of potential clients with doubts about the value of consulting services.<sup>27</sup> As *Ashford* suggests, “increasingly clients are concerned that consultants are pushing standardized solutions rather than really listening to the issues [of their clients] and being guided accordingly”.<sup>28</sup> Or, even worse, creating solutions for “manufactured problems” associated with the latest “thought leadership” fad. *Gable*’s assessment is even blunter: “...the client and consultant have vested interests in explicitly pursuing diametrically opposed agendas.”<sup>29</sup> Consultants, on the other hand, regard themselves to be “substantial contributors, in their own right, to the collective store of management knowledge”<sup>30</sup> and find fault with client demands for quick fixes to deep-seated organizational problems. Some authors predict that due to the gap between actual consulting solutions and increasing and “unserviceable” client’s demands for innovative solutions, client’s dissatisfaction will continue to rise,<sup>31</sup> making the client-consultant relationship more difficult to sustain. Thus, this work seeks to narrow this (seemingly widening) gap through addressing alternative views of management consulting, concentrating on the client-consultant interaction, which is centrally important to all professional service firms.<sup>32</sup> In *Mulligan* and *Barber* terms, “the relationship is the major tool and grease of the consultancy function”.<sup>33</sup>

In the literature, there are three major models of the client-consultant interaction.<sup>34</sup> The models have different assumptions regarding the nature of the client-consultant relationship and its success factors. These differences are due to dissimilar understanding of consulting knowledge, and its transfer and creation within the existing models, as well as their dissimilar approach to the nature and role of power in client-consultant projects. As a result, the models represent totally different views of the client-consultant interaction.

The *expert* model is the oldest and best-established model of client-consultant relationships.<sup>35</sup> According to this model, what differentiates management consultancies from traditional manufacturing companies is that they create value through their contribution of expertise and experience in solving client problems.<sup>36</sup> The problem-solving process is characterized by the consultants’ independence from clients, which enables the consultants to generate *objective* information and problem solutions while

<sup>27</sup> See Poulfelt et al. (2005), pp. 3-5.

<sup>28</sup> Ashford (1998), p. xvi.

<sup>29</sup> Gable (1996), p. 1193.

<sup>30</sup> Suddaby/Greenwood (2001), p. 934.

<sup>31</sup> See, e.g., Czerniawska (1999), pp. 18-20.

<sup>32</sup> See Köppen (1999), p. 27; O’Farrell/Moffat (1991), p. 206; Schön (1983), p. 290; Tordoir (1995), p. 139; Werr/Styhre (2003), p. 43.

<sup>33</sup> Mulligan/Barber (1998), p. 67.

<sup>34</sup> Both terms (management) consultant and client are used in this work as generic terms. Consultants are persons who perform all of the typical consulting functions, and consulting is seen as synonymous to a professional advisory service for fee and thus addresses all professional business service firms. The term client applies to any manager, administrator, or organization using advisory services in private businesses, public enterprises, government agencies, or elsewhere. The term professional is discussed more extensively later in this work.

<sup>35</sup> See, e.g., Abbott (1988); Kubr (1996); Schein, (1987, 1988).

<sup>36</sup> See Abbott (1988), pp. 35-58; Lowendahl (1997), p. 12; Müller-Stewens et al. (1999), pp. 20-23.

remaining *separate* from internal power struggles and hidden agendas.<sup>37</sup> Thus, the expert model describes a highly efficient form of client-consultant interaction with no need for an intensive interaction between clients and consultants apart from the transmission of information. The model experiences, however, an increasing criticism due to its positivist assumptions regarding the nature of knowledge and power, which result in an overly simplistic picture of the client-consultant interaction. The practical implication of the model is that the problem-solving process has the characteristics of a buying process where clients buy more or less standardized solutions from consultants rather than to create them jointly with consultants. As already discussed, client's dissatisfaction with consulting services has been rising, putting pressures on consulting companies to rethink their existing business models and change the way in which they work with clients.

A suggestion for a different understanding of the nature of the interaction between clients and professionals was introduced early on by Schön.<sup>38</sup> He, in particular, recognized that the nature of the consulting expertise has implications for the nature of the client-consultant interaction.<sup>39</sup> Consequently, he proposed an analytic view of the client-consultant interaction as a “*reflective conversation*” between clients and consultants.<sup>40</sup> Although Schön's approach is a first step towards an understanding of the client-consultant relationship as a complex interface, concrete ways for improving knowledge transfer and communication within client-consultant teams remain unexplored, which is one of the major weaknesses of the model. Moreover, Schön's account of the role of power in client-consultant projects is very superficial. In general, Schön's model remains too generic and unspecific in its descriptions of the nature of the client-consultant interaction and in its prescriptions of how to improve it.

The *critical*<sup>41</sup> model also emerged as a response<sup>42</sup> to the rising criticism of consulting as described by the expert model<sup>42</sup> but it differs extensively from Schön's model. This model is grounded in postmodernism, a totally different theoretical tradition from the one behind the expert and Schön's models, which explains its particular view of consulting and the client-consultant relationship. Supporters of this model stress the *ambiguity* of knowledge in general, and consulting knowledge in particular, and claim that consulting is not an activity involving the transfer of valuable knowledge from consultant to client. Rather, what is at the heart of consulting, they argue, is the creation of *images* and *perceptions* that make clients believe in the value of the consulting concepts and models, which are regularly “produced” and introduced to the managers of organizations. Although the critical model provides some important insights toward the nature of client-consultant relationships, its theoretical assumptions regarding the nature and role of

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<sup>37</sup> See Werr/Styhre (2003), p. 47.

<sup>38</sup> See Schön (1983, 1987).

<sup>39</sup> See Schön (1983), pp. 290-307.

<sup>40</sup> Ibid, p. 295, emphasis added.

<sup>41</sup> The name of the model is adopted following Fincham/Clark (2002) who speak about “the critical perspective” on consulting. Fincham/Clark (2002), pp. 6-7. It does not derive from a stream within organization theory called critical management theory.

<sup>42</sup> See, e.g., Alvesson (1993, 2001); Clark (1995); Clark/Salaman (1998a,b).

knowledge and power in client-consultant interactions as well as some of its practical implications are highly problematic.

Thus, despite their valuable contributions in explaining the client-consultant relationship, the existing models have important shortcomings and do not account for the multifaceted and complex nature of this interaction. One improvement might be to combine these models as a means of compensating for their individual weaknesses. It appears that such a combination would provide the richest view of client-consultant interaction. However, creating such an integrative framework is difficult given the different and perhaps incompatible assumptions of the models about the nature of knowledge, knowledge transfer, and power. Thus, it is suggested here, that in order to account for the complex nature of the client-consultant interaction, a new model is needed; a model that synthesizes the existing models by accounting for their contributions while, at the same time, providing a new theoretical background in order to overcome the incompatibility of the assumptions of the existing models. In other words, such a model should recognize that the existing models provide important insights on the nature and success factors of client-consultant interaction, but that a combination of the existing models is not possible due to the incompatibility of these models.<sup>43</sup> Moreover, the model should pay attention to important aspects of the client-consultant relationship, which are not recognized by existing research.

This work suggests such a model, called “the interpretive model”. The interpretive model emphasizes the need to look at the *pluralistic* nature of human cognition and understanding and its implication on human interactions. It is grounded in the theoretical tradition of critical realism. It presents a *micro* view of human interactions starting with a discussion of the nature of human cognition and understanding. It goes further to recognize the *social character* of human cognition, suggesting that individuals who share some cognitive frames participate in a number of *interpretive communities*. It deduces from here, that clients and consultants are members of different interpretive communities, which implies that they have important and often different perspectives on the problem at hand. This makes it necessary for them to find ways to share their interpretations if they want to profit from the different knowledge bases present in client-consultant teams. At the same time, the existence of different perspectives increases the probability for creation of novel solutions and new knowledge. In the process of cooperation and transferring of perspectives, however, clients and consultants inevitably also compete with each other about which interpretation should be taken as a basis for the problem solution. The model recognizes, as such, that *power* is always at work within client-consultant teams. It looks at the types of power that are characteristic for client-consultant teams, and shows that whoever develops a *dominant interpretation* within the client-consultant team will decide upon the problem solution. Such power, it is argued,

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This mirrors the belief that “all social phenomena may have many potential ways of revealing themselves and that the way they are realized in practice depends on the mode of engagement adopted by the researcher”. Morgan (1983), p. 389. As such, this work, or social research in general, is ultimately a product of the researcher’s interaction with a multifaceted phenomenon, and tells much about the researcher and his/her cultural milieu as it does about the phenomenon itself. Such a perspective emphasizes, at the same time, the importance of “the researcher’s ability to be consciously self-critical of his/her favored research strategy, recognizing that while it is necessary to adopt a stance that is in some degree affirmational, it is also necessary to see the weaknesses as well”. Morgan (1983), p. 390.

can have both negative—providing a standardized rather than individualized problem solution—and positive—finding a solution when consensus is not possible—influence on the outcomes of consulting projects.

The aim of the following work is to develop a model of the client-consultant relationship within professional business service firms that is both theoretically well founded, and practically relevant. Building upon a critical discussion of the contributions and shortcoming of existing research the proposed *conceptual* model provides a critical yet constructive platform for the development of a more differentiated view of professional work. The adopted approach is neither empirical nor normative. Instead, the suggested interpretive model is regarded as an analytical tool that sheds light on two interrelated issues: first, the *cultural relations* between clients and professional service providers concerned with knowledge transfer and creation; and second, their *political relations* including the influence of power on knowledge transfer and creation. Both these issues are discussed within the scope of concrete consulting projects.<sup>44</sup> Additionally, the proposed consulting business model accounts for the existence of different types of client problems and discusses implications for the success of consulting projects. Therefore, a particular emphasis is placed on the different roles, needs, reactions, and behaviors of *clients* as an under-explored key factor in the success of such collaborations.<sup>45</sup>

For these purposes, this work is based on the management consulting industry as one of the most researched areas and, at the same time, the centre of the most controversial discussions, within the professional business services industry. For management consulting, the last few years have been arguably the most difficult period in the industry's history,<sup>46</sup> suggesting an end to the dominance of the prevailing business model. The introduced interpretive model offers some suggestions for both clients and consultants as to how to improve their cooperation. It is important to point out that although there is no empirical study providing insights on the extent to which the one or the other model is applied in reality, a look at the consulting and management literature shows that the expert model is still the most commonly used model. This is also reflected in the increasing number of critical works that label consultants as impression managers and their services as “fad surfing” or ineffectual “quick fixes”.<sup>47</sup> These results have arisen because the prevalent expert model is unsuccessful in delivering real value to client organizations.

This work builds upon and integrates a number of theoretical areas, such as management and organization studies, economics, sociology, psychology, and political economy. Thus, this work follows *Wilson* who claims that in order to understand consulting processes one needs to recognize that the “definitions of situations which people develop and the actions which relate to these are informed by real and material

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<sup>44</sup> As already mentioned this means that other important aspects of client-consultant relationships are blinded out. However, such an approach allows for a detailed discussion of the selected areas.

<sup>45</sup> As Iding (2000) argues, only when factors such as client's experience of working with consultants, client's participation in the consulting process and the shaping of the consulting process through the client are recognized, is a multifaceted analysis of the client-consultant relationship possible. See Iding (2000), p. 14.

<sup>46</sup> See Kennedy (2004).

<sup>47</sup> Jackson (2001), p. 13.

differences of interest and experience between groups. These are sociological and economic phenomena as well as psychological ones. The essentially political nature of organizational life has to be recognized [as well]”.<sup>48</sup>

Some of the ideas and concepts discussed within the interpretive model are not new. There have been an increasing number of accounts emphasizing that consulting should be seen as a highly interactive and cooperative relationship with the client.<sup>49</sup> For example, one of the contributors in *Block's* book,<sup>50</sup> a consultant himself, argues, “I like to watch a community of meaning emerging, where before it was a community of tasks and efficiency and getting work done. [] It’s exciting seeing individuals and teams and whole companies find new mental models, paradigms, and thinking shifts”.<sup>51</sup> Another contributor states, “Consultants can benefit from consciously attending to the symbolic potential of phrases that resonate with the group. Symbols help the group extract meaning from their circumstances and help people find their voice, which is a primary objective of consulting”. “Our wish to give advice betrays our own need to control our clients, to have a stake in a specific process and outcome”.<sup>52</sup> These quotes are similar to some of the ideas that are developed within the proposed interpretive model of consulting. The problem with this and similar books on consulting is, however, that they are practical guides written for managers and consultants to help them enhance their collaboration. They are written in the form of stories that originate in the consulting experience of the contributors, and, as such, they offer only “general prescriptions to guide the practitioner who wishes to develop his relationship-building skills”.<sup>53</sup> *Kubr*, for example, advises the reader to achieve “joint problem definition” and to “listen, be patient and modest”.<sup>54</sup> *McGivern* concludes that most of these authors tend to consider the relationship between client and consultant to be almost entirely a matter of “chemistry”, emphasizing trust and likeability.<sup>55</sup> Additionally, such practical concepts and recommendations have no clear theoretical background. In other words, such books and articles do not make clear what are the important variables in the client-consultant relationship, and how are they related to and influence each other. In this sense, they are not scientific research.<sup>56</sup> They represent only single accounts and do not provide a coherent theoretical view of consulting. The purpose of this work is to undertake, in the most rigorous and deepest way possible, a conceptual study of the nature, characteristics, and success factors of the client-consultant relationship, regarding the transfer and creation of knowledge in the process of problem-solving.

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48 Wilson (1982), p. 270.

49 See, e.g., Block (2001); Davey (1979); Poufelt et al. (2005), p. 14; Kubr (1996), p. 488 and p. 724.

50 See Block (2001).

51 Schuster (2001), p. 232.

52 Markowitz (2001), p. 105.

53 McGivern (1983), p. 368.

54 Kubr (1996), pp. 54-60.

55 See McGivern (1983), p. 368.

56 The following quote from Kast and Rosenzweig supports this argument: “Cookbook approaches, while seemingly applicable and easy to grasp, are usually short-sighted, narrow in perspective, and superficial—in short they are unrealistic. Fundamental concepts [] are more difficult to comprehend. However, they do facilitate a more thorough understanding of complex situations and increase the likelihood that appropriate action will be taken.” Kast/Rosenzweig (1973), p. 322.



## II. Structure and Contents

This work is organized into five main chapters. After this introduction, some general definitions and concepts are presented in section II. In particular, the terms professional business services and management consulting are discussed, and major characteristics of the client-consultant relationship are outlined. First, it is necessary to discuss the existing views of the nature of professional business services, in order to work out the approach that builds the basis for the discussion of management consulting, and the nature of consulting projects within this work. In a second step, the main characteristics of consulting services, as discussed in the literature, are presented, and it is suggested that a high degree of interaction with the clients is regarded as one of the most distinguishable attributes of consulting services. With this, the conceptual foundations of the work are set.

Section B introduces a framework for the analysis of the client-consultant relationship that helps to structure the following discussion and to show the main assumptions of the presented models of the client-consultant interaction. This framework takes a systemic perspective with the consequence that three major elements of client-consultant relationships have to be analyzed for a complete understanding of this interaction: (1) the attributes of members of the client-consultant team; (2) the environment in which the team operates, that influences and is influenced by the actions of the team, in particular, the (immediate), problem-based environment; and (3) the structure of the client-consultant team, which includes the cultural, political and economic relations between the members of the team.

Three main categories of attributes are suggested and discussed in relation to their relevance for the client-consultant relationship: cognitive, motivational, and interactive. It is suggested that their relevance differs depending on the type of problem clients and consultants face. Next, a consulting-specific problem typology is developed and its implications for the structure and intensity of the client-consultant interaction are discussed. It is concluded that a unifying discussion of consulting services is inappropriate. Some general characteristics of the broader environment of management knowledge creation and dissemination are outlined as well.

When discussing the structural relations between clients and consultants, this work emphasizes that client-consultant teams are cultural systems oriented towards problem-solving. Therefore, the cultural relations among the team members are at the heart of this work. It is argued that both the economic and the political relations within client-consultant teams are closely interwoven with the cultural relations, and these interrelations are discussed. In particular, it is stressed that power relations have a strong impact on the problem-solving process within client-consultant teams. In the literature on client-consultant relationships, both cultural and political relations are discussed, but within different epistemological traditions. In order to shed some light on the reasons for the existence of these competing views, as well as on their weaknesses, this work provides an overview of the theoretical approaches to the nature of knowledge and power that are reflected in the particular models of the client-consultant relationship. This is

necessary, as a successful analysis of the interaction between clients and consultants presupposes, first, the clarification of the terms knowledge and knowledge transfer; and second, a discussion of the nature and role of power in human interactions. Additionally, two other types of structural relations are outlined: the first concerning the management and coordination of team members' activities, the second related to the interactions of the team with its broader environment. It is stressed that the development of concrete social mechanisms for the coordination and integration of clients' and consultants' work is an important aspect of successful client-consultant relationships that is mostly ignored in the literature on client-consultant interaction.

Based upon this framework, after a short introduction, the three basic models of client-consultant interaction are presented in section C, chapters C.II, C.III and C.IV. In order to understand these models one needs to explore the nature and consequences of the assumptions that frame these models. Therefore, the models are discussed with emphasis on their assumptions about the nature of knowledge, knowledge transfer and creation, and power structures. Consequently, their main critical points and implications for the interaction process are identified.

On this basis, it is argued that a different model of the client-consultant relationship is required. In chapter D, the new theoretical framework is introduced and its main characteristics and general implications are discussed. It is suggested that client's and consultant's knowledge is embedded in communities of interpretation, and knowledge creation and transfer takes place within such communities.<sup>57</sup> Because there has been little discussion in the literature about the interaction between separate communities and the difficulties of sharing knowledge across boundaries and reaching synthesis,<sup>58</sup> as well as on how communities change their perspectives and how they add new perspectives,<sup>59</sup> the concept of interpretive communities has to be expanded to allow for a better understanding of the interaction process between clients and consultants. By applying the concept of interpretive communities, it is shown that clients and consultants may have problems in understanding each other.<sup>60</sup> Consequently, within their interaction there is a problem of translation: knowledge transfer and creation will only occur if the individuals involved in the interaction process develop some integration mechanisms in order to coordinate their work, and learn to share their views and interpretations of the problem at hand. Whose perspective will build the basis of the problem solution when there are several legitimate interpretations depends on the power or "interpretive dominance" of each community, which is constructed through discourse.<sup>61</sup> As the translation of different interpretations is also simultaneously a mechanism of power,<sup>62</sup> it is necessary to look at the power dynamics and the role of power in the knowledge transfer and creation within client-consultant teams. Additionally, after discussing the cultural and political relations between clients and consultants, as postulated by the new model, in chapter D.VI, the

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<sup>57</sup> See, e.g., Brown/Duguid (1991), p. 48.

<sup>58</sup> See Bechky (2003), p. 314.

<sup>59</sup> See Prahalad/Bettis (1986), p. 485.

<sup>60</sup> See Clegg et al. (2004), p. 38; Kirsch/Eckert (1998), p. 281; Wimmer (2004), p. 287.

<sup>61</sup> See Callon (1986a), pp. 201; Meindl et al. (1994), p. 291.

<sup>62</sup> See Clegg (1989a), p. 204.

consulting problem typology developed in chapter II is enriched with the insights provided by the interpretive model. Some concrete suggestions are then offered as to how the requirements for successful consulting projects differ, depending on the problem at hand or on its interpretation by clients and consultants. Chapter E draws the themes of the work together and restates the main conclusions.



**Source/Quelle:**

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