

Expertise and Organizational Boundaries:

A Typology of Consulting Roles

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Abstract

The diversity of management consulting has long been recognised by mainstream commentators, but the more critical literature often overlooks this feature. This paper explores different consulting roles by developing a typology based on two dimensions of consulting work: the nature of the knowledge base that consultants purport to use in their work, and the extent to which the boundaries between consultant and client are permeable. Based on interviews with consultants and clients, features of four main consulting roles are outlined. Key developments that are highlighted include the increasingly structured nature of much consulting work and the growth of client-consultant relationships based on social rather than purely market exchange criteria. The discussion shows that the diversity of consulting roles has developed over time in response to both client demands and provider initiatives. The analysis raises questions about the nature of expertise and the structure of organisations.

INTRODUCTION

Management consulting is a rapidly growing industry which is having an increasing impact within modern business organizations (O'Shea & Madigan, 1997; Wooldridge, 1997). However, consultants are a diverse occupational group, and arguably becoming more so. This paper explores the diversity of consulting by developing a typology of consulting roles along two dimensions: first, the nature of the expertise on which the consulting task is based; and second, the nature of the boundary relationship between consultant and client.

The neglect of diversity has been evident within recent critical analyses of consulting. A dominant theme within this literature has been the skills consultants use to attract clients and manage their impressions (Czarniawska-Joerges, 1990; Bloomfield & Danieli, 1995; Clark, 1995; Clark & Salaman, 1998). Other writers have adopted a more structurally based analysis, focusing on the dialectical nature of the consultant-client relationship. Hence, Sturdy (1997a & 1997b) has argued that the image of 'confident consultants' and 'passive managers', ignores both managerial scepticism towards consultants as well as the varying power relationships between client and consultant. However, with a few exceptions (for example Fincham, 1999; Morris, 2000; Kipping, 2002) much of this recent analysis has defined management consulting generically as a means of developing a critical theory of consulting, and neglected the diversity of consulting as an activity and consultants as an occupation. As recent reviews of the industry have highlighted (Wooldridge, 1997), management consulting varies both in functional focus (for example, operational efficiency, human resources, business strategy, or information technology), and structure, ranging from large global corporations to medium-sized domestic firms, small partnerships, solo practitioners, academic consultants and corporate 'internal' consultants.

Paradoxically, earlier and less critical writers on management consulting better acknowledged its diversity (Fincham & Clark, 2002). For instance, Tilles (1961) identified three principal roles: 'seller of services', 'supplier of information', and 'business doctor dispensing cures'. Similarly, Schein (1969) distinguished between the 'purchase model', 'doctor-patient' model and 'process consultation'. Other examples of this genre include Steele (1975), Blake and Mouton (1983), Margerison (1988), Nees & Greiner (1985) and Maister (1993). While much of this literature is overly managerial and prescriptive, we believe that its attention to the diversity of consulting work needs to be restated and developed further. Our research, based upon over seventy interviews with consultants and clients, indicates that different relationships exist that reflect wider organizational and occupational changes.

The paper begins by looking at two dimensions along which consulting roles may vary. The dimensions were derived inductively from semi-structured interviews with consultants and clients.

Our interviews revealed that the respondents themselves distinguished between consultants primarily on two criteria. The first involved distinctions between different forms of expertise, principally based on two socially constructed categories that we term *esoteric* and *technical* knowledge. The second dimension involves the extent to which the organizational boundaries between consultant and client are clear or blurred, leading to the perception of consultants as organizational *insiders* or *outsiders*. These dimensions yield a four-cell typology of consultant roles, which we explore in the central part of the paper. We conclude by assessing the implications of this typology for the role of consultants in the broader processes of social and organizational change.

Types of Expert Knowledge

A substantial literature has developed on the topic of knowledge workers and knowledge intensive firms (e.g. Starbuck, 1992, Alvesson, 1993, Winch & Schneider, 1993, Nonaka, 1994, Frenkel et al., 1999, Scarbrough, 1999). As employment shifts from primary and secondary to service industries, one of the fastest growing sectors within services is ‘knowledge based organizations’ (Winch & Schneider, 1993) or ‘knowledge intensive firms’ (Starbuck, 1992), whose product is the expertise of their members. Management consultants and consultancies are frequently presented as exemplars of this increasingly significant category of workers and firms.

The respondents in our study differentiated themselves on the basis of expertise or knowledge, and theoretically this is a key dimension on which to analyse consultants because it is so closely linked to changes to occupational structures (Reich, 1991; Reed, 1996; Frenkel et al., 1999). Fincham et al. (1994) suggest that expertise has three key facets: knowledge, power and tradeability. A similar set of concepts is employed by Reed (1996), who includes organizational form rather than tradeability, along with knowledge and power. There is little agreement on the nature of expertise, however, with Starbuck (1992: 716), for example, reversing the conceptual hierarchy by asserting that ‘Knowledge is a stock of expertise’, later adding that ‘everyone defines knowledge differently’ (1992: 736).

The widespread use of terms such as ‘the knowledge intensive firm’ and ‘knowledge work’ highlights the central role of knowledge in the changing nature of expertise in occupational structures. Some writers, such as Winter (1987) seek to deal with the conceptual difficulties of the term by developing elaborate typologies of knowledge, but a different approach is adopted by Alvesson (1993, 2001), who points to its inherent ambiguity both as a phenomenon and its role in knowledge intensive firms (Alvesson, 1993: 1002). In a similar vein to Clark (1995), who focuses on the uncertainties of the consultant-client relationship, Alvesson states that ‘the focus changes from an emphasis on formal knowledge to persuasive strategies in convincing all concerned about expertise and superior rationality’ (Alvesson, 1993: 1004). Similarly, Legge (2002: 80) suggests that ‘knowledge is inseparable from the rhetorics of persuasion’. Agnew et al (1994), while accepting a

social constructionist approach warn against unqualified relativism, and Salaman (2002: 254) argues that ‘Although consultancy ideas may be “smoke and mirrors”, faddish and false, they still contribute to the nature and exercise of power within the organization’.

Although knowledge is inherently ambiguous, we also note that consultants portray themselves to clients and others in terms of their knowledge, and this has consequences for the relationships that develop and the advice or practices that are offered. We distinguish between two categories on which consultants make their primary knowledge claims. One category is what Blackler (1995), Reed (1996) and Starbuck (1992) term *esoteric* knowledge. Consultants often present themselves as privy to specialized knowledge inaccessible to the uninitiated, with a wide ambit to define problems and recommend creative solutions for clients. This fits the traditional image, for example, of strategy consulting. The knowledge base employed in many other consulting activities, however, involves the mastery of *technical* knowledge. In this category, consultants claim the ability to undertake a set of practices that may be complex and intellectually demanding, but open to anyone willing to put in the time and effort necessary to learn them. Work of this type is often routine (for example, recruitment, remuneration surveys, training, and installing business systems), and may be based on codified packages.

Organizational Boundaries

Engaging consultants has typically been viewed purely as a market transaction in which resources or advice are purchased by the client from an external provider. Such relationships might be understood in terms of frameworks like Williamson’s (1981: 556), in terms of ‘make’ or ‘buy’ decisions. However Granovetter (1985), in his seminal article on the social embeddedness of economic relations, suggests that this dichotomy is inadequate. ‘Make’ or ‘buy’ presumes that there are clear organizational boundaries, with only employees ‘inside’ and all others ‘outside’, and that these boundaries delineate between economic activities based on market and administrative principles. Granovetter shows that the coupling of market/outside and administrative/inside is not always the best way to understand organizational activity. He argues ‘...that even with complex transactions, a high level of order can often be found in the “market” – that is, across firm boundaries – and a correspondingly high level of disorder within the firm’ (Granovetter, 1985: 502). Theoretically, there is nothing to prevent relations with ‘external’ providers from being organized on the basis of strong social ties, and we increasingly find marketized relations within enterprises. Thus relations between client and consultant can be governed by quasi-administrative guidelines, while relations between members of the same enterprise can be subject to contractual arrangements and uncertainty.

Granovetter’s argument raises questions about the nature of organizational boundaries that are pertinent to the study of consultants. Child (1997: 54) notes that:

The growth of organizational networks and collaborative arrangements between organizations shows that it is not necessarily meaningful to look for clear and fixed boundaries to organizations. Rather, what used to be called boundary relationships are now often conducted through sets of arrangements which are themselves organized.

Similar views are expressed by Blackler (1993: 880; 1995: 1032) and Frenkel et al. (1999: 27). Our interviews reveal that a crucial difference between consulting roles revolves around the extent to which the consultant is clearly external to the client organization, with the transaction based primarily on market principles, or has developed a range of social ties with the client, such that the boundary between the client and consulting organization is to some extent blurred.

We do not suggest that the juridical boundaries between organizations are inconsequential. Rather, that forms of cross-boundary transactions can be identified that are qualitatively different to the simple 'make or buy' decisions that underlie most accounts of organizational exchange. Similarly, Badaracco (1991: 13) uses the metaphors of companies as 'citadels' (maintaining a clear boundary with other actors) and 'city states' (in which organizational boundaries are 'open and porous').

In analysing consultant roles, we distinguish between '*insiders*' and '*outsiders*'. 'Insider' consultants seek to develop long term relationships with clients. Legally, they work in separate organizations, but for practical purposes their relationship may involve complex ties of knowledge, payment (for example retainer arrangements) and warm personal bonds. We also note the trend towards defining human resource specialists, in-house lawyers and IT staff as 'internal consultants'. They are paid a salary, but must 'win' business from internal 'clients', who are not obliged to use their services. Other consultants, however, clearly operate 'outside' the client organization, with the relationship based primarily on market criteria.

A Typology of Consulting Roles: Knowledge and Boundaries

Using the dimensions of type of knowledge and the relationship to organizational boundaries, each divided into two broad categories, yields a typology of four types of consultant roles: *advisers*, *partners*, *providers* and *implementers*.

Consultants with an esoteric knowledge base whose relationship with the client is primarily a market transaction we term *advisers*. This is the traditional role of external experts contracted to solve complex problems, frequently involving a high degree of uncertainty, who respond by gathering information, writing a report, and leaving the client to implement the recommendations.

Figure 1: Typology of Consulting Roles

		Type of Knowledge	
		Esoteric	Technical
Organizational Boundaries	<i>Outsider</i>	Adviser	<i>Provider</i>
	Insider	<i>Partner</i>	<i>Implementer</i>

While the adviser model involves a detached relationship between consultant and client, many consultants claiming to use an esoteric knowledge base prefer a *partner* role. This role emphasises building social ties with the client beyond a simple market relationship, with the result that the boundaries between client and consultant become somewhat blurred. For the client, the consultant becomes a known quantity who can be trusted and has a good prior knowledge of the business. The consultant in turn becomes privileged in gaining work against competitors.

The knowledge on which much consulting work is based is often seen to be ‘merely’ technical rather than esoteric. Many tasks involving technical knowledge that were formerly performed ‘in house’ can be outsourced, and consultants can easily serve a large number of clients. *Providers* portray a technical knowledge base, in a relationship involving a relatively low level of interaction between consultant and client.

Implementers provide services that they portray as technical in nature, but take on aspects of ‘insiders’. The service, in the view of the consultant and/or client, can only be performed well if there are ties beyond a simple market transaction. The consultant must understand the client’s business, and the client must play an integral part in the project.

It should be stressed that the purpose of this typology is not to classify individual consultants or consultancies, but to highlight the different roles that consultants can adopt. Indeed, on different occasions individual consultants may take on different roles, depending upon the outcome of negotiations with the client. In the following sections, we develop the four types of consulting roles, making use of material from extensive interviews with consultants and clients.

Methodology

The research consisted of semi-structured interviews with management consultants and their clients in Australia between 1997 and 2000. For this paper, we have made use of interviews with 61 consultants and 10 clients. Interviews lasted between one and four hours. Most lasted approximately one and a half hours.

As there had been little previous research on management consultants in Australia, the project began with exploratory objectives, but over time the research questions became more refined and explanatory in nature. Initially, the research was focused on human resource consultants, but it rapidly became clear that the line between HR and other types of consulting was ill defined. We soon began interviewing strategy consultants, and later information technology and operational efficiency consultants. The need for a rounded view of the consulting process led us to include clients as well. Because we adopted a qualitative approach to the research, the sample of respondents was purposive rather than statistical (Babbie, 2001), but we were careful to cover a range of demographic variables including size and type of consultancy, level of seniority and experience, and gender. Thus, while we spoke with many people, our qualitative approach was never intended to approximate a random sample survey.

We adopted an inclusive approach to the consulting industry. Much of the literature on management consulting has concentrated on the more visible and glamorous enterprises – the major strategy firms and the consulting offshoots of the big accounting firms (O'Shea & Madigan, 1997). While we included these consultancies in our research, it was apparent that they were the tip of the iceberg. The major consulting firms are intrinsically interesting, but theoretically it is crucial to include small or solo consultancies, often engaged in more mundane activities, if we are to understand consulting as an occupation, as well as the relationship between consultants and clients and how this relationship is evolving within a broader economic and social context. As Becker (1998: 94) remarked, concentrating on the most successful and high profile cases at the expense of the mediocre or obscure can result in missing out on the richest data.

One could argue endlessly over a precise definition of a management consultant, but we developed several guidelines that gave little difficulty in selecting respondents. First, they had to offer business services. Although we excluded the traditional professions of accounting and law, we deliberately interviewed two lawyers, both as a point of comparison and also because they were seeking to develop relationships with their clients that were more proactive – and thus closer to a model espoused by many consultants – than most law firms. Second, the services needed to be at a managerial level, as we wished to exclude those offering purely secretarial or simple administrative services. Third, we excluded those who were little more than disguised employees of the client, or were working for enterprises that provided 'rent-a-manager' services to fill temporary gaps. Fourth, it was necessary for the person to genuinely self-identify as a management consultant and for this to be accepted by significant others, particularly clients. We believe that it is essential to 'be true to the subject', and the self-definition of practitioner and client that the relationship is 'consultancy' is a necessary, though not sufficient criterion. Ultimately, our view is that seeking to develop an exclusive list of criteria to determine who is or is not a management consultant is no more likely to be productive than the trait lists of 'professionals' were fifty years ago.

Consulting Roles

Consultants as Advisers

The popular image of management consultants is an external expert engaged by top management to solve complex, intangible problems or recommend new business strategies. This role emphasises the consultant's ability to provide advice, opinion and insight about unstructured problems requiring an innovative approach. Hence there is an emphasis upon the consultant's purported mastery of esoteric knowledge. As a senior partner in one strategy firm observed, 'There's a series of problems which are inherently unstructured. They're new to the world.'

The esoteric character of the knowledge employed in this role was portrayed by a former strategy consultant, who described a project in which his team compiled an extensive database of Australian mining exploration for a major company uncertain of its future business strategy. After comparing the practices and performance of the client's competitors, the consultants:

... sat down with the management and we said "we've looked at this and we think this is the pattern and we think you could fit this pattern but this is where you seemed to have lost your way". But that was the sort of work we did, we took a very unstructured problem that is of fundamental concern to the top team.

Adviser consultants often have considerable autonomy in defining the nature of the problem and proposing a solution. Their emphasis upon analytical problem-solving also led them to develop distinctive recruitment patterns that favoured analytical skills over technical or industry experience. As one senior consultant related:

...what we wanted were people who really were prepared to take an unstructured problem and think about it in a novel way and then be able to study it with data. And that led us to recruit quite different people. We didn't value experience. We didn't care about experience. We just wanted bright people.

Beyond their esoteric expertise, the relationship between adviser consultants and clients was portrayed as a market transaction, in which the consultant is hired as an outsider to investigate an issue, provide advice usually in the form of a written report, and then leave the client to implement the preferred strategy. For example, some managers perceive a need for an external observer to review the performance of their business and advise them on future directions. In one case, a large manufacturer hired a leading strategy consultancy to provide a 'temperature check', as one manager put it, on the integration of a recently acquired subsidiary. This project did not require intensive involvement with the client, and the principal outcome was a recommendation that the firm invest in an integrated information technology system to gain greater efficiencies.

Although some client personnel might be involved in aspects of the project, in general expertise is retained by the consultants when an adviser role is adopted, and the degree of knowledge transfer is limited to the production of a written report outlining findings and recommendations. Amongst the elite strategy consultants, respondents told us that the high cost of their services often limited the viability of more long-term projects that might engender a closer relationship. This suggests that there are limitations to the adviser role as a business model, and although major strategy firms that typified the adviser role seek to retain their mystique, they may increasingly be drawn towards providing other services to retain and expand their business.

Consultants as Partners

Like advisers, the *partner* consultant stresses an image of esoteric knowledge mastery, but seeks to build an ongoing relationship with client personnel and the client organization more generally, based on social rather than strictly market criteria (Granovetter, 1985). The strength of these social ties may result in the formal boundaries between consultant and client becoming blurred, such that a degree of integration develops between them. While not a new phenomenon, two factors appear to have precipitated a shift towards closer non-market relations between consulting firms and their clients. First, businesses began to expect more from their consultants than the provision of a report without taking on any responsibility for the success of its recommendations (Morris, 2000). Second, from the consultants' perspective partnership arrangements promised an ongoing stream of work and reduced the cost of securing new work (Perry, 1987; Brizz, 1998).

The partner role also involved a shift from the vision of the consultant as external expert to a participatory model of problem solving and change management (Schein, 1969). Hence some of the consultants we interviewed saw their role as working with client managers both to diagnose problems and to facilitate the transfer of skills and knowledge via project teams. As one consultant stated:

We could send you a document and make you smart. But that's not terribly valuable...it's not nearly as valuable as if you and I sit down together and work on this problem, you will come up with a much better answer than if you did it on your own.

Consultants acting as 'partners' therefore viewed their role as assistants rather than instructors, helping to gather the tacit knowledge held within the client organization as a means of improving performance.

From the client's perspective, the development of social bonds makes the consultant a known quantity who can be trusted and who enters each consulting project with a good understanding of the organization and its needs. The principal of a small consultancy related:

So we're there to provide good solid advice, where to go, what to do, how to do it, and that's what we're on about. And the relationships are built. Trust is built. And we know intimate details about their business and where they're heading and we don't lightly take that stuff for granted. I mean it's a relationship, you know I'd like to think we're part of their furniture.

Establishing relationships therefore served the interests of both parties, protecting sensitive client information as well as making 'on-selling' of new business easier for the consultant and less subject to competitive bidding.

These close relationships were characterised in a variety of ways. One senior strategy consultant described the high trust relationship that had developed between himself and his core clients as 'much like a marriage' in which confidential knowledge was shared over a long period of time. Similarly a consultant working in a two person 'boutique' consultancy spoke of her perception of a dual identity within a client organization in which they had worked over the years:

So we might go along to one particular [client location] and we're colleagues, more than consultant and client. And yet in another sort of way, we get an entree to the organization by being consultants...They want to talk to you partly because you are an outsider, and an outsider who knows the system, and understands the system, so that they can tell you their problems and feel safe in telling you their problems...[So] the organization almost takes us for its own. We're never quite, of course, because we are still the consultants.

Thus partnering relationships always contain an element of ambiguity, as the 'insider' status of consultants is never based fully on administrative rather than market arrangements, and paradoxically their value to the client is increased by having one foot outside the organization.

Consultants as Providers

In contrast to claims of intellectual mastery and insight, *providers* stress their ability to deliver a tangible and clearly defined outcome based on technical expertise. As one former consultant confided:

Well it's not a hard job. You know in the whole time I worked for [the consultancy] there were probably only three or four projects where the question of what will we do to get the savings was actually a difficult intellectual question. Normally you just put the [consultancy] system in, end of story, that's where you get the savings from....it wasn't a big drama as to what you had to do.

The use of standardised consulting products has led to the well-publicised criticisms of 'cookie-cutter' consulting; where the same template is applied to client after client, irrespective of their specific needs (Pringle, 1998). However, several experienced respondents pointed out that structured

consulting methodologies are often the best solution to problems that do not require innovation or novelty.

Many consulting projects are based upon a market-oriented relationship in which the consultant is contracted to provide a clearly defined service or activity, and who may work for many clients without needing to develop a partnership. Examples of the provider role can be found amongst consultants to whom a range of managerial or administrative functions have been outsourced. This role is common amongst the plethora of small and solo consultancies that emerged following the downsizing and delayering of major corporations during the 1990s, revolving around their ability to provide a flexible source of external labour requiring technical knowledge. In areas such as recruitment, remuneration, psychological assessment, training and attitude surveys, clients often employ a consultant to assist in the performance of a one-off task where internal resources are already occupied, insufficient, or cannot be justified on a full-time basis. As a senior human resource manager in a large corporation noted:

I can't do everything that is required of me in a reasonable amount of time, so some of it has to be outsourced. It's a much cheaper way of doing it than having an enormous department of people, some of whom are not fully utilized and who when you've got a major project don't have the right skill mix anyway. So part of it is hiving off the things that I don't particularly like.

Providers maintain a market-based relationship with the client, involving a low level of direct interaction. Projects are often tightly prescribed by the client and the consultant provides a defined and structured service involving little transfer of knowledge.

Consultants as Implementers

Our interviews reveal that just as some consultants trading in esoteric expertise often seek to take on roles involving long term and close relations with clients, a similar trend can be observed in areas of consulting that rely on an image of technically based expertise. In these cases, the consultant or client argues that the successful performance of the service requires an on-going and interactive relationship. Consultants acting as *implementers* must 'know the client', and the client must be involved in the process and 'own' the outcome.

Perhaps the best example of the implementer role is the installation of Enterprise Resource Planning (ERP) systems by the 'Big Five' accounting-based consultancies, which involve large numbers of consultants working on-site within the client organization over long periods of time. These complex off-the-shelf software packages need to be customised for each company and frequently require changes in organizational processes. Installation can take several years and cost many millions of dollars. A key part of the implementation methodology involves the formation of joint project teams

of consultants and client staff which are intended to encourage knowledge transfer (Buckhout et al., 1999). Thus the knowledge base, while portrayed as complex, is assumed to be accessible to 'mere' managers. These projects combine the close integration typical of partnering arrangements with technical applications.

Again, individual consultants or consultancies are not restricted to one type of role. Thus even the prestigious strategy houses undertake projects which can include more basic, standardised work such as cost reduction or business process reengineering, involving joint project teams and structured methodologies that are similar in kind to the IT implementation work of the major accounting based consultancies (Werr et al., 1997). As a senior manager in a client firm asserted, proposals from most consulting firms were:

Ninety percent recipes...[T]hat's not what they will tell you and they may not even believe it, but it is 90 percent recipes. It is, you know, "I'm Boston Consulting and I have my Boston Consulting model and I have my this model and my that model and I can truly apply that". "I am Stern Stewart and I have the Economic Value-Added model and it will cost you an arm and a leg and I will make the EVA model work for your organization". And that's what they do, they develop product which they then implement through an organization. ...

Whether the proportion of pre-packaged proposals is as high as this manager suggests is unclear, but such anecdotes suggest that claims to esoteric knowledge mastery are not necessarily taken at face value by sophisticated clients.

The high levels of interaction between consultants and clients in implementation projects underpin a relationship different to the 'outsider' position. Referring to an ERP project, one consultant related how:

The best compliment I had, a new consultant joined the firm and came to the team. Into the second day, he went to the project manager and said "can you tell me who's [consultancy] and who's the client, I can't tell the difference". That's one of the things when you're doing a good job. If you can't tell the difference between the project team, then you've got a really good team going, everyone's working together in partnership.

However, difficulties can arise when consultants who operate for long periods within the client company and for practical purposes are identified as client employees. One young consultant who had been seconded to a client workplace for an extended period as an 'extra pair of hands' expressed her desire to 'cling to' the organizational culture of her consultancy, which she greatly preferred to that of the corporate client. She was expected to operate in all respects as a member of the client company, including carrying a corporate business card.

DISCUSSION

Our typology of consulting roles provides insights into both the changing nature of management consulting as well as the broader issues of managerial expertise and organisational boundaries.

As Kipping (2002: 29) argues, the evolution of management consulting has been shaped by the changing nature of management more generally. Traditionally, consultants emphasised their role as external experts who could advise companies in the efficient operation of their factories and offices, as well as provide insights into corporate structure, strategy and operations (McKenna, 1995; Kipping, 1997; 1999; 2002; Wright, 2000). This was challenged by the growth of management education and professionalisation, as well as by the activities of consultants themselves in transferring knowledge. The consultants' monopoly over specific areas of expertise (eg. scientific management) waned as management education expanded and managers were better able to deal with what previously had been considered esoteric knowledge. New and seemingly mysterious techniques which had once been the preserve of a few, increasingly became codified and able to be carried out in-house. Indeed, in the process of transferring knowledge to clients, consultants faced the dilemma of potentially working themselves out of future business, in that once expertise was established within the client's enterprise the consultant could be dispensed with.

These developments posed both threats and opportunities for consultants. Reed (1996) points to ongoing conflict between the managerial/organizational professions and the emerging entrepreneurial professions. If, as Reed (1996: 585) suggests, the codification of management knowledge threatened the position of managers, similarly the greater education of managers created a more knowledgeable and potentially sceptical clientele for consultancy services. Consultants responded to the professionalization of management in two ways. First, some consultancies re-emphasised the esoteric nature of their knowledge base, which they portrayed as incapable of being replicated by clients themselves (Kipping, 2002: 32-4). Second, consultants sought to diversify their offerings and find new sources of expertise (Wright, 2000). Paradoxically, the professionalization of management provided grounds not only for conflict between managers and consultants but also for cooperation, as educated managers – in many cases former consultants themselves – generated a receptive audience for an array of consulting skills and products.

More recently, corporate downsizing, delayering and outsourcing have fuelled the growth in demand for consulting, particularly the provision of technical knowledge. First, the expertise necessary to perform many tasks in-house was no longer available. Second, once consultants (in some cases downsized managers) developed a niche in the labour market for business services, they were constantly seeking new 'problems' to which their expertise could be applied. A third trend has been for consultants to develop close relationships with clients to minimise market vulnerability (Brizz,

1998). Simultaneously, client demands for tangible outcomes from consulting projects have led some consultants to shed their detached adviser roles and become involved in the implementation of their recommendations (Morris, 2000). This has led to the boundaries between consultant and client becoming increasingly blurred, which can occur across the spectrum of the consulting knowledge base.

Our typology reflects a shift over time from a predominant role of the consultant as external expert using esoteric knowledge (what we have termed an 'adviser') to a broader range of possibilities. For example, delayering, downsizing and outsourcing have created a demand for external 'providers' of routine business services in place of managers. Alternatively, the development of 'relationship consulting' and client demands for tangible consulting outcomes have resulted in consultants seeking to become 'embedded' in the fabric of the client enterprise for greater or lesser periods of time as partners or implementers. Rather than a linear trend from one role to another, we argue that consulting has become increasingly diverse and individual projects may vary along the dimensions of expertise and the nature of organizational boundaries between consultant and client. Indeed, like the managerial professions, contemporary consulting is the product of a process of occupational sedimentation. The original predominance of consulting roles featuring an esoteric knowledge base remains an option, along with alternate roles based on the provision of technical knowledge and/or 'insider' relations with client organizations.

Although it is possible for individual consultants to move between different roles, there may be practical limits to this. In particular, consultants seeking to develop close, long term relations with a small core of clients as opposed to a series of projects with numerous clients, may require a different set of competencies that promote and reward relationship building. The ease of movement between roles, however, is not symmetrical, as the shift from outsider to insider is not quick and easy, but often requires lengthy courtship and acts of reciprocity. Similarly, while consultants stressing an esoteric knowledge base may undertake assignments of a more technical orientation, our data suggest there are impediments for consultants shifting in the other direction. If nothing else, the business models of consultants and consultancies offering esoteric and technical expertise often operate upon different conceptions of internal 'leverage' and different billing rates (Maister, 1993). Further, developing the reputation for esoteric mastery that 'advisers' and 'partners' rely upon often takes time, and again appears to limit role shifting. Indeed, while even the largest global consulting organisations offer a broad range of consulting services which stress all four of the roles we have identified, there is a tendency towards distinguishing consulting roles and client relations within specific internal competencies, and to emphasise a dominant line of service and consultant-client relationship (Kipping, 2002).

The typology also helps us to understand the nature of expertise and organizational boundaries more generally. Looking first at expertise, we find that the distribution of expertise among occupational groups is becoming increasingly complex. For example, Reed (1996: 585) suggests that knowledge workers pose a threat to the managerial professions, as their ‘exceptional expertise’ is ‘inherently resistant to incursions by the carriers of bureaucratic rationalization and control’. However, much of the purportedly ‘esoteric’ knowledge of the entrepreneurial professions is in fact amenable to codification and standardization. There are three aspects to this. First, by codifying consultancy methodologies and developing ‘toolkits’ available on internal databases, large global consultancies are able to routinize and share expertise, while increasing the proportion of relatively inexperienced junior analysts (Maister, 1993; Werr et al., 1997; Lemann, 1999; Sarvary, 1999). Second, many corporations recruit staff from knowledge intensive firms. For example, some global strategy consultancies have a deliberate policy of placing former consultants into corporate jobs through ‘up or out’ promotion policies (Huey, 1993; O’Shea & Madigan, 1997: 261-2). Clearly, these managers would have a thorough mastery of the ‘esoteric’ knowledge and skills deployed by the consultants for whom they previously worked. Third, business school academics have a strong interest in codifying knowledge industry practice, both as producers of new talent for consultancies and as a fruitful topic for research and publication. Thus management knowledge is a ‘contested terrain’, but the expertise of knowledge workers is open to challenge to a surprisingly large extent, and their dominance in a ‘knowledge society’ is by no means a foregone conclusion.

Our typology also provides insight into the changing nature of organizational boundaries. Granovetter in particular points to the need to examine closely the real patterns of interaction between enterprises and their environment. He argues that we need to:

Comprehend the various complex intermediate forms between idealized atomized markets and completely integrated firms, such as the quasi firm....Intermediate forms of this kind are so intimately bound up with networks or personal relations that any perspective that can consider these relations peripheral will fail to see clearly what “organizational form” has been effected.
(Granovetter, 1985: 504)

One example is the internal marketization of corporations. This ranges from setting up internal cost centres for control and tax purposes to the redefinition of employees as ‘internal consultants’, who charge internally for their time and are required to ‘sell’ their services to internal ‘customers’. Conversely, as we have shown in the case of consultants, the behaviour of ‘external’ workers can take on some characteristics of ‘internal’ employees.

CONCLUSION

Analyses of consultants that acknowledge the diversity of the industry have tended to adopt a normative approach. More critical accounts at times fail to acknowledge the diversity of consulting roles that can be adopted. We have sought to contribute to the critical discussion of consultants by identifying two key dimensions that emerge from fundamental occupational and organizational change processes – expertise and organizational boundaries. The typology that arises from our analysis highlights a range of roles that regularly occur in consultant-client relationships, and points towards further areas of research.

The typology suggests that consultants can have a greater or lesser role in the process of organizational change. Most studies of consultants have restricted themselves to a narrow range of activities. Typically, these have been high profile roles characteristic of large strategy or information technology projects. In our view, the literature on consulting overlooks the more structured activities undertaken on a day to day basis by a growing segment of the industry.

Our typology addresses the diversity of the contemporary consulting industry by highlighting key theoretical issues. First, while accepting the importance of knowledge or expertise in understanding consultants, we argue that knowledge workers are a diverse group whose position in any emerging ‘knowledge society’ is by no means clear cut (Blackler, 1995; Reed, 1996). We find that claims to ‘esoteric knowledge’ by elite consultants can be challenged, while many consultants do not rely on an esoteric mystique, but traffic in easily replicated technical expertise.

Second, we have sought to explore the observations of writers such as Blackler (1993), Child (1997) and Frenkel et al. (1999) that organizational boundaries are increasingly permeable or blurred. While some insights have been provided by writers like Badaracco (1991), we have drawn on the work of Granovetter (1985) to show that portrayals of the consultant-client relationship as a simple market based transaction neglects or distorts the increasingly complex nature of organizations. Clearly, there is a need to better theorise both the socially embedded nature of many consultant-client interactions, as well as the growing marketization of internal corporate relationships.

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