



4th International Conference on Management Consulting
Expert- vs. Process Consulting:
Changing Paradigms in Management consulting
in Germany
- Experienced based Paper -

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osb international

Overview

- Changing Context in Management Consulting in German Speaking countries
- Background of Consulting Paradigms
 - Rationalistic Paradigm
 - Constructivist Paradigm
- 3 Approaches to reconcile Expert- and Process consulting
 - Complementary consulting
 - Concept of integrated consulting
 - Third modus
- Conclusion



Changing Context – Empirical Evidence

BDU-survey

- End of each year
- Questionnaire of 700 consultancies
- Quantitative and qualitative data

Key challenges of the customers 2007/08:

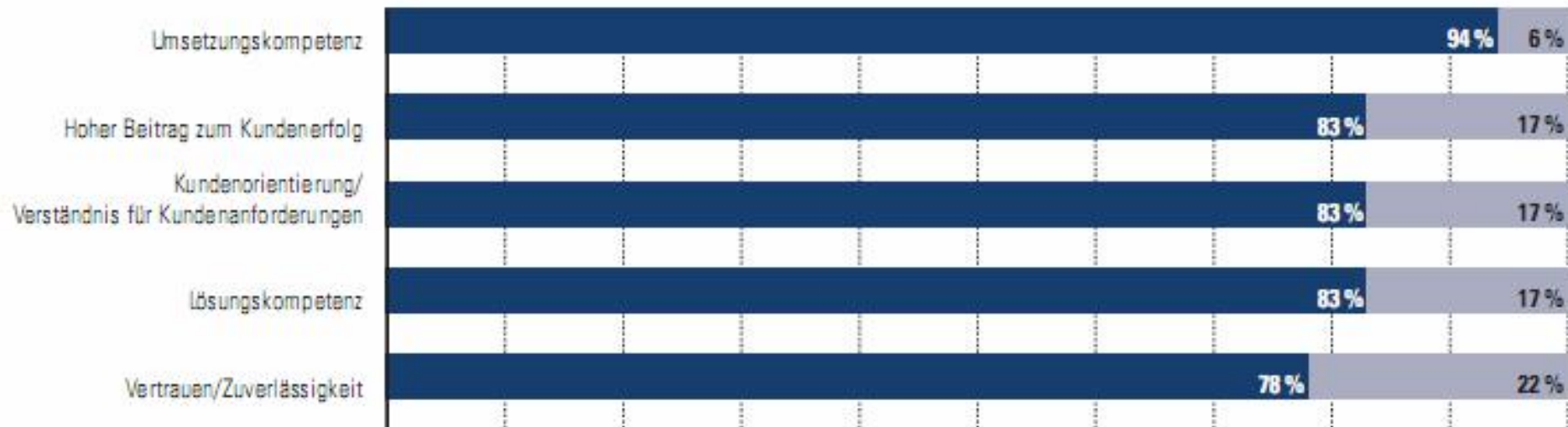
- customer relationship management
- Innovation
- cost management
- Globalization

Key challenges of the customers 2008/09:

- structural challenges
- reduction of costs
- Risk Management
- competitive differentiation
- critical assessment of the existing business model



Changing Context - Criteria for the selection of the consultant (consultants view) 2007/08



Changing Context: Trends & Consequences for consulting

- **Top criteria** for the selection of consultants are **similar** in big and small and medium sized companies (implementation competence, solution competence, trust & reliability, understanding of customer request)
- quick and prompt **availability** of the consulting results is more in the customer's focus
- growing expectation that consulting should go **beyond analyzing** and developing suggestions, and instead help realizing and implementing their recommendations

But..

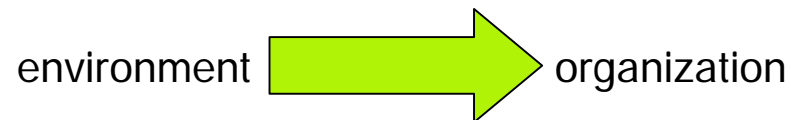
- despite significant evidence that customers demand **more support for the implementation** consultants still hesitate to meet this demand...
- expert consultants as well as process consultants refuse to take more **responsibility**
 - Roland Berger: "Consulting is consulting and not implementation, because implementation is the job of the manager. To consult on the implementation is the job of the consultant... each time the consultant tries to be the implementer, he will either not be successful or degenerate to a normal business service" (Berger, 2003).
 - Wimmer: managerial role of the consultants is as the "fall of mankind" → the responsibility for decisions and implementation should stay with the customer (Wimmer, 2008).

→ **no acceptance for the demand of the customers?**

→ **no consulting approach to answer the demand without going into managerial role?**

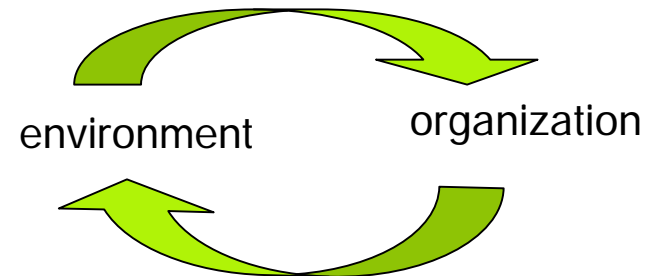
The background of existing consulting approaches...

expert consulting...



- assumes that the environment influences the organization by (unexpected) events and everything which changes in the environment (strict coupling)
- differentiates between means and ends and constructs robust cause-and-effect chains
- solutions can be generalized and are independent of the context → benchmarking
- to safeguard the future → observation of the environment to detect lifesaving information

process consulting...



- assumes that the environment influences the organization by the way, the environment is perceived by the system (loose coupling) → Weick
- effect in the system can be described in circular and self-referential ways
- Solutions are highly depending on the context
- to safeguard the future → permanent feedback loops to allow for the continuation of the self-organization (observation of how the environment is observed)



... leads to different forms and behavior in consulting

expert consulting

process consulting

the customer is lacking..

- Know-how, time, commitment to decision

- Solution self-produced internal blockades

focus of consulting

- professional certainty is based on standardized problem solving knowledge

- Self development potential of the organization & design of the communication processes

blind spot

- Internal social dynamic

- Economical aspects

relation to the customer

- Asymmetric

- Symmetric

critique

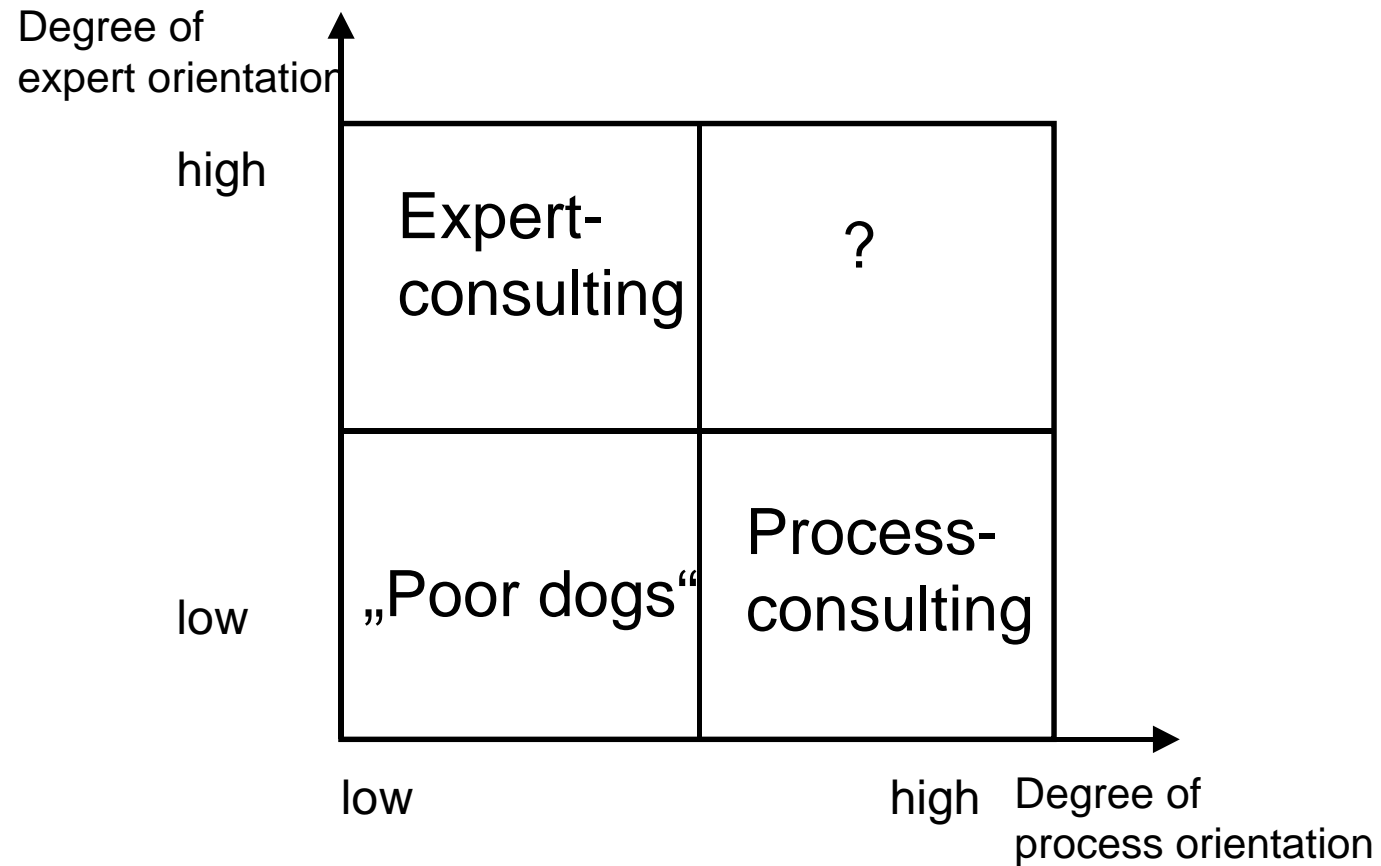
- Standardization of consulting projects
- Distribution of management fades
- Weakness in implementation
- Loss of reputation

- complex and complicated
- Lack of content expertise
- No definite content wise position

Possible Forms of Integration

- expert consulting integrates process competence by qualification and building up internal resources
- expert consulting acquires process consulting
- process consulting internally builds up expert knowledge
- process consulting acquires expert consulting (via network)
- new approaches, which combine expert- and process consulting
 - Complementary consulting (Königswieser)
 - Integrated concept of consulting (Manger)
 - 3. Modus (Wimmer)

Forms of consulting



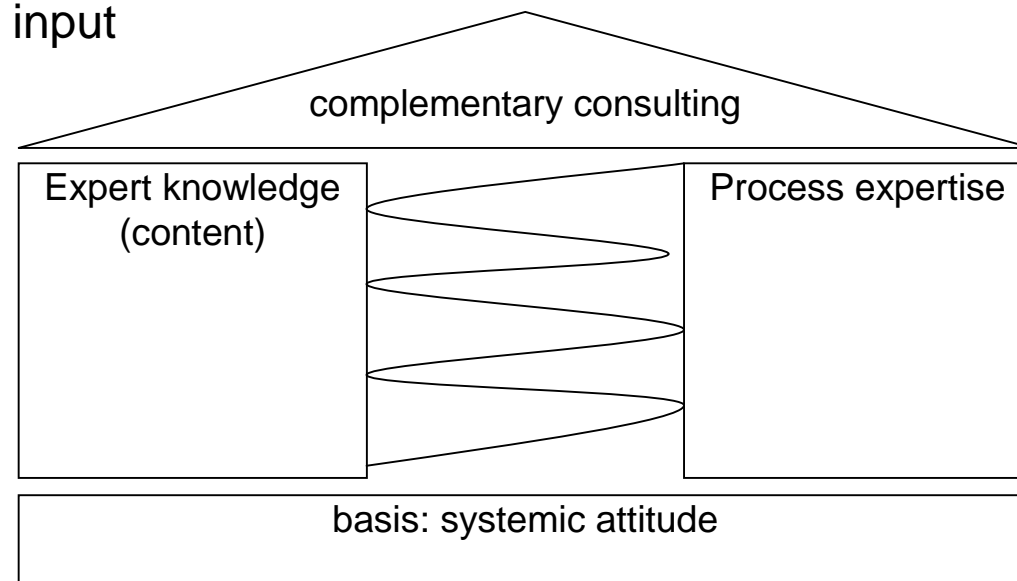


Synchronic Processing of 3 dimensions of sense

- Consulting as a form of communication and sense making process can be differentiated into 3 dimensions, which are all permanently present.
 - They can be separated only analytically but the different dimensions can be of a different relevance in a specific situation.
 - Possible integrations criteria: three dimensions of senses (Luhmann):
 - content dimension (what)
 - social dimension (Who)
 - time dimension (when)
- à Are the new approaches able to synchronize the processing and the parallel work on all three dimensions?

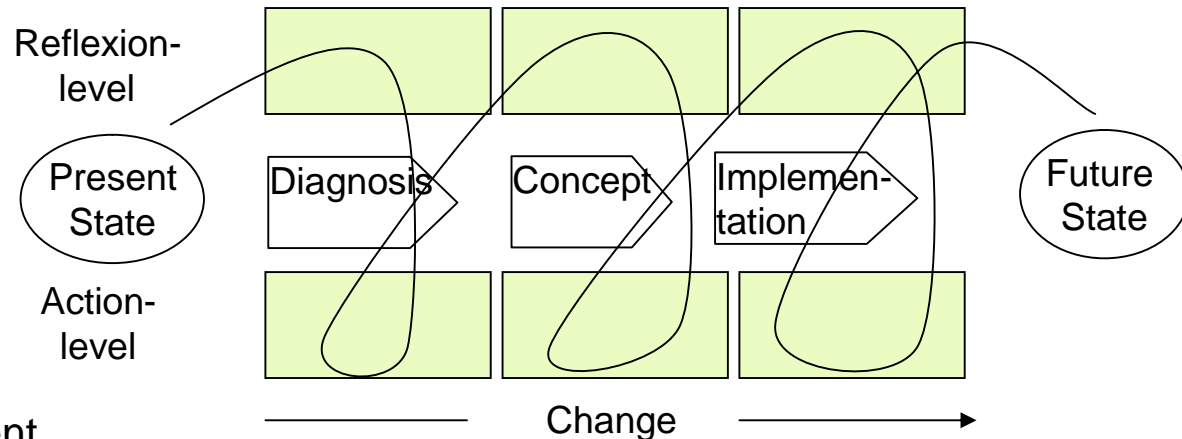
Complementary Consulting (Königswieser, 2007)

- content and process side are integrated in a consulting process, in order to establish a cooperation which considers both interconnected dimensions
- the content wise expertise and the process know how are represented by a particular consultant maintaining their professional identities and linked in each step by a cooperative consulting process
- the sequence of content wise input and phases of process intervention or reflection oscillate according to the needs of the consulting project



Concept for integrated consulting (Manger, 2006)

- Goal: to combine the content wise consulting with an adequate form of intervention
- Important elements: holistic perspective, an open handling of the stress fields and tensions, the development of the consultant's competence, the systemic attitude of the consultants and their cooperation in the consulting process
- Process component of the integrated consulting: Shared understanding of communication, feedback mechanisms, reflex ion loops and action
- Usually the expert consultant will be in the lead in the conceptual phase and the systemic consultant in the implementation phase
à clear differentiation between the two approaches



Source: Manger, 2006 Konzept zur Entwicklung integrierter Beratung



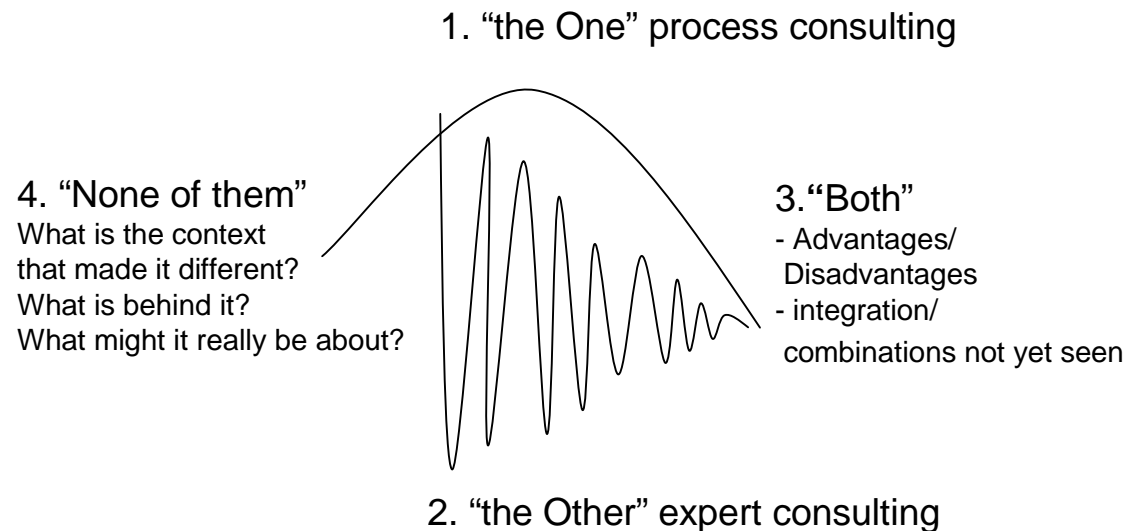
3. Modus of consulting (Wimmer, 2007)

- one consultant integrates all dimensions by designing constructive working platforms & acting as sparring partner in business matters
- Content, social and time dimension are being considered simultaneously, without being rooted in the classical identity concepts
- decision competence and responsibility lays with the customer, i.e. the customer is in the „ownership-role“ of his problem

Example: Developing an Organizational design

- A member of a management team does not have the competencies for the new tasks in the newly designed organization
- Challenge: a new organizational design should not be build around the members of the team giving away the chance to develop the organizational architecture so that it clearly supports the new strategy
- Requirement: simultaneous understanding of the personal vulnerability as well as the know-how about the new organizational designs so that decision will not be influenced by the personal interests

Conclusion: Tetralemma of expert- and process consulting



- **complementary consulting** combines consultants of different heritage, tradition and identity
à oscillation between process consulting and expert consulting ("as well as")
- **concept of integrated consulting** follows the logic of the expert consulting in the traditional content driven procedure; lead is taken over in the first phase (where content challenges are seen as dominant) by the content side and handed over later to the process side when it comes to implementation.
à "the other" with every now and then a visit to the contradictory side
- **"third modus"** tries to overcome the classical identities of the two paradigms
à "both"; a synchronic Processing of the three dimensions without a social (two consultants) or time wise (different phases) separation