

Professionalism in Consulting – Theoretical Considerations and Empirical Survey

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Category

1) Research-based papers

Professionalism in Consulting – Theoretical Considerations and Empirical Survey

Abstract

This paper is aimed at providing a contribution to the ongoing discussion, if consultancy can be viewed as profession. In literature, diverse opinions about the degree of professionalism of consulting can be found. The debate on professionalism is important for quite simple reasons: consultants should be enabled to do their work in a more productive and a more effective way. Furthermore customers should be enabled to increase the productivity of the use of consultants. This paper analyzes the theoretical basis of consulting to estimate the status of professionalization within the consulting branch. In order to get a more differentiated view we distinguish several segments within the branch based on the firm size and the staffing of projects. The empirical part of our paper provides an overview of the status-quo of professionalism in the German speaking consulting branch with a special focus on Austria. Therefore we used results of our quantitative studies as well as data of interviews with representatives of the consulting branch. Results strengthen our conceptual assumption that a sophisticated theoretical basis of professional activities is the most important criterion for professionalism. The different segments of consulting meet this requirement to a quite diverse extent.

1. Introduction

The term „Professionalism“ is often used, when talking about consulting (Groß, 2003). Consultants themselves are very quick in calling their activities “professional consulting”. Being “professional” is mostly understood as the opposite of being an “amateur”. Detailed attributes of a “professional” are rarely discussed in practice. Whereas some people consider the fact of being paid for the work as important (Flexner, 2001: 152; Schott, 1976: 253), others use the term to point out a certain sort of quality. Also within the scientific community the term “professional” is used differently. This can mainly be traced back to different underlying theoretical positions. The approaches are quite different when using economics or sociology as underlying theories (Roberts & Dietrich, 1999); even within the sociological stream different approaches can be found in literature (Collins, 1990; Macdonald, 1995).

Despite these different theoretical approaches the debate on professionalism plays an important role in consulting literature as well as in practice. In literature, diverse opinions about the degree of professionalism of consulting can be found (Alvesson & Johansson, 2002: 229; Groß & Kieser, 2006; Kubr, 2002). Fincham and Clark point out that in the scientific community after a consultant “well-minded” period in the 1980s, we are currently in a phase of increasing critics. In more detail they identify a “... problematization of the professional status of management consultancy” in literature (Fincham & Clark, 2002: 6). Three quantitative surveys conducted between 2004 and 2008 within the Austrian consulting branch showed that professionalism is considered by the consultants to be one of the most important developments (e.g. Kainz, 2008: 37) within their branch.

Our paper is aimed at providing a contribution to the ongoing discussion: Is consultancy a profession? To deal with this question two aspects have to be considered. The first issue is how a profession can be defined; the second sub-question asks what is meant, when we talk about consulting. In many papers as well as in practice, consulting is not clearly distinguished from other service activities (Fincham & Clark, 2002; Venard, 2001: 174). The empirical part of our paper provides an overview of the status-quo of professionalism in the German speaking consulting branch with a special focus on Austria. Therefore we used data of interviews with representatives of the consulting branch. Based on the literature research and the interviews we outline the approach of consulting firms with a relatively high level of professionalism according to our theoretical considerations. Finally, we discuss some implications of our findings and identify further research needs.¹

2. Professionalism debate

Some branches like education (Wernet, 2005), medicine (Freidson, 2006; first ed. 1970), social work (Becker-Lenz, 2005) and also consulting have an ongoing internal and external discussion about their professionalism. In literature the question about the status of professionalism of consulting has often been discussed. However, the research results of scholars have been quite different. The range of meanings starts with statements like

¹ This paper is a result of the wide scope “Management Consulting” research project, started in 2002 at the “Organizational Development and Human Resources Consultancy” Department at the University of Applied Sciences in Wiener Neustadt. The first author was Professor and head of the department until Jan. 2009, the second author was research assistant at the department until August 2008.

“Management consulting has long been recognized as a useful professional service that helps managers to analyze and solve practical problems...” (Kubr, 2002: XV; and chapter 6: 129). The major part of rather scientific-oriented authors (e.g. Alvesson & Johansson, 2002: 242; Fincham & Clark, 2002: 7; Groß, 2003: 110; Sperling & Ittermann, 1998: 48; Theobald, 2001: 4) takes a more differentiated position: “Seen from the perspective of classical professional concepts, consultants will never complete their professionalization process.” (Groß & Kieser, 2006: 95)². It seems that one main reason for quite different results concerning the status of professionalization of consulting are the different definitions of the term “professional” or “professionalization”. Therefore we will start with a short overview of the sociological discussion on this issue.

Usually the starting point of the discussion on professionalism are Marx and Weber (Macdonald, 1995: xii; Stock, 2003; Stock & Wernet, 2005). The profession debate dominated the literature of work and occupation immediately after World War II and has again gained importance since the 1980s (Abbott, 1993: 188, 203). Several reviews of the important streams in literature were presented (Collins, 1990; Macdonald, 1995). Macdonald pointed out that in the 1970s “... the sociological question changed from ‘What part do the professions play in the established order of society?’ to ‘How do such occupations manage to persuade society to grant them a privileged position?’” (Macdonald, 1995: xii). The first question reflects the functionalistic approach dominating until the 1960s. The results of this theoretical stream were sets of traits of professions “...the question became more pointed as to what constituted the difference between professions and ordinary occupations.” (Collins, 1990: 13). The functionalistic and the trait approach were criticized by scholars who were unsatisfied with the theoretical approach as well as with the results.

The new direction, which refers to the second question of Macdonald, started with Freidson’s study (Freidson, 2006; first ed.: 1970) and was labelled as ‘power approach’ (Macdonald, 1995: 5). “Professionalism, then, becomes redefined as a peculiar type of occupational control rather than an expression of the inherent nature of particular occupations.” (Johnson, 1972: 45). Within this approach, members of a profession are seen as powerful actors. Johnson for example assumed that professions try to control the

² Nearly programmatic is the corresponding chapter in the paper of Groß & Kieser: “Why consulting is not a profession and will never become one” (Groß & Kieser, 2006: 89).

relationship with their clientele (Johnson, 1972: 38-47). The power approach in the USA was based on Interactionism or the Neo Marxism (Macdonald, 1995: 5).

On the other hand within the power approaches a Neo Weberian social closure theory has reached some importance in Europe. Weber conceived the concept of closed relations as the closing of groups to defend some advantages (Weber, o.J.: 52). In the context of professionalism social closing is seen as the activities of a group which will monopolize the entry to a profession (Collins, 2004; Witz, 1992).

Functionalistic and power approaches are the two dominating streams in the professionalism debate. While the functionalistic approach is rather static, we find within the power direction a more dynamic point of view. Within the power approaches it is remarkable, that some researchers see two different points of view on how professions emerge in the States and in Europe. In USA professions emerge relatively autonomous due to internal forces, whereas in Europe legal regulations and formal academic credentials play an enormous role for building professions (Collins, 1990: 15; Mieg, 2005: 342).

In the past few years, the sociological Neo-Institutionalism has gained importance in the professionalization debate (within the functional as well as within the power approach). Within this theoretical stream, the growing and development of an occupation and especially of a profession is interpreted as an institutional process. In the case of a profession, knowledge and power are taken for granted but still result from a social construction. "Recent theoretical development in the study of the professions often focus on the rise and dominance of professions as institutions" (Leicht, 2005: 604).

We have shown with the functionalistic and the power approach the two dominant research directions but in the sociological debate almost every author chooses his own focus of interest and thus the resulting professionalism concepts are hardly comparable and often do not prove to be helpful for empirical research. For example Johnson was interested in the types of occupational control especially of the client professional relationship (Johnson, 1972); Abbott put his focus within his concept on different actors and arenas and on the problem solving process of professionals (Abbott, 1988). Witz uses a power approach to analyze the social closure, especially with a feministic focus:

“Professional projects are projects of occupational closure strategies which capture the historical configuration of the gendered politics of occupational closure.” (Witz, 1992: 39).

Recently some papers criticized the “classical” professionalism approaches: “These are uncertain times for professionals....” and “... the assumptions previously held about the professions and professional work have been challenged.” (Cohen, Finn, Wilkinson, & Arnold, 2002: 3). Watson raised the critical question “...whether we are not making this more difficult than necessary by continuing to make analytical use of the ‘bandwagon concepts’ of ‘profession’ and ‘professionalism.’” (Watson, 2002: 94).

Meuser distinguishes between “professional behaviour” and “professions” (Meuser, 2005: 261). Professions are described within the professional sociology. Using this concept he states that it cannot be explained in general, what the meaning of professional behaviour for different occupations is. He calls this approach – asking the internal “experts” – an “ethnographical” one (Meuser, 2005: 253; 262). The disadvantage of such a behavioural-oriented definition is that the status of professions between different occupations is not comparable.

3. A pragmatic view of professions

How can we analyze the professionalization status of consulting, if no widely acknowledged and accepted definition of professionalism can be found?

The first possible way could be to avoid the study of the professional status of an occupation. This might be a fruitful way, if the analysis is neither of theoretical nor of practical importance. However, we consider an analysis to be an interesting way, especially for the practice of consulting, to explain the differences of consulting to other comparable occupations (see also Groß & Kieser, 2006: 95). Thereby, interesting insights concerning education, occupation associations and the performance of consulting could be gained.

The second way to work with the different definitions and foci of professionalism could be to use the definition of an important scholar or research stream to analyze the status of professionalism. This option is taken e.g. by Theobald, who uses Abbotts (1988)

theoretical approach of professionalism to analyze the politics of associations – with respect to feminism (Theobald, 2001: 1). Another example is Groß (2001) following mainly Macdonald (1995) and Witz (1992) by using the distinctive focus of social closing theory to examine the professional status of consultancy. Concentrating on one or two authors may be fruitful especially for theoretical purposes, but will not overcome the lack of practical usability and relevance due to the special focus and/or complexity.

The third way to deal with the question of consultancy and professionalism is to go back to the roots and ask: why is this discussion interesting especially in practice? For the paper at hand we consider the debate concerning the status of professionalism of consulting as important for quite simple reasons: consultants should be enabled to do their work in a more productive and a more effective way. Furthermore customers should be enabled to increase the productivity of the use of consultants. We know, this looks like a functionalistic approach and does not follow a fashionable theoretical stream at the moment³. However, the starting point of our profession focus is the social aspect of consulting: how can the work of consultants ensure and increase a contribution for the economic (and social!) development of their customers. To shorten theoretical discussions on goals of customers and their legitimacy we point out, that the decision to work for a client has also an ethical aspect: am I able and willing to contribute to an actual goal of a prospect?

The approach to simplify the discussion on the definition of professionalism is not new. It is used in some papers which analyze the status of the professionalism in consulting. A definition of professionalism which is often used in the context of consulting is a simple one and reflects mainly the functionalistic approach: A “...body of scientific knowledge, acquired through long formal education, autonomy, ethical rules, a distinct occupational culture and client orientation; it should be socially sanctioned and authorized.” (Alvesson & Johansson, 2002: 230). Additionally, authors who deal with the complex sociological discussion on profession by analyzing consulting, conclude that they “...try to keep a critical distance to sociological theories of profession...” (Groß & Kieser, 2006: 93). Nevertheless, these authors have some comprehensible reasons to examine consulting

³ Interestingly, Kieser & Groß point out “Although the proponents of the more critical and dynamic approaches energetically dissociate themselves from the static functionalistic concepts, they continue to apply the same criteria.” (Groß & Kieser, 2006: 78).

with such theories but they suggest a new meaning of professionalism "... as a category of individual behaviour,..." and conclude "...consultants are the real champions of creating a 'new' professional *appearance*." (Groß & Kieser, 2006: 95).

We agree with the above mentioned consulting scholars on the problem of the empirical usability of the theoretical results and the theoretical critics, e.g. raised by Watson (2002). Thus, our approach is a pragmatic one.⁴ We focus on the question, how a definition of the term "professionalism" has to be constructed in order to be useful to explain practice and to analyze occupations. Our suggestion is to define some core elements of professions in a rather nominalistic way. Therefore we looked for central terms within definitions of professionalism: "In any definition of 'profession' knowledge systems will play an important role. The theory of professionalism has to do, in one or another, with how knowledge (and/or skill) is used by its owners as a social capital..." (Torstendahl, 1990: 1). Thus, the used knowledge base can be defined as a common constitutional aspect of professions. We suppose that other aspects can differ between professions, comparable to the professional behaviour approach of Meuser (2005).

The way to see knowledge as the central term fits well with the above mentioned functionalistic question, how consultants can contribute to the solutions of their customers' problems and how clients can better understand, which consultant is able to deliver helpful contributions.⁵ Consulting as a knowledge-intense occupation is discussed in a lot of papers (Fincham, Clark, Handley, & Sturdy, 2008; Kipping & Engwall, 2002; Venard, 2001). Following this assumption the benefit resulting from a consultant is mainly the knowledge to solve problems in organizations.

Concerning the necessary knowledge we state the following assumptions: first, knowledge has to base on theories; and second, there are two main types of theories in consulting. The first assumption reflects the idea that theories are able to better support users in handling complex situations, than unreflected knowledge from experience does.⁶ The second assumption claims that consultants need to have theories which are able to

⁴ In our opinion the term "pragmatism" is a buzzword comparable to professions. Following the "pragmatism" of Charles S. Peirce we consider the practical usability and consequences of a theory as criteria for truth.

⁵ We generalize this function for all professions in Table 2.

⁶ Note that knowledge refers to a theory-based education in this definition of a profession, not to a formal university degree as mentioned in some power approaches.

explain complex situations in organizations. We call them “theories *for* consulting” (Hasenzagl, 2007). We have to point out that these types of theories are not able to distinguish management from consulting. For this purpose we need specific “theories *about* consulting” or “micro theories”⁷ (Hasenzagl, 2007). The first type of theories is necessary to work as a professional; the second type is constitutional for the profession of consulting. In our understanding, an academic study is necessary to get the theoretical input.⁸ But knowledge also requires experience in practice to generate an ability to use these theories.

Summarizing, Table 1 shows our suggestions concerning professionalization of consulting.

Function	Delivery of a contribution to the development of organizations
Constitutional aspects	Knowledge and experience in theories <i>about</i> consulting (intervention theory, role theory, methods...)
Needs	<ul style="list-style-type: none"> - Academic education - Ethical values and social aspects - Identity - Professional association -
Results	<ul style="list-style-type: none"> - Higher social reputation - High income - Influence on the society - ...

Table 1: Professionalism in consulting

⁷ Kyör mentioned also two types of theories: a.) knowledge for doing tasks properly, b.) knowledge concerning an appropriate behavior, a “...scientific knowledge base...about the profession.” (Kyör, 1995, p. 193, cited in: Groß & Kieser, 2006: 88).

⁸ This might be a very idealist point of view, because in the last years in Europe academic education has changed from a theoretical level to a rather practical orientation. Who thinks - like the authors of the “Bologna process” - an academic Bachelor study can be substituted by experience in practice, has another theory/practice difference in his mind as we have.

In our opinion the needs are necessary to fulfil the requirements of a solid theoretical basis. Thus, they can differ for various occupations. Although the power theories can explain possible developments within a profession in our view, they cannot deliver constitutive characteristics of a profession. Furthermore as shown in Table 2 some of the needs can also be found in non-professional occupations.⁹ Thus they cannot be called a constitutional aspect of professionalism.

	Work	Occupation	Profession
Main function	<i>Individual</i> earning	Delivering a part of a product or service with importance for the society (or parts of it)	Autonomous contribution to problem solving and development of the society (or parts of it, e.g. organizations)
Constitutional aspects	Earning (no special knowledge or experience)	Collective practice - oriented experience (occupational knowledge), not scientifically reflected	Theories and ability to use them
Needs	No special needs	<ul style="list-style-type: none"> - Formalized (and in Europe) legal regulations e.g. for education - Association - Identity 	<ul style="list-style-type: none"> - Formalized, academic studies - Association - Identity - ...

Table 2: Work, occupation, and profession

Following this approach, first of all our main duty is to analyze the theoretical basis of consulting if we want to estimate the status of professionalization within the consulting branch. If the main constitutional aspect, the knowledge base is not satisfactory, we

⁹ Cf. Hartmann who also used knowledge and social orientation to distinguish work, occupation, and profession (Hartmann, 1972).

cannot speak of a profession. However, by considering the needs we can estimate the possibility for the development towards higher professionalization. For example: if there is no theoretically founded knowledge applied within the occupation, but the occupation has an association and an academic program, it seems more likely that in practice the level of professionalization will increase.

If an occupation has an appropriate theoretical basis, specific needs can be analyzed in a second step to learn more about the specific aspects of the profession.

4. The professional status of consulting

Following our assumptions, it is necessary to analyze the theoretical basis and the ability to apply them within consultancy. At a first glance, it can be assumed, that consultants due to their expert status should have an appropriate theoretical and experiential basis. A short look into the literature about practice of consultancy shows a quite diverse picture. At one hand, an economics approach to consulting is, that “Consultants flourish where the benefits from economies of knowledge outweigh the costs of external contracting.” (McKenna, 2006: 13). If we look at the growth rates in the last century, we can assume that the customers are quite convinced of the benefits of the consultant’s knowledge. The same conclusion but with a sociological Neo-Institutional approach was drawn e.g. by Birke. He pointed out, that consulting was in the “taken for granted” position. However, Birke also identified a de-institutionalisation that started in the beginning of the 2000s (Birke, 2007: 235). This Neo-Institutional approach is very interesting, because within this theory the question arises: who diagnoses whether consultants have a theory based knowledge or not?¹⁰

To get a more “objective” opinion, it seems appropriate to look at the (rare) consulting researchers who deal with micro theories of consulting. In doing so, we find a mainly sceptic opinion concerning a distinctive theoretical knowledge basis of consulting. Wimmer pointed out, that organizational consultants had no theoretical reflection concerning their profession (Wimmer, 1991: 116). Such a theoretical reflection is based on and results in “theories *about* consulting”, which should describe or explain the interaction between client

¹⁰ Cf. the remarks about Neo-Institutionalism in the chapter “Professionalism debate”.

and consultant (Hasenzagl, 2007: 357). As the main reason for the lack of theoretical reflection Wimmer stated, that consultants normally did not see an essential difference between their own work and the work of managers. Consultants seem to view themselves as “the better managers”. As Hasenzagl points out in his contribution “Effects of Consultants” to this conference, branch surveys show that the main part of consultants are expert consultants and we can assume that the majority of them has the mentioned understanding concerning their role as experts. The critical position concerning the knowledge basis of consulting can also be found in the above mentioned paper of Groß & Kieser dealing with consulting and profession: “Consultants do not have a common vocational training and therefore they do not share a common knowledge base.” (Groß & Kieser, 2006: 87).

A look at the possibilities for academic education reveals some master programs in the German speaking region. This *could* be an opportunity to increase the knowledge base. However, the field of theories about consulting is rather poor (whereas increasing recently) and the question is which theories are taught in these programs.

Furthermore, the professional association in Germany, the BDU does not cover all consultants, since it is a voluntary membership. Groß showed that in 2002 less than 4% of the consulting firms were members of the BDU, which is less than 25% of all consultants (Groß, 2003: 101). In Austria the membership is compulsory and until the mid 1990s there were strong legal entry requirements. Our empirical research in the last years in Austria did not show any impact of this powerful position of the occupation association (Chamber of Commerce) on the professionalization of the branch. Rather, we hypothesize this to be a study object for dysfunctional social closure.

Concluding we have to point out that consulting is not a profession because the constitutional aspect of our professionalism model – a theory based knowledge especially *about* the profession – is not reached. Due to the boundary conditions (education, association) we do not expect an early change of that situation. However, this reflects a first estimation. A deeper analysis regarding the compliance with the theoretical requirements draws a more differentiated picture. The consulting branch is very heterogeneous. Thus, we think it is oversimplifying to talk about *the* consulting branch in the sense of one homogeneous group (Alvesson & Johansson, 2002: 233; Groß, 2003;

Groß & Kieser, 2006). It seems more appropriate to divide the branch into distinctive segments.

5. Professional status of segments

To analyze the degree of professionalism especially in German speaking Europe we developed a model in an earlier work, that takes the heterogeneity within the management consulting branch into account by distinguishing different types of consulting (Hasenzagl & Kainz, 2008: 303-313).

5.1. Segmentation

This segmentation of the Austrian consulting branch was done in a first step based on recent literature; in a second step we assessed the first draft with interviews. This segmentation led to a two parameter model with six separated segments shown in Figure 1.

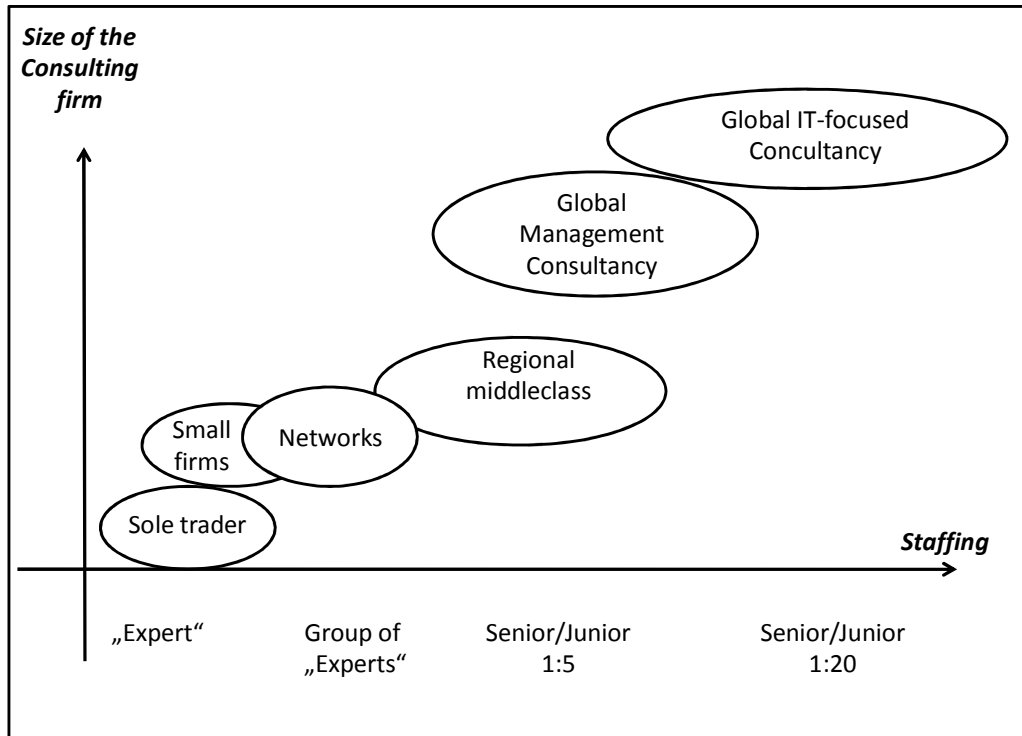


Fig. 1: Segments of the consulting branch (cf. Hasenzagl & Kainz, 2008: 307)

We see the same segmentation in Germany, except for the Networks. This is a special form of consulting firms mainly founded in the 1980s with certain characteristics shown in Table 3.

Segment	Characteristics
Sole trader	Wide range of products, sole experts sometimes in “informal” networks
Small firms	1-9 members, wide product range, often economics (business administration) or IT experts
Networks	10-20 members, networks with shared resources and knowledge management. Rather “formal” networks High level fees
Regional middleclass	Up to 300 employees, small product range (economics, IT experts)
Global Management Consultancies (MC)	Part of the consulting industry, e.g. McKinsey, BCG... High level fees
Global IT-focused Consultancies	Standardized engineering, especially IT-oriented products, e.g. Accenture Partly overlapping with global MC

Table 3: Characteristics of the consulting branch segments

Both segments, the sole trader and small firms together, account for about 90% of the Austrian consulting firms. In Germany we suppose these groups to be a little bit smaller (Wimmer, 2004: 10); they constitute about 70% of the firms and have a share of 16% of market size. The Networks in Austria were influenced by the social psychological Organizational Development approach and changed to the Systemic consulting in the late 1980s. Three firms were at the core of this segment and their consulting approach was branded the “Viennese Consulting School” (Conecta, 1996).

The Regional middleclass firms are normally experts for a small product range (e.g. Controlling, BPR...). They operate regionally, which means they are not global players and their geographic range is typically limited to some countries.

The next two segments are explored best (Kipping, 1999; McKenna, 1995). These are globally operating firms with a wide product range and some thousand employees worldwide. The majority of the critical, rather popular consulting literature “analyzes” these segments (Leif, 2006).

First explorative interviews conducted in spring 2007 and a review of recent discussions in literature led to initial hypotheses concerning professionalism for the different segments of the consulting branch. Additionally, we used results of our own quantitative studies for the development of hypotheses (Kainz, 2008; Wagner, 2004, 2006).

5.2 Method and results

To check our model and the derived hypotheses, representatives of the defined branch segments were interviewed. For each segment we conducted interviews with two representatives from different firms in spring 2008. The data of the interview were analyzed with a qualitative approach (Mayring, 2000; Yin, 2003). Therefore we developed a deductive category system with theoretically based categories (Miles & Huberman, 1994: 58) and a coding agenda as starting point of the coding process.

Results of our own quantitative studies show that professionalization is a very important topic in the branch (Kainz, 2008: 35). Furthermore, the quantitative surveys as well as the interviews strengthen our conceptual assumption that a sophisticated theoretical basis of professional activities is the most important criterion for professionalism. The different segments of consulting meet this requirement to quite diverse extents (Table 4).

Segment and Professional Status (PS)	Theoretical foundation
<p>Sole trader</p> <p>PS: Mainly work, some occupation and comparably little profession</p>	<p>Very diverse; the majority without a theoretical basis; problems in the market regarding trust and reputation; problems with product development; small number with a rather high degree of theoretical foundation</p>
<p>Small firms</p> <p>PS: similar to the sole trader</p>	<p>Similar to the sole trader</p>
<p>Networks</p> <p>PS: Aspects of a profession mainly fulfilled</p>	<p>Theoretical basis since end of the 1980s is the social systems theory according to Luhmann; cover the requirements on both theory fields to a high degree. Some firms have their own research group and they write books and papers; in the beginning own association for education and knowledge transfer (ÖGGO); at the moment we are not sure whether they still meet the requirements of a professional association. High reputation in the market; typical aspects of a profession are fulfilled</p>
<p>Regional middleclass</p> <p>PS: Trend to occupation, rest work</p>	<p>Problems partly similar to the ones of small firms, but large enough to generate methods, tools and trainee programs for junior consultants</p>
<p>Global Management Consultancies (MC)</p>	<p>High degree of knowledge management and longer lasting educational programs;</p>

PS: partly typical characteristics of an occupation	lack of occupation association (they still ignore the Chamber of Commerce in Austria); each firm has its own quality assurance and market reputation.
Global IT-focused Consultancies	Similar to the global MC segment.

Table 3: Characteristics of the consulting segments (cf. Hasenzagl & Kainz, 2008)

The professional status in Table 3 reflects the fulfillment of the knowledge criterion. In this regard the group of small consulting firms is quite heterogeneous, although a lot of the small firms have a very low degree of theoretical foundation and in that sense of professionalism; they even partly have the status of work. The group of large and globally acting consulting firms (consulting industry) shows characteristics of an occupation rather than those of a profession. An occupation does not fully meet the requirements of a profession, but has some (firm specific) collective experiences and a standardized education of its members. Only a small group of network-based consulting companies meet the requirements of professionalism on a high level. Analyzing the characteristics of these firms, we found a specific internal structure, strong connections to (academic) consulting research with own papers partly for the scientific community and consulting products based on a sophisticated organization theory. Furthermore these firms had an association in the past, which met some of the requirements for serving its members in a highly professional manner. These firms also enjoy a good reputation.

One other result of our study was the analysis of possible future developments within the different consulting segments concerning professionalism. At a first glance, it seems that the consulting branch is not very flexible in changing its business models. The business models of the large consulting companies as well as of the small firms are very rigid. One reason could be the lack of a compulsory academic education for consultants and an efficient consulting association. Thus, we assume that we will not find a lot of change in the current companies. In fact, we suppose the growth of new, more profession-oriented companies (see also: Kipping, 1999, 2002).

6. Implications and further research directions

The results of our study can be used by managers in consulting practice to check the degree of professionalism by using the examples shown in the paper. On the other hand, some necessities can be derived for an individual company to increase its professionalism. First of all we assume that the reinforcement of the theoretical basis especially in the sole trader and the small firm segment is necessary. A need for further research can primarily be identified in the ambition to enhance the theoretical basis of consulting (micro theories; theories *about* consulting) and the implementation of a comprehensive academic education especially for management consultants. Additionally, the changing needs and requirements of customers and the impact of the development of professionalism have to be explored in more detail. Due to the dynamics of the economic development this should be done in a steady process (i.e. a longitudinal study). Furthermore, research needs can be identified concerning the associations. Especially in Austria, but also in other European countries we see the danger of dysfunctional social closure processes. Further research should analyze the different types of associations within Europe to estimate their impact on the professional status.

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