

CRANFIELD UNIVERSITY

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**HOW MANAGEMENT CONSULTANTS
INFLUENCE PROCESSES OF STRATEGIC
CHANGE WITHIN ORGANISATIONS:**

AN ENACTMENT PERSPECTIVE

CRANFIELD SCHOOL OF MANAGEMENT

PhD THESIS

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ABSTRACT

The view that individuals and organisations create or enact their social worlds through shared frames of reference, on-going interlocking routines and patterns of action is increasingly underpinning academic research and offering practitioners new insights. At the same time, now commonplace strategy consultancy services are rooted in the rhetoric, if not the practice, of rational, technical analysis. This research explores the influence of management consultants in helping managers to create as well as discover the environment they experience and to develop and realise a strategic direction for their organisations.

Grounded in four diverse case studies, the research offers a richer, inextricably contextual and essentially social conception of consultants' strategy interventions. Consultants' work is conceived as simultaneously embedded or set within, yet seeking to achieve a separation from, existing organisational frames of reference, commitments and routines. By creating and maintaining some degree of *separation*, consultants facilitate a distinct enactment or experience of the world, and so influence the strategic thinking and subsequent actions of managers. Efforts to achieve *separation* are met by pressures to conform, and the ideas generated merge into the wider organisational enactment. The research points to complex processes of reciprocal influence, positioning and resistance between consultants and members of the organisation which shape the nature and course of an intervention. It also sheds light on the ripple effect interventions have through an organisation, on how new strategies are diffused and fused within existing patterns of thought and action, and the process of strategic change and transformation.

The theoretical framework developed, comprising the concept of embedded enactment and two overarching dimensions of *separation* and *absorption*, provides a new way of understanding and explaining consultants' strategy interventions. The case studies themselves describe some subtleties and nuances of interventions and offer opportunities for consultants and managers to reflect on personal experiences.

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CONTENTS

| CHAPTERS AND SECTIONS | | Page |
|------------------------------|--|-------------|
| 1. | THESIS | 1 |
| 1.1 | Research Logic, Design and Conduct | 1 |
| 1.2 | Findings, Contribution and Implications | 2 |
| 1.3 | Structure of the Thesis | 5 |
| 2. | STRATEGIC CHANGE, ORGANISATIONS AND MANAGEMENT CONSULTANTS | 8 |
| 2.1 | Introduction | 7 |
| 2.2 | Conceptions of Strategic Management and Organisational Change | 7 |
| 2.2.1 | The Rational Linear Perspective on Strategy | 9 |
| 2.2.2 | The Adaptive Perspective, Population Ecology and Institutionalism | 10 |
| 2.2.3 | Interpretive Perspective | 11 |
| 2.2.4 | Enactment Perspective | 13 |
| 2.2.5 | Strategy within the Enactment Perspective | 15 |
| 2.2.6 | Strategy Advice form the Enactment Perspective | 17 |
| 2.2.7 | Critique and Reconciliation | 19 |
| 2.2.8 | Summary | 19 |
| 2.3 | Management Consultancy and Strategic Management | 20 |
| 2.3.1 | Management Consultancy: Origins and Typologies | 20 |
| 2.3.2 | A Critique of Consultancy Practice | 25 |
| 2.3.3 | Management Consultancy: Alternative Perspectives and Conceptualisations | 27 |
| 2.3.4 | Conceptualisations of Consultancy Compared | 29 |
| 2.4 | Management Consultancy Interventions: An Enactment Perspective | 31 |
| 2.4.1 | Limitations of Existing Research | 31 |
| 2.4.2 | Fresh Insights from Research set in an Enactment Perspective | 33 |
| 2.5 | Research Objectives | 34 |
| 3. | RESEARCH METHODOLOGY AND DESIGN | 36 |
| 3.1 | Introduction | 36 |
| 3.2 | Research Methodology | 33 |
| 3.2.1 | Epistemological Commitments | 37 |
| 3.2.2 | Abductive Research Strategy | 38 |
| 3.2.3 | Knowledge Sought | 39 |
| 3.3 | Case Study Research Design | 40 |
| 3.3.1 | Cases | 42 |

| | | |
|-----------|--|-----------|
| 4. | CONDUCTING THE INITIAL RESEARCH: KEPNER TREGOE'S INTERVENTIONS WITHIN THE BRISTOL AND WEST BUILDING SOCIETY AND THE POST OFFICE GROUP | 44 |
| 4.1 | Introduction | 44 |
| 4.2 | Access | 45 |
| 4.3 | Studying the Cases: Instruments and Protocols | 46 |
| 4.3.1 | Fieldwork | 47 |
| 4.3.2 | Analysis | 52 |
| 4.3.3 | Case Write Ups | 65 |
| 4.4 | Interim Findings | 66 |
| 4.5 | Reflections and Synthesis | 68 |
| | | |
| 5. | CONDUCTING SUBSEQUENT RESEARCH: CAROUSEL / TRIANGLE MANAGEMENT SERVICES CASE, AND McQUILLAN YOUNG COMMUNICATIONS / TRANSITIONS CASE | 69 |
| 5.1 | Introduction | 69 |
| 5.2 | Diversity and Further Cases | 70 |
| 5.3 | Carousel / Triangle Management Service | 72 |
| 5.3.1 | Fieldwork, Analysis and Case Write Up: Carousel / Triangle Management Services | 73 |
| 5.4 | McQuillan Young Communications / Transitions | 74 |
| 5.4.1 | Fieldwork, Analysis and Case Write Up: McQuillan Young Communications / Transitions | 75 |
| 5.5 | Reflections and Synthesis | 75 |
| | | |
| 6. | CLOSURE AND EVALUATION OF THE FIELD RESEARCH | 91 |
| 6.1 | Introduction | 91 |
| 6.2 | Drawing the Field Research to a Close | 91 |
| 6.2.1 | Diversity | 91 |
| 6.2.2 | Theoretic Saturation | 97 |
| 6.2.3 | Pragmatism | 103 |
| 6.3 | Evaluation | 103 |
| 6.3.1 | Evaluation Criteria | 103 |
| 6.3.2 | Credibility | 104 |
| 6.3.3 | Transferability | 105 |
| 6.3.4 | Dependability | 106 |
| 6.3.5 | Confirmability | 107 |
| 6.3.6 | Integrity | 107 |
| 6.3.7 | Evaluation Summary | 108 |

| | | |
|-----------|---|------------|
| 7. | CONSULTING INTERVENTIONS AS EMBEDDED ENACTMENTS: CONCEPTS AND DISCUSSION | 109 |
| 7.1 | Introduction | 109 |
| 7.2 | Processes of Separation | 110 |
| 7.2.1 | Crystallisation / Reification | 111 |
| 7.2.2 | Alternate Paradigm | 112 |
| 7.2.3 | Altered Discourse and Interactions | 113 |
| 7.2.4 | Separation Through Mutually Supportive Processes | 115 |
| 7.3 | Absorption | 116 |
| 7.3.1 | Absorption as Pressure to Conform | 116 |
| 7.3.2 | Absorption as Dissolution and Fusion of the Embedded Enactment | 119 |
| 7.4 | Interplay and Tensions between Enactments | 120 |
| 7.4.1 | Embedding Interventions | 121 |
| 7.4.2 | Managing the Interplay between Enactments | 122 |
| 7.4.3 | Inherent Tensions | 124 |
| 7.5 | Discussion | 125 |
| | | |
| 8. | CONTRIBUTION AND IMPLICATIONS | 132 |
| 8.1 | Introduction | 132 |
| 8.2 | Contribution | 133 |
| 8.2.1 | Contribution to Conceptions of Strategy Consultancy | 133 |
| 8.2.2 | Contribution to Conceptions of Strategic Management and Organisational Change | 135 |
| 8.2.3 | Contribution to Enactment and Sensemaking | 138 |
| 8.3 | Implications | 140 |
| 8.3.1 | Intervention Design and Conduct | 140 |
| 8.3.2 | Senior Managers and Consulting Interventions | 143 |
| 8.3.3 | Further Research | 144 |
| | | |
| | APPENDIX | |
| | Case: The Bristol and West Building Society/ Kepner Tregoe | 147 |
| | Case: The Post Office Group/ Kepner Tregoe | 161 |
| | Case: Carousel/ Triangle Management Services | 181 |
| | Case: McQuillan Young Communications/ Transitions | 197 |
| | | |
| | REFERENCES | 214 |

| FIGURES, TABLES AND EXHIBITS | | Page |
|-------------------------------------|---|-------------|
| Figures | | |
| Figure 1 | Separation and Absorption | 1, |
| Figure 2 | Description of the consultant's role on a directive and non-directive continuum | 22 |
| Figure 3 | Processes of Separation | 115 |
| Figure 4 | Absorption | 120 |
| Figure 5 | Interplay and Tensions between Separation and Absorption | 125 |
| Tables | | |
| Table 1 | Characteristics of Management-Consulting Firms | 24 |
| Table 2 | Summary of Differences among Cases Researched | 97 |
| Exhibits | | |
| Exhibit 1 | Topic Guide | 50 |
| Exhibit 2 | Extract of the Interview with a Director of the Bristol and West Building Society | 55 |
| Exhibit 3 | Emergent Analytical Codes, Categories and Dimensions | 61 |
| Exhibit 4 | Consolidated Analytical Codes, Categories and Dimensions | 83 |
| Exhibit 5 | Analysis of Reported Intervention Using Research Derived Analytic Codes | 100 |

1. THESIS

1.1 OVERVIEW OF THE RESEARCH: LOGIC, DESIGN AND CONDUCT

Management consultants and the assistance they offer senior managers in the development and realisation of strategy are now a common feature of organisational life. Such consulting interventions have traditionally been grounded in the rhetoric, if not necessarily the practice, of a rational linear conception of strategic management. Perhaps ironically, the ubiquity of strategy consulting has coincided with the questioning of the assumptions underpinning this classical conception.

In particular, the adaptive, institutional and, more recently, the enactment perspectives have begun to enrich theory and to offer greater insights and hope to practitioners. The enactment perspective is founded on the view that an organisation's environment, in terms of relationships with customers, suppliers, competitors, stakeholders and other entities, is socially constructed or acted out. The organisation and its environment are created together by the on-going social interaction of key individuals (Smircich and Stubbart 1985). Newer metaphors of organisations, based on shared frames of reference, assumptions, social constructs and webs of meaning and relationships are drawn upon to address processes of interpretation, sensemaking and action. These create and sustain the taken for granted understanding and lived experience of the organisation and its environment. Attention is drawn to how managers can re-conceive and re-create different and more appropriate patterns of thinking and acting, in essence new enactments (Weick 1995). Increasingly, academics and practitioners are seeking to find ways of helping individuals and organisations to overcome what they see as self-imposed constraints and limitations.

The objectivity, expertise, and even the analytical and process skills described and promoted by consultants in relation to the value they offer sit uneasily within the enactment perspective. This questions the very existence of an objective social reality and the idea that rational means can shed light on a constructed social world. Such a paradox raises questions and suggests that research into consultants' strategy intervention from an enactment perspective offers the possibility of fresh insights into how such interventions affect the thinking and subsequent actions of members of the organisation.

The aim of this research is to generate greater awareness and understanding of the influence and effects of management consultants' interventions in organisations, in particular as they help senior managers to develop strategic direction and realise strategic change. The thesis explores the process of consulting and the role of management consultants using the conceptual lens of the enactment perspective. Specifically, the research addresses the central question:

How do management consultants' interventions influence processes of strategic change within organisations?

The case study design and research methods, which rely primarily for information on direct, face to face interviews and inductive, overlapping processes of data collection and

analysis, reflect an essentially exploratory research agenda. The research process itself has been guided by diverse theoretical and empirical work in a number of management fields and has focused on the development of abductive theory. Abductive theory is the distillation of a social scientific account or explanation from concepts and meanings used by social actors (Blaikie 1993). The resulting theoretical framework is thus informed by and linked to extant theory, yet grounded in the interpretations, understanding and actions of individuals in relation to specific cases.

The practical difficulties of researching the consulting process and of finding organisations and consulting firms prepared to participate in the research were recognised at the outset. Despite clear intentions and research parameters, the actual research process was hesitant, staccato, stumbling and fraught with problems and disappointments. Opportunities were grasped and accommodated into the overall research strategy and design. Such “planned opportunism” (Pettigrew 1990) played a part in the first two cases studied, and in how the research evolved. One consulting organisation, Kepner Tregoe, and two of the firm’s clients, the Bristol and West Building Society and The Post Office, were the first to agree to participate in the research. Once the two cases had been secured, there was a conscious decision to analyse and draw some tentative conclusions from these cases before attempting to secure further cases. The cases relating to Kepner Tregoe’s interventions in the two organisations were studied and tentative concepts, frameworks and inferences were derived.

The first two cases researched suggested that consultants’ interventions might be understood in terms of a conceptual framework with *separation* and *absorption* as overarching dimensions. The research indicated an interplay and tension between the efforts to separate the object of the intervention, the deliberate process of strategy formulation, from both other activities and influences, and also insidious pressures drawing or absorbing the intervention into the political and cultural maelstrom of organisational life. Such a conceptualisation was broadly supported by the existing literature on strategic management, organisation theory and consultancy interventions. However, the research findings and analyses were grounded on two relatively similar and to some extent incomplete cases, and so could not be relied upon to be sufficiently robust and relevant in other circumstances.

Two additional cases, exhibiting a reasonable diversity in terms of the context, nature and process of the interventions were found after much searching, and were researched to establish a more thoroughly grounded and comprehensive analysis. The focus of this second phase of the research was to test, refine and elaborate the tentative concepts and framework, which had emerged from the first two cases. Sufficient theoretic saturation and completeness were achieved through these two additional cases to draw the field research to a close. The two cases researched were Triangle Management Services’ strategy intervention with Carousel, and Transitions’ on-going support of McQuillan Young Communications.

1.2 FINDINGS, CONTRIBUTION AND IMPLICATIONS

The central argument of this thesis, generated primarily from the case study research, is that through creating and sustaining a distinct, albeit embedded, enactment,

management consultants influence and contribute to the strategic thinking and subsequent actions of their clients and senior management within the organisation.

Certain consulting processes and activities can be understood as seeking to create and maintain some degree of *separation* from the prevailing organisational processes and conceptions. In so doing, consultants can facilitate such a distinct enactment. The case study research points to this *separation* being created and maintained in three distinct, but inter-related and mutually supportive, ways. The first way is the process of crystallisation/ reification, namely defining, bounding and drawing attention to an issue or outcome. The second way is through the imposition of an alternative paradigm, in the form of an approach or methodology, fresh perspective or specific expertise. The third way is through altering the existing patterns of interaction or discourse between members of the organisation. Habitual roles and relationships are partially suspended, and non-routine subjects are discussed under the direction, guidance or facilitation of the consultant(s).

In carrying out their work consultants do not operate in a vacuum. Rather, their interventions are set within existing frames of reference, beliefs, commitments and action patterns of their client organisations. Interventions can thus be conceived as embedded or located within organisational, and wider social, processes and conceptions of the world, which are mostly taken for granted, shared and lived out by members of the organisation and society at large.

Interventions, and the enactments they create and sustain, are subject to a number of forces or processes of *absorption*. Consultants and members of the organisation involved in the intervention are under pressure to conform to, or to operate within, the constructs of this organisational reality. Efforts to establish *separation* are met with inertia, resistance or active attempts to influence the intervention. These pressures and the need to make the conceptions about the nature of the organisation and its environment understandable, believable and acceptable mean that the ideas, analyses and views emerging from the intervention are continually being tested against, reviewed in the light of and related to wider constructs and assumptions.

In essence, the enactment facilitated by the consultant(s) and the wider organisational enactment in some respects are experienced as competitive versions of social reality. Their advocates seek to secure a critical mass of belief and acceptance, creating tensions and the need to accommodate differing views as part of the process of generating shared constructions of the organisation and its environment.

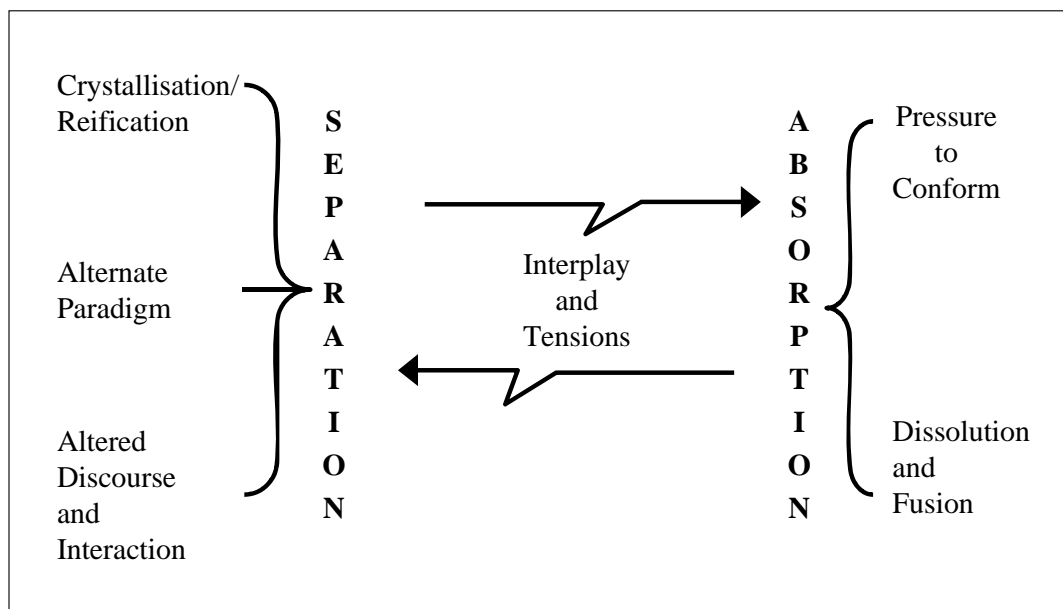
To varying extents, boundaries are permeable and the two enactments are reciprocally influential. The views, desires and commitments of senior managers shape the intervention and constrain the freedom of consultants to assert their constructions of reality. Consultants are influenced as well as influence during the course of an intervention. The ways in which consultants and key members of the organisation address the interplay and tensions that arise determine the course of the intervention and its influence on on-going processes. The more marked the *separation*, the greater the potential dislocation between the formal strategy emanating from the intervention and the prevailing beliefs, actions, commitments and conceptions of the environment and the challenges faced by the organisation.

The enactment created by the intervention enables members of an organisations to re-shape, individually and collectively, their realities and go on to establish new routines and patterns of action. This enactment is temporary, and is *absorbed*. It gradually dissolves and becomes fused with the wider organisational reality; the intervention itself can become part of the fabric of organisational life.

Grounded in the case study research and supported by existing theories, a theoretical framework is put forward for understanding and explaining consultants’ strategy interventions within organisations. At the heart of this framework is the concept of an embedded enactment, shaped by the interplay and tensions between processes of *separation* and *absorption*. The theoretical framework offers and underpins a richer, inextricably contextual and fundamentally social conception of the consulting process.

Figure 1 illustrates the theoretical framework developed through this research.

Figure 1: Separation and Absorption



In many ways the research complements and expands upon many theoretical views and various empirical research studies on how consultants influence processes of strategic thinking and change within organisations. The research does though cast consultants’ activities in a new theoretical light through the concept of *separation*, and brings to the fore the ‘organisation’, highlighting the embedded nature of interventions and processes of reciprocal influence. Pressures to conform, the interplay and tensions between enactments, and the dissolution and fusion of the consultant facilitated enactment are distinct conceptualisations of important aspects of consulting interventions, and are contributions made by the research.

The research enriches prevailing views on management consulting and contributes to a deeper understanding of the consulting process and role of consultants. Consultants’ performances, claims and mystique are seen as central to their influence as they seek credibly to suspend one social reality to inspire another, as well as a way of demonstrating their value and competence. The importance of new, substantive views of

the organisation and its environment in supporting and encouraging different values, attitudes and patterns of action is highlighted. The repeated use of consultants by managers, despite the anxiety and dissatisfaction experienced, can be linked to an inescapable imperative to renew meaning, understanding and social order.

The research also sheds some light on processes of deliberate strategic change, in particular how new strategies are diffused and fused within existing patterns of thought and action, and the importance of action in the transformation process. In examining consulting interventions, the research also adds to the enactment and sensemaking literature in terms of theory and as an empirical study.

The research also has value to and implications for practitioners. As Kurt Lewin, a leading light in the OD tradition within consulting, commented, there is nothing as practical as a good theory. The theoretical perspective developed in this thesis provides a more holistic and inclusive way of thinking about, understanding and planning interventions. Crucially, management consultants might appreciate more fully, and reconsider how they address, the stresses and tensions of creating and sustaining *separation* in the design and conduct of interventions. They might also want to plan explicitly for diffusion and fusion of the ideas generated with the prevailing organisational paradigm. Senior managers too might benefit from taking note of the potentially debilitating effects of the abuse or overuse of consultancy interventions. The case studies themselves offer some insights into the subtleties and nuances of interventions and opportunities for consultants and managers to reflect on personal experiences.

The theoretical framework generated by this case study research is clearly open to further research. Additional, diverse cases conducted by other researchers informed by different literatures, theories, experiences and perspectives and using different methods will undoubtedly elaborate and expand our knowledge of consulting interventions. The research though does provide a starting point and guide in a field of growing importance, though one which is still shrouded in secrecy and myths.

1.3 STRUCTURE OF THE THESIS

The first section of this chapter contains a summary of the reasons for researching consultants' strategy interventions, the central research question and the choice of methodology. It has also outlined the unfolding logic and conduct of the research itself. These themes are covered in more depth in subsequent chapters, which chart both the research journey and the development of grounded abductive theory. The journey culminates in the construction of a conceptual framework and argument, and an evaluation of the contribution made by the research, as summarised in the second section of this chapter.

The quotes and illustrations, and the case write ups themselves, imbue richness, vitality and meaning to the argument and concepts. Tracing the research journey enables the reader to discern how the arguments and concepts emerged and were elaborated. The ideas and insight offered by this exploratory qualitative research, and their usefulness and credibility, are bound up in an appreciation of the contexts and

process through which they emerged. The thesis thus attempts simultaneously to lay out an unfolding process and to develop a compelling argument.

Chapter Two, *Strategic Change, Organisations and Management Consultants*, reviews briefly the principal conceptions of and research into strategy and change, especially the enactment perspective. The nature and role of consultants within strategic change processes is also reviewed, and relevant conceptual and empirical work critiqued. In essence, this literature review highlights key themes and issues that both gave rise to and shaped the research. Finally, the research objectives are set out and positioned in terms of the gap in our knowledge.

Chapter Three, *Research Design and Methods*, covers the methodology and case study design. It sets out the framework and guiding principles for the conduct of the research, and in particular the search for cases to study. The following two chapters describe the actual research process, which was undertaken in two phases.

Chapter Four, *Initial Research: Kepner Tregoe's Interventions within the Bristol and West Building Society and The Post Office Group*, describes the initial phase of the research including the overlapping access, fieldwork, analysis and write up of the first two cases. The research process itself is opened up with the conscious intention of exposing the difficulties, compromises, mistakes, tentative theorising and emergent nature of this particular exploratory, interpretive research. By recounting the experience, broadly as it unfolded, my aim is to share how the research and its conclusions took shape. Chapter Four ends with a synthesis of the interim findings illustrated by pertinent quotations from the interview transcripts.

Chapter Five, *Subsequent Research: Carousel / Triangle Management Services Case and McQuillan Young Communications / Transitions Case*, describes the second phase of the research, and how it was guided and informed by the emergent findings. The chapter draws to a close with a synthesis of how the last two cases contributed to the testing, refining and tightening of the theoretical framework which emerged from the first phase of the research.

Chapter Six, *Closure and Evaluation of the Field Research*, argues that the research is adequately grounded in the four cases studied. This type of research calls for judgements on the part of the researcher in terms of the number of cases studied and claims made, since there are no clear-cut external referents for rigour or quality. In particular, the diversity of the cases is examined along five theoretically relevant dimensions, indicating a reasonable coverage of consulting interventions. The theoretic saturation achieved, and hence completeness of and support for the theoretical framework, is then discussed. In particular, a published case is analysed to check the robustness of the framework. The trustworthiness of the research is evaluated using five criteria, both to give confidence in the concepts and framework discussed in the next chapter but also to acknowledge the research's limitations.

Chapter Seven, *Consulting Interventions as Embedded Enactments: Concepts and Discussions* is the heart of the thesis. In this chapter, the principal findings and concepts developed through the detailed analysis are drawn together into a coherent theoretic framework. The theoretical discussion builds on the tentative findings outlined in earlier chapters and uses quotes extensively, from the case write ups and

interview transcripts, to give life to, explicate and ground the concepts. The framework and concepts developed are then reviewed in their relation to existing theory and empirical work, creating explicit linkages to current knowledge and building further support for the central argument of the thesis and theoretical framework developed.

Chapter Eight, *Contribution and Implications*, identifies where the research has added to our formal knowledge of consultants' strategy interventions, and more broadly strategic management and the nature of sensemaking processes within organisations. Possible lessons and guidance the research offers practitioners, both consultants and senior managers, are put forward to encourage reflection. Finally, some ideas are suggested on how this work can be used as a springboard for further research.

The *Appendix* contains the four stand-alone case write ups, which were sent to and checked by managers and consultants involved in the interventions. All four case write ups form an integral part of this thesis, and provide, in part, the grounding for the analysis and conceptualisations. These case write ups add richness and context to the analysis and reflections contained in Chapters Four and Five, and are the backdrop for the overall synthesis in Chapter Seven.

The thesis is succinct and tightly woven, yet intended to be accessible to academics and practitioners. Each of the following Chapters has an introduction that sets out the main themes of the Chapter and their position within the overall research journey and argument. The narrative style is direct and at the same time seeks to capture and convey the subtleties inherent in the subject matter.

2. STRATEGIC CHANGE, ORGANISATIONS AND MANAGEMENT CONSULTANTS

2.1 INTRODUCTION

Conceptions of strategic management as a rational process of ensuring a fit between the organisation and its externally determined environment have come under challenge. Questions are being asked regarding the appropriateness of the assumptions underpinning these conceptions, and alternative perspectives and research programmes have emerged based on different assumptions. In particular, the view that organisational change is adaptive and influenced by pervasive societal norms and expectations, and more recently the enactment perspective, have begun to enrich theory. They also offer different insights and greater hope to practitioners. The enactment perspective is founded on the view that an organisation's environment, in terms of relationships with customers, suppliers, competitors, stakeholders and other entities, is socially constructed or acted out. The organisation and its environment are created together by the social interaction of individuals. Newer metaphors of organisations, based on shared frames of reference and webs of meaning and relationships, are drawn upon to address processes of interpretation, sensemaking and action, which create organisation and environment. In many ways these metaphors better illuminate the interconnectedness and complexities of the social world and organisational life

In tandem with the introduction of new perspectives, consultancy services have boomed and are now commonplace. Perhaps ironically, consulting interventions have traditionally been grounded in the rhetoric, if not necessarily the practice, of a rational linear conception of strategic management. While academic writers have put forward diverse conceptualisations on of consultants' activities, the value added by consultants has typically been described and promoted in terms of objectivity, expertise, and analytical and process skills. Yet, these concepts are at odds with the enactment perspective, which questions fundamentally their very existence and certainly their merit. It is this apparent paradox and gap in our knowledge which both prompts and frames the research agenda.

The remainder of this chapter reviews briefly the principal conceptions of strategy indicated above and the empirical research into strategy and change. Particular attention is focused on the enactment perspective, which provides the theoretical lens and sensitivity for the research. The various approaches to management consulting are outlined, and different roles of consultants within strategic change processes are described. Finally, the chapter frames the research in terms of the gap in our knowledge and identifies the objectives of the research.

2.2 CONCEPTIONS OF STRATEGIC MANAGEMENT AND ORGANISATIONAL CHANGE

Strategy and strategic management revolve around ensuring the survival and prosperity of the organisation (Hofer and Schendel 1978, Rumelt, Schendel and Teece 1991). The role of strategic management is to achieve and maintain a fit between the organisation and its external environment, and the task of senior management is to direct and shape

the organisation such that the environmentally given opportunities are exploited and threats mitigated. As Rumelt, Schendel and Teece (1991) point out:

“Firms have choices to make if they are to survive. Those which are *strategic* include: the selection of goals, the choice of products and services to offer; the design and configuration of policies determining how the firm positions itself to compete in product-markets (e.g. competitive strategy); the choice of an appropriate level of scope and diversity; and the design of organization structure, administrative systems and policies used to define and coordinate work.” (1991: 6, italics in original)

This fundamental need to make choices has focused considerable academic effort on the content of the strategy (Chakravarthy and Doz 1992). For instance, Ansoff (1968) contributed significantly to our understanding of product-markets by means of a simple matrix. Porter (1980, 1985) built on concepts from industrial economics to identify the forces affecting industry competition and firm profitability, and developed a value chain model as a way of seeing how firms create competitive advantage in the way in which they operate. These and many other theories, techniques and research findings have been advocated to senior managers to help them analyse their environments, make the appropriate choices and then go on to implement them. Enough is presumed known, or knowable, by strategy formulators about such things as market requirements, competitor activities and strengths, and macro-economic trends for senior managers to determine the appropriate direction and position of the organisation.

2.2.1 The Rational Linear Perspective on Strategy

The notion of a rational sequence involving analysis, choice and implementation reflects the fact that much academic work on strategy draws upon the economics literature (Rumelt, Schendel and Teece 1991), and is at the heart of texts on strategy and strategic management (Johnson and Scholes 1997, Mintzberg and Quinn 1991). Chaffee (1985) describes this rational sequential approach as the linear model of strategy in which implementation is logically distinct and follows formulation. Implementation is handled by aligning internal structures, systems and processes to the predetermined goals and strategy, as exemplified by Galbraith and Kazanjian (1986), Hrebiniak and Joyce (1984) and Judson (1990). Bourgeois and Brodwin (1984) describe this as the “Commander Model”, and the model ascribes considerable power and authority to the Chief Executive and top management, and presumes compliant subordinates. Amburey and Dacin (1994) provide evidence to support the view that structure does tend to follow strategy. Strategic change is thus the deliberate re-positioning of the organisation within its external environment.

The rational linear conception of strategic management is supported by classic conceptions of organisations. The classical and later modern schools of thought on organisation theory (Hatch 1997) take the root metaphors of systems, whether mechanical or organic, as their starting points for thinking about and conceptualising organisations. The focus of such organisational analysis is the ways and means by which senior management can structure, shape and apply levers to the organisation to realise the objectives of the enterprise (Astley and Van de Ven 1983).

The rational linear conception of strategic management outlined very briefly above is based on four assumptions which merit closer scrutiny:

- The strategic management process is, and should be, based on rational, linear logic;
- Organisations or firms have choices in terms of their fit with the environment and their response to environmental change, and can implement those choices;
- Senior managers can objectively assess the external environment in terms of the threats and opportunities it presents;
- The organisation and its environment are distinct and independent.

2.2.2 The Adaptive Perspective, Population Ecology and Institutionalism

The challenge to the assumption of linear rationality comes from what Chaffee (1985) describes as the adaptive model of strategy. Various arguments and growing empirical evidence suggest that strategic change is frequently evolutionary or incremental. Lindblom (1959) characterises strategic management as “muddling through”, while Quinn (1980) contends that strategic change is, and should be, incremental. Quinn argues that change occurs through a logical and purposeful process of forming alliances, agreeing agendas and taking small steps or ‘side bets’, which build on existing positions and capabilities and which recognise uncertainties and political factors. Mintzberg and Waters (1985) propose that “real-world strategies” are not purely deliberate, but are influenced and shaped by actions and events within and outside the organisation. Strategic change can be seen as a combination of deliberate and emergent strategies. Mintzberg (1987), building on his earlier work (1978), emphasises the importance of action, and the interaction of thought and deed, when he suggests that:

“the crafting image better captures the process by which effective strategies come to be. The planning image, long popular in the literature, distorts these processes and thereby misguides organizations that embrace it unreservedly.”
(1987: 66)

The notion of rational analysis and choice is further challenged by Huff, Huff and Thomas (1992), who suggest that strategic change is better understood as a response to cumulative stress and inertia. Organisations experience stress in the form of adverse reactions and misalignment with their environments, but find it difficult to change because of the inertia caused by existing commitments, systems and working practices.

The notion of inertia is central to the challenge put forward by population ecologists. For instance Hannan and Freeman (1977, 1984) and Aldrich (1979), question the extent that organisations can change. Their contention is that standard operating procedures and industry entry and exit barriers restrict the degree of change possible at the organisation level. Rather, strategic change needs to be analysed at the industry level. Strategic change occurs within populations of organisations through processes of variation, selection and retention as the environment changes, akin to evolution and natural selection in biological populations. Radical change within an organisation, in

terms of a significant re-configuration of structures and processes, is the exception rather than the norm. They argue that established organisations tend to be replaced by newer, more adept organisations as the environment changes.

Another school of thought, known as institutionalism (DiMaggio and Powell 1983, Powell and DiMaggio 1991), contends that the range of effective choices available to senior managers is limited. Norms, values and rules influence and underpin the ways in which managers think and act, reducing the variety of organisational forms and approaches. This degree of conformity is greater than might be expected if context or environment were the primary driver of organisational strategy and structure. To some extent, organisations need to conform to norms of acceptable behaviour if they are to secure the approval, power, co-operation and resources from entities within their immediate environments. This need to conform leads to coercive, mimetic and normative isomorphism, in which groups of organisations, or industries, adopt similar forms and behave in similar ways. Coercive pressures come from the presence of common legal frameworks, a perceived need to be seen to be operating in a legitimate way, and exhortations from other organisations to adopt a common approach to issues. Mimicry is a frequent and lower risk response to environmental uncertainty than innovation and uniqueness. Normative isomorphism is associated with the increasing prevalence of professionals within organisations, who share approaches, values and belief systems, and live them out within their respective organisations. Essentially, institutionalism focuses attention on stability and the isomorphic forces which create inertia. However, more recent work within the field, such as Scott and Meyer (1994), Greenwood and Hinings (1996), and Barley and Tolbert (1997), recognises the need to account for organisational change and draw upon the role of meaning systems, organisational context and the role of actions of members of the organisation. The deterministic tendencies of early work (Whittington 1992) have, more recently, been superseded by greater attention to processes of interpretation, choice and rationalisation.

2.2.3 Interpretive Perspective

The adaptive model of strategy and the population ecologists challenge the rational linear conceptions of how strategic change is conceived and realised, and how much an organisation can, in effect, change. However, they imply the possibility of scanning, knowing and finding the appropriate way of dealing with the environment confronting an organisation. Senior managers may not adopt a rational planning process nor always come up with the best option, but that is attributed to managers' bounded rationality (Simon 1957). Specifically, managers have limited time and capabilities with which to absorb, structure and analyse information when making decisions. Moreover, this information is typically incomplete and not timely. These and the rational linear conceptions of strategic management reflect an essentially functionalist view of the world (Burrell and Morgan 1979). Predictable and stable regularities exist in the world, and can be discovered objectively and used by management in a rational and deliberate way to achieve the goals of the organisation. The process and outcome, in practice, may be imperfect and restricted, but this is a shortcoming in execution and capable of improvement.

Authors such as Pettigrew (1985a, 1985b) and Johnson (1987) reject the rational, analytical conceptions of strategic change in favour of a political, cultural and cognitive perspective. Pettigrew's (1985a) longitudinal research on organisational change at ICI

reveals how decisions are shaped by interests and commitments of individuals and groups. The organisation is no longer seen as unitary but is fragmented, with multiple political influences and agendas which affect the way in which internal and external events are understood and decisions taken. This conception of strategic management is underpinned by views of organisations as characterised by a politically negotiated order (Pettigrew 1985a, 1987).

Johnson (1987, 1988) emphasises how the world which managers experience is made up of interpretations of events and symbols, and it is these interpretations which form the basis for action. Sheldon (1980) and Pfeffer (1981) have also argued that members of organisations interpret signals from the environment according to their own histories and paradigms, or interpretive schemes (Bartunek 1984). This perspective is described as the interpretive model by Chaffee (1985), which questions the notion that managers have access to and act on the basis of an objective and unambiguous environmental reality. As Barr and Huff (1997) explain:

“The processes of noticing and interpreting stimuli have been linked by cognitive scientists to schemas the individual has already formulated... ‘Schemas’ and other related concepts (frames, mental models) identify the simplified and abstracted representations individuals use to make sense of and act within their environments... A schema is a set of interrelated, largely unquestioned assumptions that highlights certain characteristics of new stimuli and establishes grounds for categorising them as similar to or different from those encountered before.” (1997: 339)

This process of interpretation provides some insight into empirical observations of management failures to notice changes in the environment and to take timely action. Schemas, scripts and paradigms (Gioia 1985, Johnson 1987, 1988) create meaning and guide actions within organisations. Contradictory information tends to be recast within the constructs of the paradigm, ignored or discredited. Johnson (1987, 1988) describes sustained periods of misalignment between the organisation and its environment, as perceived by outsiders, as strategic drift. Barr, Stimpert and Huff (1992) analyse the differing ability of organisations to undertake strategic change when faced with a deteriorating environment, and link it to managers’ ability to change their cognitive maps. Barr and Huff (1997) suggest that environmental change needs to be linked explicitly to performance within an organisation before change occurs, and this, in part, accounts for differences in timing of responses to external change. These personal cognitive schemes (Bartunek 1984) and organisational paradigms (Johnson 1987, 1988) are reinforced by industry recipes (Grinyer and Spender 1979, Spender 1989), and industry influences (Huff 1982). These patterns of beliefs and actions, or collective wisdom, held by industry members, influence actions and responses to changes. Managers tend to feel reassured that competitors are in the same difficulties and reacting in similar ways, and can attribute poor performance to industry dynamics rather than strategic or managerial shortcomings (Fiske and Taylor 1991).

The need for radical shifts in strategy, and to redefine the organisation’s paradigm, can still be diagnosed, and are more readily seen and effected by outsiders (Johnson 1988, 1992). Radical change appears to need active and deliberate change agency, and outsiders are more sensitive to performance shortfalls and prepared to consider alternative strategies and to take actions (Johnson 1992, Greiner & Bhambri 1989).

Political manoeuvring, backstage activities, the manipulation of situations to achieve the desired results, interpersonal skills and judgement are identified as tactics used to facilitate or drive strategic change processes (Pettigrew 1985a, Pettigrew & Whipp 1991, Buchanan and Boddy 1992). Leaders and senior managers are urged to create shared meaning through symbolic action (Pfeffer 1981) and address explicitly the culture of the organisation (Deal and Kennedy 1982), and overcome cultural barriers to change (Lorsch 1986, Beckhard and Harris 1987, Beckhard and Pritchard 1992, Hampden-Turner 1994).

2.2.4 Enactment Perspective

Within the interpretive perspective, the notion of an objective environment is not abandoned. Rather, the concepts such as strategic drift and differential speed of reaction are related to partial, imperfect and biased perceptions, compounded by inertial forces. Hence, outsiders are viewed as better able to appreciate the situation and the need to act. Another conception of strategic management exists, though, which suspends the realist notion (Bhaskar 1978, Outhwaite 1987) of an objective social reality, independent of the observer or actor – the enactment or sensemaking perspective.

The enactment or sensemaking perspective is built on the ideas of Berger and Luckmann (1966) and Weick (1979), among others, who argue that reality is socially constructed; individuals construct and share meaning through the use of language and symbols, and these constructions are the reality that individuals see. Berger and Luckmann contend that social reality has no existence independent of the interpretations and actions of individuals, yet everyday life presents itself to, and is taken for granted by, individuals as a self-evident and compelling fact. The creation of social reality can be understood as “an ongoing dialectic process composed of three moments of externalization, objectivation and internalisation... not to be thought of in a temporal sequence. Rather society and each part of it are simultaneously characterized by these three moments” (1966: 149). Society thus exists as both objective and subjective reality; individuals “realize” society, both in terms of apprehending it and in terms of generating or accomplishing it.

Berger and Luckmann posit that individuals’ conceptions overlap but not fully, thus prompting and perpetuating the dialectic process. The idea that individuals define and mediate meaning in social interactions is also central to symbolic interactionism (Blumer 1966, 1967, Manis and Meltzer 1967, Burrell and Morgan 1979). Blumer (1967) summarises the distinctive aspects of symbolic interactionism succinctly:

“The term “symbolic interaction” refers, of course, to the peculiar and distinctive character of interaction as it takes place between human beings. The peculiarity consists in the fact that human beings interpret or “define” each other’s actions instead of merely reacting to each other’s actions. Their “response” is not made directly to the actions of one another but instead is based on meaning which they attach to such actions. Thus, human interaction is mediated by the use of symbols, by interpretation, or by ascertaining the meaning of one another’s actions. This mediation is equivalent to inserting a process of interpretation between stimulus and response in the case of human behaviour.” (1967: 139)

Interpretation and definition are thus central to human interaction, with individuals drawing upon, mostly in an unreflective manner, concepts of self and others. Thus the enactment perspective builds on the concepts of schemas, scripts and paradigms central to the interpretive perspective, but adds that individuals do not simply interpret signals and cues from an external world. In making sense of their social worlds individuals also construct those very signals and cues to which they appear simply to be responding. As Weick (1995) points out in relation to sensemaking:

“The process of sensemaking is intended to include the construction and bracketing of the textlike cues that are interpreted, as well as the revision of those interpretations based on action and its consequences. Sensemaking is about authoring as well as interpretation, creation as well as discovery.” (1995: 8)

The concept of action, whether in the form of a physical act or the formulation and articulation of an idea or perception, is fundamental to enactment and sensemaking. As Weick (1988) points out: “At the heart of enactment is the idea that cognition lies in the path of the action. Action precedes and focuses cognition.” (1988: 307). Human lived experience is a continuous flow of events, only when part of this stream is bracketed and attended to can an individual make sense of the experience. As people in organisations act they bring events and structures into existence and set them in motion, often producing constraints and opportunities that were not there before. In acting individuals “realize” (Berger and Luckmann 1966) their situations.

Weick (1988) argues that the concept of enactment builds on four lines of scholarship: social information processing (Salancik and Pfeffer 1978), self-fulfilling prophecies (Jones 1986), commitment (Staw 1980), and retrospective sensemaking (Weick 1979). In social interactions, individuals tend to behave and interpret responses in line with prior expectancies, to an extent inducing the expected responses and predisposing the individual towards confirming these expectancies. Social exchanges thus have a tendency of becoming self-fulfilling prophecies. Moreover, individuals develop rationalisations and justification for past decisions, which are shared and become forms of “committed interpretations” (Weick 1993), underpinning action within organisations. This binding social action reduces ambiguity and stabilises a potentially confusing flow of events. Shared interpretations and committed social action are the seeds that enlarge and diffuse among organisational members to impose order on otherwise confusing or ambiguous situations.

The argument that social reality is created and maintained through processes of action, interpretation and negotiation implies choice. However, that choice has effective limits. First, as with structuration theory (Giddens 1976, 1984), patterns of seeing, interpreting and acting are informed and conditioned by prior enactments. At one level, past enactments are concretised into operating procedures, contracts and resources, which can take on the aura of immutable things. At another level, past enactments reinforce schemas, mental models of the world and organisational paradigms, which make it difficult for individuals to question or re-conceptualise the world (Argyris 1985, Johnson 1987, 1988). Second, enactment entails acting, not simply thinking. Clearly, physical and intellectual resources limit the potential enactments which can be sustained, and such constraints cannot be wished away. Third, enactments are in competition with each other. Smircich & Stubbart (1985) suggest that: “for sizable organizational enactments to succeed, a critical mass of belief and

acceptance must be reached. But reaching the critical mass depends on persuasion rather than objective factors.” (1985: 733). The notion of competing enactments is echoed by Weick (1995) when he writes: “Sense may be in the eye of the beholder, but beholders vote and the majority rules” (1995: 6).

In summary, the enactment perspective is based on three core tenets:

- Social reality is constructed; individuals construct, negotiate and share meaning through the use of language and symbols, and these constructions simultaneously enable and constrain action within a social setting.
- Individuals create the signals and cues to which they appear simply to be responding; in acting individuals bring events and structures into existence and set them in motion, producing constraints and opportunities that were not there before.
- Social order is shaped by prevailing construction, limited by available resources and continually negotiated, both cognitively and politically, as enactments compete.

2.2.5 Strategy within the Enactment Perspective

The enactment perspective conceives strategic management as a process in which organisational actors attend to and make sense of their situations, act on their beliefs and perceptions and, in acting understand what, collectively, they have created. As Smircich and Stubbart (1985) state, this strategic management view is based on:

“the assumption that organization and environment are created together (enacted) through the social interaction processes of key organizational participants.” (1985: 726)

This assumption, as Smircich and Stubbart point out, supports the work of Mason and Mitroff (1981), Davis (1982), Huff (1982) and Peters (1978). Within this perspective, separate, objective “organisations” and “environments” are essentially reifications; they are labels used by managers when they make sense of patterns of actions and on-going events. The enactment perspective takes as problematic concepts such as “the industry”, “threats” and “opportunities”, since they are constructions rather than givens. Managers’ attention is directed towards the way common sense understanding is constructed and the limitations which arbitrary or taken for granted labels or classifications might impose. The focus of attention is less on a static snapshot of the social world and more on the on-going process of sensemaking and action. Strategists and senior managers are reminded that they define what constitutes “the industry”, “threats” or “opportunities”, and attention is focused on how their concerted actions stabilise and reproduce such definitions.

So useful and widespread are labels and notions such as organisation and environment that the idea that they may be constructed, and therefore open to redefinition, is alien to many managers. If one conceives of an organisation as a legally constituted entity, a conception which underpins rational linear strategic management perspectives and economics, then the organisation by definition is concrete and distinct from its environment. However, the enactment perspective of strategic management is

intimately linked to a view of organisations as interpretation systems (Daft & Weick 1984). Westley (1990) describes organisations as:

“a series of interlocking routines, habituated action patterns that bring the same people together around the same activities in the same time and places” (1990: 339).

Interlocking routines also exist which bring together individuals from different legally constituted entities, for instance customer-supplier relationships, alliances, industry associations and regulatory bodies. Individuals interact within multiple sets of routines, sharing experiences and views and so creating their social world. Through these processes both the organisation and the environment, that is the non-organisation, are inter-subjectively formed and sustained. Czarniawska-Joerges (1992) describes organisations as:

“nets of collective action, undertaken in an effort to shape the world and human lives. The contents of the action are meanings and things (artifacts). One net of collective action is distinguishable from another by the kind of meanings and products socially attributed to a given organisation ” (1992: 32)

The presence of industry bodies, dialogue between commercial organisations and government bodies, and the more recent trend towards the use of alliances and networks highlight the interdependence and mutual influence of actors and entities within a social or economic setting. Strategic alliances (Faulkner 1992, Hamel, Doz and Prahalad 1989) between different organisations are characterised by simultaneous collaboration and competition. Resources, experience and know-how are shared, yet the aim is to learn more and faster than one’s partner. Such arrangements demonstrate the permeability of boundaries between organisations and their mutual influence and dependence. Network forms of organisation (Powell 1990), typified by reciprocal patterns of communication and exchange, represent a viable and increasingly common form of economic organisation. Such forms emphasise the process of organising and the continual need to create and define social and economic ties and meaning. Neither the organisation nor the environment has a pre-determined existence, but are continually created over time. As such, strategic change is not simply the adjustment or re-positioning of the organisation in relation to its environment, but the enactment of a different social reality affecting what constitutes both the organisation and the environment.

So, the distinction between an organisation and its environment is an inter-subjective labelling of on-going enactments, as individuals share, negotiate and assert their conceptions of the social world. Weick (1979) points out that: “as an organisation becomes larger it literally becomes more of its own environment” (1979: 167). Presumed behaviour, shared convictions and implied threats are integral parts of any social setting. The actions, presumed actions or even the perceived latent actions of any individual or organisation are, in principle, cues used by others as they make sense of the world they see. Weick (1985) argues that a significant proportion of the organisational environment:

“consists of nothing more than talk, symbols, promises, lies, interest, attention, threats, agreements, expectations, memories, rumours, indicators, supporters,

detractors, faith, suspicion, trust, appearances, loyalties and commitments.” (1985: 128)

Social processes are not independent of the individuals, groups or organisational entities; all actors have a part in constituting the social world however small a part. Economic entities and agents will certainly favour, and want to promote, social orders which confirm or reinforce their relative advantages. Even within an organisation, groups and individuals will tend to propose, support and act out patterns of activities which confer advantage, security or congruence with existing views and commitments.

Knights and Morgan (1991) suggest that the concept of strategy itself is a discourse, namely a socially embedded “ set of ideas and practices which condition our way of relating to, and acting upon, a particular phenomenon” (1991:253). They argue that the notion of strategy mediating the relationship between the organisation and its environment has been fostered by academics and consultants, and promoted by certain groups within organisations to obtain or defend a privileged status and to project images of rationality and control. A discourse is not just a way of seeing, but also an exercise of power such that what is seen is the ‘truth’. “Knowledge is always intricately bound up with technologies of power which reproduce particular discursive practices” (1991:253). Political agendas, in the broadest sense, thus permeate not only deciding but seeing.

2.2.6 Strategy Advice from the Enactment Perspective

Smircich and Stubbart (1985) suggest that the enactment perspective implies rethinking three conventional wisdoms of strategic management. First, the prescription that organisations should adapt to their environments should be abandoned. Instead, strategists should focus on creating new interpretive frameworks and examining the choices which these suggest. Second, constraints, threats and opportunities should be re-thought, since these are ground in implicit assumptions which could restrict experimentation and new patterns of actions, a view shared by Dutton and Jackson (1987). Third, the role of strategic managers should be re-conceived, and the focus shifted away from technical analysis and towards the creation of meaning and context, through language, metaphors, symbols and stories, which echoes the suggestions of Pfeffer (1981) and Johnson (1990, 1992). Strategy, organisation and environment in this context have no independent existence or meaning. The enactment perspective implies that “the task of strategic management... is organization making - to create and maintain systems of shared meaning that facilitate organized action” (Smircich & Stubbart 1985: 724). Managers’ attention is directed at the assumptions which underscore actions, the creation of context, the fostering of multiple realities and continuous experimentation.

More recent research within this perspective has made some significant contributions to the theory and understanding of strategy and strategic change. For instance, the work of Gioia and Chittipeddi (1991) and Gioia, Thomas, Clark and Chittipeddi (1994) identifies the role of sensegiving and sensemaking processes in strategic change. They show how those promoting change both shape meaning and allow meaning to emerge, and are influenced by the emergent meaning and understanding. Porac, Thomas and Baden-Fuller (1989) describe how enacted cognitive models of markets and competitors shape and sustain strategic groups. These shared cognitive models determine how markets are

scanned, competitors defined and customer needs assessed. Individual cognitive models are reinforced by actions of others, who share similar models. Isabella (1990) examines how evolving interpretations shape managers' understanding of key events. Managers continually reconstruct their social reality as new events arise and new questions are asked, and "the collective interpretations of key events move from unformed and tentative to well-constructed, well-processed viewpoints" (1990:33). The research suggests complex processes of reciprocal influence and elaboration between meaning and action at the heart of strategic change.

The notion of an enacted world tacitly underpins some of the more recent and popular approaches to strategic management. Hamel and Prahalad (1989, 1993) advocate that leaders and managers in organisations should be less concerned about the rational, and usually limiting, analyses of opportunities and capabilities, but commit to a long term strategic intent, by creating stretching visions and setting ambitious goals. They suggest that the notion of trimming ambitions to match available resources, namely maintaining a strategic fit, should be replaced by the concept of leveraging resources to reach seemingly unattainable goals. "Corporate Imagination" and "Expeditionary Marketing" (Hamel & Prahalad 1991) are concepts which advocate the creation of previously unimagined products and markets. These new markets evolve as a result of interactions between organisations and consumers. Normann and Ramirez (1993) argue that firms and customers co-produce value, and that organisations should develop interactive strategies where roles are reconfigured continually to create new forms of value.

The straightjacket of rational analysis and determinism of rational linear conceptions of the world is abandoned in favour of advice to corporate leaders to create their own futures (Hamel & Prahalad 1994). The argument is that competencies, not current product market offerings or positions, are better indicators of future success, and that these competencies can be developed and nurtured, sometimes in collaboration with other organisations (Hamel, Doz and Prahalad 1989). In essence, Prahalad & Hamel (1990) echo the view that strategy and organising are intimately linked. The notion of core competencies and the idea that interaction patterns between individuals and shared cognitive maps generate and store knowledge within organisations (Daft & Weick 1984) have much in common.

Hamel and Prahalad (1989, 1991) also provide some insight into the limits of choice and the idea of competing enactments. They suggest that existing resource levels are less of a constraint than an organisation's strategic orthodoxy. In their analysis of how Japanese companies overcame large and well-financed Western competitors over the previous two decades, they suggest that Japanese organisations had, in essence, enacted different conceptions of strategy, competition, innovation, and relative advantage. Western organisations, enacting a shared reality based on the concepts of classical strategy, were not able, initially, to see how "loose bricks", or peripheral markets, and gaps between traditional product market divisions were being systematically targeted to undermine competitive strength, nor how the terms of engagement were being changed. In part, this is attributed to the prevailing notion of an objective world, knowable through a set of established analytical techniques taught at the leading business schools (Hamel and Prahalad 1989).

At another level, the Western and Japanese approaches to strategy and competition can be understood as competing societal enactments. In this case, the Western world-view was arbitrated as a new perspective conferred opportunities and points of leverage. The prevailing Western world-view consequently became unsustainable. Clearly, any enactment is open to potential arbitrage and to the possibility of it becoming unsustainable.

2.2.7 Critique and Reconciliation

In his review of the strategic choice perspective, Child (1997) essentially up-dates and incorporates more recent ideas and research into the rational linear conception of strategic management. The limitations of a purely rational, linear approach are acknowledged, as are the difficulties and complexities associated with implementing strategic choices. The cognitive and political influences are given a greater prominence in terms of how threats and opportunities are identified and assessed. Child also acknowledges the interdependence between the organisation and its environment, but disagrees with Smircich and Stubbart (1985) on the extent to which actors have a choice over enactments. At the heart of Child's critique is a different view regarding underlying economic and social regularities, and the scale and nature of the limitations placed by material resources and existing structures. In a sense, the enactment perspective is seen as encouraging wishful thinking and forlorn attempts to overturn entrenched practices and positions. In part, this reflects a greater attention to static analysis rather than processual development, but it also reflects different views of the world. Nonetheless, Child does agree on the possibility of managerial agency and (restricted) choice.

Cognitive and symbolic processes are now also recognised by scholars of the institutionalism perspective (Scott and Meyer 1994, Greenwood and Hinings 1996, Barley and Tolbert 1997). Institutionalists, though, would argue that the enactment perspective does not give due attention to the structures, values, norms and rules which pervade social and organisational life and so generate conformity and the reproduction of existing orders. But, in his critique of institutionalists' tendencies towards determinism, Whittington (1992) suggests that organisations are far from the passive, accommodating entities depicted by some. Rather, managers exploit the structural tensions between institutional rules to gain their agency; ambiguity and plurality enable and demand choice. Individuals and organisations have scope to shape the world in which they exist.

In his critique of interpretive sociologies, Giddens (1976) argues that too much attention is paid to meaning, motivation and consensus at the expense of practical action, the conditions of actions and asymmetries of power and conflicts of interest. The enactment perspective, while building on an interpretive world view, does emphasise the centrality of action in the construction of social reality, the material and symbolic legacy of prior enactments and competition between enactments.

2.2.8 Summary

Challenges to the conception of strategic management as a rational process of ensuring a fit between the organisation and its externally determined environment undermine the traditional advice to managers regarding the nature of managerial agency and their very roles. The enactment perspective is founded on the view that an organisation's

environment, in terms of relationships with customers, suppliers, competitors, stakeholders and other entities, is socially constructed, negotiated and acted out. The organisation and its environment are created together by the social interaction of individuals.

The enactment perspective focuses attention on how strategic managers create and sustain meaning and context, how they bring into existence opportunities and constraints and how they seek to assert, and persuade others to accept, their version of reality. The interconnectedness of organisational life, grounded in shared frames of reference and webs of meaning and relationships, is seen as integral to the ways in which social reality is created and sustained. These conceptions remove the security offered by the existence of an external reality, accessible through rational scientific means, but at the same time offer different insights and greater hope to managers. The enactment perspective questions and explores issues other perspectives take for granted.

2.3 MANAGEMENT CONSULTANTS AND STRATEGIC MANAGEMENT

The enactment view of strategy and strategic management, like the interpretive perspective, indicates a role for outsiders, such as management consultants, in helping the members of the organisation to examine their assumptions and become more self-reflective (Smircich & Stubbart 1985). Questioning and doubting what appears to be obvious helps managers to recognise personal schemas and organisational paradigms and to step outside their self-imposed constraints and conventional wisdom. From the interpretive perspective, the value of management consultants comes from their ability to provide an alternative view the organisation-environment interface. From the rational linear perspective, consultants may have expertise, methodologies and problem solving skills to create a better strategic fit between the organisation and the environment. It is this rational linear view of the world that, on the whole, consultants have projected and clients have perceived.

2.3.1 Management Consultancy: Origins and Typologies

As a recent Economist survey points out (March 1997), consulting interventions which seek to shape an organisation's strategy, whether through the innovative use of information technology, the nurturing of core competencies or the more classic targeting of specific product markets, are now commonplace. It is the organisation that does not use consultants which is now the exception rather than the rule. Management Consulting Magazine (July/August 1998) reported that world-wide revenues for the top 100 firms had in two years increased by £520million over 1996 levels to over £2.6 billion. This rate of growth was neither unprecedented nor expected to slow. Moreover, management consultancy is a fragmented industry with many small or sole operators. The overall world market was estimated to be in the order of £25 billion in 1995 (Rassam 1998). In terms of revenues at least, the influence of consultants appears to be valued and growing. Reassuringly, there is also some evidence that management consultancy services generate benefits for clients (Ginsberg 1989, Burke 1994).

Over the last twenty years in particular, consultancy services have expanded from work measurement and accountancy to most areas of organisational life.

Management consultancies, such as McKinsey, Booz, Allen Hamilton, Arthur D Little, and Hay Management Consultants, set up in the first half of the century, have been joined by, among others, the consulting arms of the major international accountancy partnerships, actuarial firms, business school professors and business school based consultancies (Rassam and Oates 1991, Rassam 1998). The Institute of Management Consultancy (IMC), the professional association for management consultants in the United Kingdom, recognises that consultants and consultancy touch almost every aspect of management. The IMC defines management consultancy in a broad and comprehensive fashion as:

“The service provided by an independent and qualified person or persons in identifying and investigating problems concerned with policy, organisation, procedures and methods; recommending appropriate actions and helping to implement those recommendations”

Mainstream management consultancy has its roots in concepts of scientific management pioneered by Frederick Taylor (Tisdall 1982, Rassam 1998), and their work, in the main, remains firmly grounded in a problem solving tradition. Phills (1996b) describes the work of consultants in terms of “generic analytical activities” comprising *comparison*, *explanation*, *prediction* and *prescription*, which are aimed at influencing clients’ competitive beliefs and organisational action. In the main, consultants use theories, knowledge and analytical approaches developed out of practical experience or adapted from academic research. The leading consulting firms themselves have developed frameworks and methodologies to inform and structure the way in which they address strategy and organisational issues. The Boston Consulting Group's growth/share matrix and development of the experience curve, and McKinsey's 7S model (Payne and Lumsden 1987), and more recently business process re-engineering (Hammer and Champy 1993) are but a few examples of models developed by consultants which are in the public domain. Many other concepts, frameworks and methodologies are deemed proprietary and the basis of differentiation and competitive advantage.

Mainstream management consultancies actively promote their ability to develop recommendations and solutions to the real problems and issues facing organisations. They stress the merits of their rational analytical intervention approaches and methodologies in their marketing literature. This is reinforced by how professional associations and journals describe the consulting process:

“From the initial contact with the client to the post-assignment evaluation, the professional management consultant moves through a prescribed set of steps bringing objectivity, independence, and problem solving skills to the particular requirement of the client. Project management discipline in conducting the consulting assignment adds to the quality and credibility of the results.” (The Journal of Management Consulting, Fall, 1993: 41)

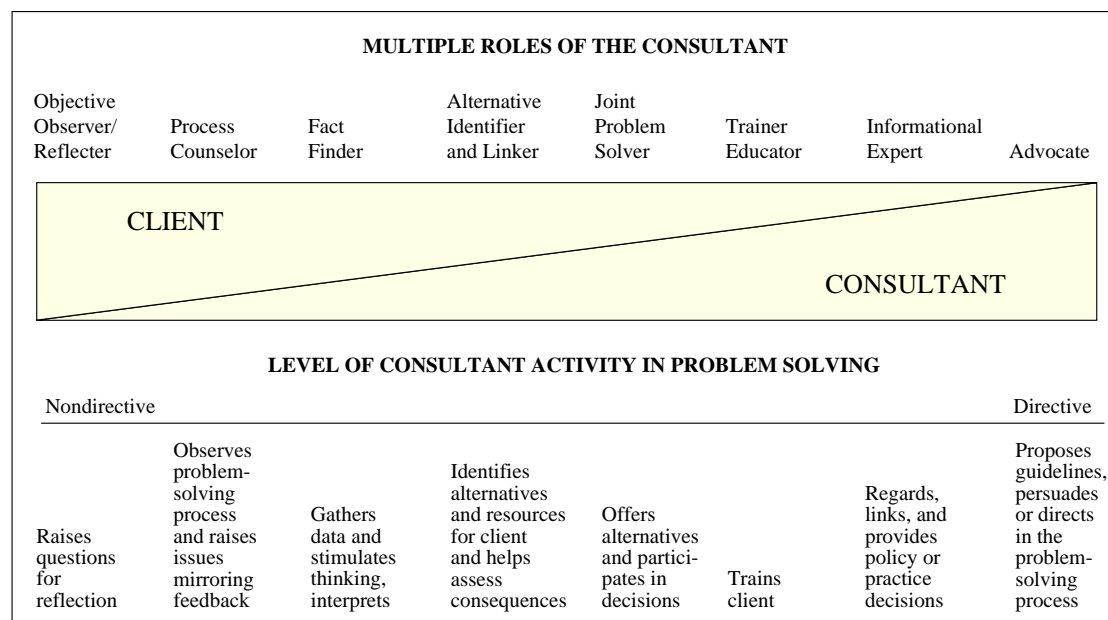
This rational analytical view of consulting is codified by a number of best practice manuals advocating how interventions should be carried out (Block 1981, Weinberg 1985, Margerison 1988, Kubr 1996, Markham 1997), which are largely distilled from practitioner experience. For instance, Kubr (1996) lays out the consulting process in terms of five stages: *entry*; *diagnosis*; *action planning*; *implementation*; and

termination. *Entry* includes preliminary problem diagnosis, agreeing terms of reference, *diagnosis* includes diagnostic frameworks, defining necessary facts, obtaining and analysing facts, and *action planning* includes developing and evaluating alternatives and presenting proposals to clients. Markham (1997) takes a project perspective on the consultancy process and defines it in terms of three sequential stages: *mobilisation*, which includes introduction, contracting and organising, *execution*, which includes data collection, data analysis, diagnosis and intervention, and *withdrawal*, which includes transfer, disengagement and completion. These texts implicitly treat the process as a means to providing recommendations or effecting an intervention, rather than an end in itself. The value comes from the solution, not necessarily from the interaction of consultant(s) and client organisation. These best practice texts deal explicitly with client interface, the importance of influence and persuasion and cultural issues. However, the client-consultant relation is examined and intervention approaches are advocated with a view to making the process more effective and the solution easier to implement.

2.3.1.1 Process Consultation and the Organisational Development

This rational analytic, even mechanistic, approach to consulting can be seen as representing one end of a spectrum, and is not the only school of thought on consulting. Lippitt and Lippitt (1978) propose a descriptive model in which the roles played by consultants can be understood in terms of a continuum based on the level of consultant activity in problem solving, as shown in Figure 1.

Figure 2: Description of the consultant’s role on a directive and nondirective continuum



Source: Lippitt and Lippitt (1978:31)

At one end of the continuum, the consultant is nondirective, acting as an objective observer and process controller, while at the other end the consultant is directive, acting as an advocate and information expert. The directive end reflects a greater

concern for the achievement of the task or correctness of the solution, while at the nondirective end the concern is focused more on the consulting process and interaction between the consultant and the client, and between members of the client organisation. This conceptualisation of consulting is similar to earlier work by Margulies and Raia (1972), whose continuum had task and process orientations at opposite ends. Schein (1987) defines process consultation as essentially a helping role in which the consultant and the client work together to diagnose and find solutions to issues and problems. The client in this model of consulting owns the problem and continues to own the problem throughout the consultation process. The process consultation model is compared to two other models as a way of emphasising its holistic and non-advocacy aspects. In the purchase of information or expertise model, the consultant relieves the client of a specific, defined problem and arrives at a rational, analytical solution. In the doctor-patient model, diagnosis is an essential part of the process but the doctor is responsible for developing the appropriate solution. In process consultation the consultant facilitates the client in reaching and understanding a solution.

Concern over process is a central theme of the organisation development (OD) tradition in consulting, as exemplified by Bennis (1969), Margulies and Raia (1972, 1978), Bell and Nadler (1979), Schein (1987), Burke (1994). As Burke (1994) suggests, organisational development is a broad school that is still evolving and is based more on considerations on how consulting work should be done rather than specific techniques. Organisational development (OD) has its theoretical roots in clinical and behavioural psychology and group processes, and focuses attention on how individuals and groups interact within an organisational context. The methodological model for OD is action research; data are collected and then action is taken based on what the analysis suggests. Argyris (1970) in proposing a theory of intervention identifies three appropriate roles for consultants: obtaining valid information, facilitating free choice and promoting internal commitment to the chosen course of action. Argyris develops these three themes as central commitments to avoiding and counteracting defensive routines that hinder organisational change and learning (Argyris 1985, 1999).

Central to an OD intervention is that the client should perceive a need for change and should be involved in planning and implementing the change. Some exponents go as far as suggesting that an OD intervention should lead to a transformation of the organisation's culture. The target of an OD intervention is the organisation, reflecting the belief that significant change requires a system-wide approach and perspective, and the aim is to bring about lasting, cultural change. It appears almost an article of faith within the OD tradition that change is, and should be, brought about through improving the skills and capabilities of people within the organisation, through better teamwork and through enlightened working practices.

OD consultants use a range of intervention techniques and strategies (Covin 1992) from survey feedback to teambuilding, to understand and enhance the role of the individual within the social system. As Burke (1994) points out, OD consultants too have developed models to guide the process of diagnosis and intervention. The Burke-Litwin Model of Organizational Performance and Change (Burke and Litwin 1992) is a prime example of an OD model in that it identifies and links a wide range of factors seen as critical in realising change. Transformational factors, such as mission, leadership and culture, are linked to transactional factors, such as procedures, systems and work

climate, emphasising the holistic and system approach of OD. Using concepts and theories of the OD tradition, Kets de Vries and Balazs (1997) adopt a psychodynamic perspective of organisational change, drawing parallels between individual and organisational change, to propose ways of facilitating and speeding organisational change processes. James and Jarrett (1997) apply theories of group psychodynamics to understand the interaction of the top management team and possible roles of a consultant when working with regressive or dysfunctional teams. Their work also draws on concepts of family therapy (Minuchin 1974) as practised in an organisation context by Kahn (1993).

2.3.1.2 Typologies

The directive-nondirective continuum is not the only way of categorising consultants, what they do and how they do it. Steele (1975) identifies nine roles a consultant may adopt when dealing with a client organisation: teacher, student, detective, barbarian, clock, monitor, talisman, advocate, and ritual pig. Nees and Greiner (1985) propose a classification scheme of management consulting firms, shown as Table 1, based on professional values and cultures. This classification, though still insightful, now appears somewhat dated given the efforts of most major consultancy firms to offer clients a full range of services (Rassam 1998). Most major firms would claim to be able to operate within four of the five roles, depending on the client and the nature of the assignment, and to support in the implementation of strategies, processes or structures. The friendly co-pilot role is typically the role adopted by the business school professor.

Table 1: Characteristics of Management-Consulting Firms

| | <i>Mental Adventurer</i> | <i>Strategic Navigator</i> | <i>Management Physician</i> | <i>Systems Architect</i> | <i>Friendly Co-Pilot</i> |
|---------------------------------------|------------------------------|------------------------------|-------------------------------------|-----------------------------|--------------------------|
| <i>Knowledge base of consultants</i> | Science | Economics | General management | Technology | Business experience |
| <i>Role orientation toward client</i> | Researcher | Planner | Diagnostician | Designer | Advisor |
| <i>Approach to project</i> | Statistical analysis | Modeling of key variables | Problem identification | Implementation of solutions | Sounding board for CEO |
| <i>Focus of recommended actions</i> | Creative answers | Future goals and objectives | Organization and leadership | Administrative procedures | Needs of CEO |
| <i>Expected outcomes for client</i> | More knowledgeable decisions | More profitable niche market | Improved organization Effectiveness | Greater efficiency | Better CEO judgment |

Source: Nees and Greiner (1985: 77)

Ganesh (1978) points to a strong influence of OD consultants' style, in terms of their orientation towards people or task and structure, on their consulting approach. He advocates more conscious awareness on the part of OD consultants of their style

preferences to avoid mismatches between style and approach, potentially leading to ineffective interventions.

Blake and Mouton (1976) seek to characterise the interventions of applied behavioural scientists in terms of a Diagnosis/Development (D/D) matrix. The two dimensions of the matrix are types of interventions and units of change. The five types of interventions are: *acceptant; catalytic; confrontation; prescriptive; principles models and theories*. The five units of change are: *individual; team* (group, project department); *intergroup* (interdivisional, headquarters-field, union-management); *organization*; and *society*. Their matrix is intended to help consultants to think more explicitly about the work and its possible implications. The D/D matrix highlights the breadth of activities and interventions that are considered within the ambit of management consultancy. Examples range from one-to-one mentoring (Tranfield 1995) to advising the UK Government on macro-economic issues such as productivity and growth of the UK economy (McKinsey Global Institute 1998).

2.3.2 A Critique of Traditional Consultancy Practice

Despite differences in orientation, methodological approaches, and the object of their interventions, the difference between the various consulting schools of thought is narrowing. In their critique of OD, Beer and Walton (1987) suggest that OD consultants and the OD approach would benefit from being less purist, less programmed and less value-laden. Specifically, OD consultants are being urged to acquire knowledge of business and analytic skills (Burke, 1994), and chapters on change management are now part of texts directed at consultants in the rational analytical mould (Sadler 1998). The application of a structured process, based on sound social scientific principles, whether derived from management, economics, social psychology, and/or sociology, as well as independence and objectivity are cornerstones of a consultant's offering.

However, the image of consultants and the consulting process projected by the industry does have its critics. Lippitt and Lippitt (1978) question whether disciplined problem solving or rigorous application of action research principles (Schein 1995) is a good or appropriate description of the consulting process. They believe that consultants react to situations by a complex of trained reactions and experimental responses, some of which are unexplainable. This essential element of skill or craft, as opposed to a structured intervention or problem solving exercise underpinned by scientific theory and method, is also recognised by Schon (1983, 1987). Schon (1983) describes the process used by professionals in complex, ill-defined and unique situations as thinking-in-action and the associated learning and development as reflection-in-action. Schein (1995) suggests that OD consulting is, and should be, driven by the client's agenda and responsive to client needs. Moreover, the process consulting tenet that the client should own the problem at all times does not preclude the consultant from making specific suggestions (Schein 1987). Consultants make and seek to learn from mistakes (Reddin 1977). They come under a wide variety of pressures and stresses and in response often develop defence mechanisms to cope with their situations (Edmonstone 1980). They develop personally and professionally through their careers, and continually experiment with new approaches and concepts as they carry out assignments (Harrison 1995b).

This image of independence, objectivity and, implicitly, political neutrality also appears to be somewhat different from what can happen in practice. Rather, Greiner and Schein

(1988) advocate that organisation development practitioners should understand, acquire and utilise political power and influence in order to effect change. Greiner (1986) contends that organisational politics, particularly within the top management team, is a major reason why consulting assignments aimed at bringing about change of a “major organizational and strategic nature” fail. Moore (1984) discusses specifically the politics of management consultancy, suggesting that consultants have their own agendas, which may, inadvertently, encourage them not to resolve problems in the hope of increasing the scale or duration of the assignment. He finds that consultants operating in complex situations, with no clear-cut criteria of success or failure, can create unintended consequences, and can help to enhance the organisation’s image, to pacify dissenters and to satisfy or put off external agencies, rather than help bring about “genuine” changes. Argyris (1961) reports situations in which OD consultants compromise their own values and principles when dealing with clients. Nees and Greiner (1985) suggest that differing professional values and organisational cultures have a profound influence on the way firms interpret clients’ problems and develop recommendations.

While the actual consulting process may be more tentative, experimental and politically influenced than the normative texts on consulting suggest, the rational conceptualisation and model of consulting continues to be, in the most part, the basis on which claims to add value and influence organisations are made. The research by Gattiker and Larwood (1985) shows that the objectivity of external consultants and their rational analytical approaches are valued by clients. In their research into why organisations employ management, Gattiker and Larwood surveyed both clients and consultants. They found that clients employ consultants for the stimulation they provide for members of the organisation, the expertise they bring to problem solving, the objectivity they can bring, and their ability to apply the consulting process within the organisation. The use of consultants in cases of work overload, one of their hypotheses, does not appear to be strong; consultants have to bring something more to an organisation than in-house skills. Their role in enhancing credibility in a political context, another hypothesis, is less clear cut, since, in the research, the desire to enhance credibility was correlated with the desire for objectivity. Gattiker and Larwood suggest that the deliberate insertion of consultants into organisational politics occurs, and that it is the result of a more subtle relationship than can be explored using the type of survey techniques employed in their research. The same research also indicated that management consultants felt themselves particularly useful in stimulating the organisation into setting about the change process. Gattiker and Larwood posit that this might be a self-serving bias, in which consultants see themselves as more capable and successful than others see them.

In his research into the effectiveness of strategy consultants, Ginsberg (1989) finds that strategy consultants are perceived by senior managers to be better at increasing an organisation’s flexibility and environmental adaptability than at contributing to immediate profitability. This is accounted for by the longer term horizon of competitive strategies compared to the more immediate impact of cost cutting and asset utilisation initiatives. Ginsberg suggests that “strategy consultants who claim they can improve short-term profits should be treated with great skepticism” (1989: 296).

Building on the interpretive perspective in the strategic management and OD literature, as briefly summarised above, Ginsberg and Abrahamson (1991) explore the role of two key change advocates in the change process: new members of the top management team (TMT) and management consultants. Ginsberg and Abrahamson find that management

consultants are good at helping to break the conventional thinking and opening the way for new strategic possibilities, but are not good at helping to implement them:

“To stimulate significant changes in the ways top managers think, executives may do well to hire management consultants who bring good problem-solving and coaching skills, along with a more objective view of the organization-environment interface. However, in general, management consultants may be inadequate for counteracting the inertial processes through which the organizational symbols, meanings, and values are created and institutionalized... To legitimize and facilitate extreme changes in strategic orientation, or ‘recipes’, organizations need to resort to strong political and symbolic actions, such as hiring new top executives in key leadership roles.” (1991: 186)

These findings reinforce the view that consultants can have a significant impact on the way in which an organisation adapts to an increasingly complex environment by helping reshape existing perspectives and schemas. Consultants can help senior managers by asking questions and doubting, and by providing an objective, expert view not constrained by prior commitments. However, they challenge the view that management consultants add significantly to the credibility and legitimacy of making changes, and so help to counteract the cultural and political inertia within organisations.

Management consultants are also seen to facilitate the change in frames of reference by acting as fashion setters and forcing managers to recognise the antiquated nature of previous strategic orientations. This theme of fashion setting is explored by Abrahamson (1996), who identifies management consultants as key fashion setters. He argues that consultants have to sense the emergence of collective preferences for new techniques and develop the rhetorics to define and disseminate these techniques to wary managers and others fashion setters. The key to success for management consultants is to be perceived at the forefront of this process. Importantly, Abrahamson contends that the choice of fashion being promoted is important in that it has real consequences for organisations and the people within them.

Overall, the projection of the consulting process as being methodical, rational and dispassionate has numerous critics and scant empirical support.

2.3.3 Management Consultancy: Alternative Perspectives and Conceptualisations

Implicit in the work of most consultants is the concept of a real social world, amenable to discovery, analysis and change through rational techniques. Within this rational perspective, consultants influence processes of strategic change by providing objective advice and structured support to facilitate action. New, more objective views and ideas offered by consultants may provide a better or closer approximation to the external environment of the organisation and, hence, a closer strategic fit. Fashions, fads and rhetorics, or concepts, methodologies and frameworks, encourage managers to think about, interpret and understand the world in different, presumed better, ways. Structured support and guidance facilitates the translation of strategies into action.

Other authors, though, adopt more subjectivist and critical (Burrell and Morgan 1979) stances to social science in their research and analyses of consultants and consulting.

Research and analysis set outside the functionalist paradigm suggest more subtle processes of influence and interaction between consultants and clients.

The concept of rhetoric is developed by Alvesson (1993), who includes management consultants in his analysis of knowledge-intensive firms. Alvesson puts forward a perspective on knowledge as institutionalised myth and rationality-surrogate, and suggests that the stressing of knowledge, science and rationality by such firms in the way they project themselves, internally and externally, is a strategy to deal with ambiguity. Alvesson's propositions provide some insight into why consultants might continue to project images of rationality despite mounting disconfirming evidence based on actual practice.

Others have conceptualised consultants in terms of creators and manipulators of image and impressions, rather than mere followers of a rational, scientific process. Clark and Salaman (1995a, 1995b) and Clark (1995) analyse consultancy, and especially the work of two types of consultants: management gurus and executive recruitment consultants, through the lens of the dramaturgical metaphor. They argue that consultancy is essentially an intangible and difficult to define service, a view shared by Mitchell (1994), and that clients choose consultants based, primarily, on reputation, a research finding in common with Dawes, Dowling and Patterson (1992). Consequently, consultants need to draw upon symbolic means to project competence and value, since they are not able to rely on a distinct, well defined and professionally endorsed body of knowledge and qualifications. Executive recruitment consultants manage the "back-stage" aspects of a candidate's performance, providing cues to and opportunities to rehearse the appropriate, socially enacted "scripts" interviewers might expect. Building on the work of Huczynski (1993) and others, Clark (1995) argues that management gurus use theatrical techniques of energy, drama, suspense, and counter-point to "convert the audience to the gurus way of thinking; to restructure managers' ways of thinking and in so doing to transform their consciousness" (1995: 118). Central to the consulting process is the concept of performance and the relationship it creates between the consultant and the client, not the substantive knowledge or techniques which underpin the conceptualisation of consultants as expert helpers.

Sturdy (1995, 1997) proposes an interpretation of management fads and fashions as discourses used to promote interests and positions of power. He takes a psychodynamic interpretation of management whereby the adoption and discarding of ideas is mostly subconscious and driven by anxieties about their careers, role and organisational environment. He argues that consultants play on such anxieties when promoting new ideas in ways which position them, and by association, managers as being in control. Managers are not unaware, nor are they gullible, and resist such approaches, which in turn creates a sense of insecurity for consultants. Sturdy (1997) develops and supports his arguments with empirical research based on selected in-depth interviews with consultancy purchasers, followed by a broadly targeted postal questionnaire. The research findings indicate that, in their sales pitches, consultants offer reassurance while reinforcing uncertainty. However, their prospective clients are both conscious and critical of such approaches. Sturdy (1997) takes the view that "consultancy and the persistent adoption of 'new' ideas is an interactive and dialectic process founded on both consultants' and clients' self-defeating concerns to secure a sense of identity and control

which is framed within organizational structures and broader capitalist social relations and managerial labour process” (1997: 390).

Bloomfield and Best (1992) examine the activities of IT consultants in terms of the way consultants seek to establish privileged positions by claiming to speak for “objective” information technology capabilities and the opportunities which arise from its application. Central to their conceptualisation of consultancy is the use by consultants of symbolic processes to secure and hold positions of power in respect of their clients. Bloomfield and Danieli (1995) develop these concepts of power and privilege and argue that technical and socio-political skills are indissoluble, and that the use of discursive, or rhetorical, and symbolic resources are an inherent part of the construction of an IT system. They argue that the role of consultants can be understood “in relation to the use stratagems first for making themselves indispensable to clients, and second for maintaining that identity during the lifespan of a consultancy engagement” (1995: 24).

Other, ideologically informed perspectives of the nature and practice of consulting exist. Baxter (1996) offers a post-modern perspective of consulting based on seven condensed tenets covering approach and values. These include the view that meaning is endlessly deferred and that the factual is replaced by the representational. He also stresses the need for continual reflexivity and warns against privileging one cultural view over another. Though primarily found in academia, human inquiry is also a perspective which refutes the privileged position of the researcher, or consultant, and rejects the concept of people as mere subjects of research or an intervention. For instance, Heron (1981a, 1981b) advocates the position in which researcher and ‘subject’ work together and contribute fully to the research process. He also advocates attention to, elevation and inclusion of experiential and practical knowledge, alongside the more conventional theory based or propositional knowledge, in research activity. Reason (1994) outlines three methodological approaches: co-operative inquiry, participatory action research and action inquiry, the last of which is focused on the transformation of organisations and society. Frost and Egri (1994) suggest that organisational change efforts might benefit from consultants adopting a shamanic perspective in which multiple realities, worlds or classes of experience are presumed and leveraged as part of the consulting process. They argue that the ordinary world of reality and the symbolic world of reality should be complemented by the world of energy, in which everything is presumed to be connected in a “synchronous and cyclical manner”, and the world of holism which focuses attention on the spiritual element.

2.3.4 Conceptualisations of Consultancy Compared

Conceptions of consultancy are many and reflect the myriad forms that consultancy takes. Among the more traditional forms, the main conceptions described above include:

- rational analytical problem solving (e.g. Phillips 1996b)
- helping relationship (e.g. Schein 1987, 1999)
- organisational transformation through action research (e.g. Burke 1994, Argyris 1970)

The view that consultancy is essentially a process intended to solve problems through objective data and rational analysis (e.g. Phillips 1996b) positions the consultant as a supplier of knowledge, expertise or resource to the organisation. The research into consultancy, within this perspective, has naturally focused on the efficacy and outcome of the service provided (e.g. Gattiker and Larwood 1985, Ginsberg and Abrahamson 1991). The OD tradition focuses on transforming the behaviour of individuals and the functioning of the organisation through skills transfer, improved group processes and organisational arrangements. Building on concepts of organisations as complex systems (Hatch 1997) OD consultants draw upon theories of motivation, cognition and groups, and use modes of inquiry to reduce dysfunctional behaviour and defensive routines (Argyris 1985). Research into OD consulting approaches has focused on the techniques and technologies of intervention (Covin 1992). In many ways OD is conceived as a continual process of the research in which psychological theories and concepts are applied to, or tested and refined in, organisational contexts (Burke 1994). The OD tradition recognises the interaction of individuals and how such interactions create and shape organisations.

In the traditional forms of consulting, interventions are, implicitly or explicitly, theory driven and aimed at bringing about some form of desirable benefit. The research is similarly set within a functionalist paradigm, taking as axiomatic an objective reality accessible through scientific inquiry. Practitioner oriented writers and researchers, intent on offering practical advice, are possibly unaware of, or avoid, philosophical debates. Research and critiques typically address discrepancies between the espoused intervention principles and theories and practice.

More scholarly writers, such as Argyris (1999), acknowledge the analyses offered from different perspectives, and in their work greater attention and prominence is given to interpretive processes and the negotiation and construction of meaning. Schein (1999) writes to correct the common but erroneous approach to process consultation as a technology for working with groups or model for non-directive counselling. He specifically addresses the tacit assumptions upon which different models of consultancy rest and, in a notable addition to his earlier writing (1987), states that process consultation requires a conscious effort to decipher and experience the reality operating in the client-consultant relationship and situation. Schein adopts an explicitly social constructionist conception of reality:

“This concept of reality rests on the epistemological assumption that culture and thought create the external reality in which we operate and that we are, therefore, in a perpetual process of jointly deciphering what is going on.” (1999: 6)

Schein (1999) contends that the continual process of collaboratively assessing “current reality” is fundamental to establishing a truly helping relationship. He chides consultants, including OD professionals, for being overly keen to sell consultancy products and apply set intervention techniques and processes. He suggests that once consultancy becomes a business, it is transformed into the sale of expert services and ceases to be consulting as he conceives the process.

The more subjectivist and critical perspectives of consultants and consulting include:

- purveyors of institutionalised myth and rationality surrogate (e.g. Alvesson 1993)

- manipulators of image and impressions (Clark and Salaman 1995a, 1995b, Clark 1995)
- palliatives and anxiety relief for managers (Sturdy 1995, 1997)
- attainment of privileged position through rhetoric and symbolic resources (Bloomfield and Danieli 1995)
- ideological pawns in a capitalist, managerial discourse (Knights and Morgan 1991)

These conceptions, discussed above, share a view of the social world as socially negotiated and constructed in common with the enactment perspective. Consultants and managers are deemed co-creators of the social world they experience, and consultants are an inextricable part of the ‘object’ of their interventions. Each perspective has contributed insight and added to our understanding and appreciation of consulting interventions as social phenomena. Others have suggested how consultancy might be conducted if it were guided by or set within other perspectives:

- post modern (Baxter 1996)
- human inquiry (Heron (1981a, 1981b, Reason 1994)
- shamanic (Frost and Egri 1994)

The more recent conceptions, to varying extents, use the firmly established, traditional view of consulting as a backdrop against which to question fundamental assumptions and to draw out differences. At present, these conceptions have stimulated some academic debate, but appear to have gained little currency in the practitioner community, which seems to crave simple prescriptions and instrumental knowledge (e.g. “Practical Management Consultancy”; Markham 1997, “The Secrets of Consulting”; Weinberg 1985).

2.4 MANAGEMENT CONSULTANCY INTERVENTIONS: AN ENACTMENT PERSPECTIVE

Academic research on management consultancy interventions is limited, and most of the existing research on its effects on processes of change is implicitly based on concepts of consultancy grounded in a rational, functionalist perspective.

2.4.1 Limitations of Existing Research

For most analytically oriented management consultants, their contribution to organisational change is the substantive input they make in terms of their objectivity, expertise, models, and structured problem solving skills and techniques. It appears that, for many, their value proposition is so self evident that it requires no further consideration or investigation. However, as Delaney (1995) points out, the research on the benefits of strategy consulting are limited and inconclusive, despite its prevalence. Much of the research available is lacking in explicit theoretical foundations and survey based, reporting on why management consultants are employed by clients (Gattiker and Larwood 1985), selection criteria (Dawes, Dowling and Patterson 1992) and experiences of and benefits from consulting interventions (Ashford 1998). This research tends to build on rather than question the prevailing notions on consultancy as a rational analytical process. However, from an enactment perspective there is no such thing as an objective organisation-environment interface.

Expertise is someone else's conventional wisdom, and methodologies are restrictive orthodoxies or pre-determined patterns of thought and action.

Ginsberg and Abrahamson's (1991) research showing that consultants are good at stimulating managers' thinking by offering a more objective evaluation of opportunities available to an organisation also sits uncomfortably when viewed from an enactment perspective. The concept of consultant as expert helper, able to perceive more clearly the "organization-environment interface" is at odds with the view of a socially constructed world. One could argue that if managers within organisations want stimulation, they should be looking for eccentricity, ignorance and lateral thinking from their consultants. The widespread use of consultants offering substantive expertise, industry or functional knowledge and/or rational analytical solutions is problematical for a conception of strategic management grounded in an enacted world since such consultants would appear to have little to offer. It is far from clear how consultants' rational, and invariably narrower, analyses, and their synthetic, and invariably simplified, action plans might facilitate richer, more encompassing enactments on the part of members of the organisation.

Nonetheless, as Burke (1994) points out, evidence does exist of the success of OD interventions, though the evaluation process for specific interventions is fraught with difficulties. Questions arise over the appropriate definition of organisational change, the independent and instrumental variables, confounding or external effects, and how to measure the change. These questions hinder attempts to evaluate the effectiveness of interventions. Even conceptualisations of consulting interventions grounded in social psychology or psychodynamic perspectives are partial in their examination of their influence on organisational change processes. The focal point of the evaluative research and conceptualisation of consultancy is the application of tools or techniques, not other aspects of the processes of engagement between consultants and client organisations. Schein (1995) writes to correct the common assumption amongst consultants that the initial client contact, data collection and the whole process of diagnosis is not an intervention. From an enactment perspective, the very introduction of consultants within an organisational context disrupts on-going enactments by compelling individuals to make sense of the new situation. Any interaction, whether direct or indirect, has the potential to influence routines, schemas, and paradigms, and so needs to be addressed in seeking to understand consulting interventions. It is far from clear how essentially mechanistic interventions affect, or blend into, the more fluid habituated action patterns, which inform and constrain individual frames of reference and organisational paradigms.

Some insightful case study based research exists which sets interventions within the context of the organisation. Beer and Eisenstat (1996) describe evaluation research on one of their own interventions, and conclude that the history of the intervention: "can be understood at two levels – as the implementation of a clearly defined social technology...and as an on-going three-way negotiation among managers, employees and consultants about the meaning and use of this technology". Kahn (1993) describes his experiences as a consultant on a specific assignment and his feeling of being subtly manipulated and co-opted, and empathising with a particular point of view, shared by a group within the organisation. Argyris (1993) describes an extended period of consulting support to a consulting firm to reduce organisational defensive routines and facilitate double loop learning. James and Jarrett (1997)

describe two consulting interventions by the authors and indicate the complexity of the relationships that a consultant becomes part of and needs to take into account. Like confessions (Reddin 1977), and reflections (Harrison 1995b), such case based accounts and analyses of consultancy draw, to a large extent, on introspection and a personal perspective of events. From an enactment perspective, this is valid and useful, yet incomplete. It does not give sufficient attention to the on-going enactment processes between those individuals directly in contact with the consultants and those individuals not in contact with the consultants but likely to be affected by the intervention. These processes are largely opaque to the consultant. Even where clients have been asked to comment on and evaluate interventions, these issues tend not to be raised or commented upon. Beer and Eisenstat's (1996) work is a rare example of how different meanings are created and ascribed to an intervention by those involved or affected. O'Shea and Madigan (1997) piece together case studies from different sources and informants, but their cases deal with generic approaches rather than specific details, and lack the range of perspectives to develop a rounded account.

2.4.2 Fresh Insights from Research set in an Enactment Perspective

In 1977, Frankenhuis (1977) offered managers in organisations advice on when to hire management consultants and whom they should hire. Over twenty years later, Ashford (1998) offers very similar advice. In the intervening period, consultancy services have grown at phenomenal rates and many books and articles have been published on consulting, its process and best practice methods, as outlined above. Nonetheless, in 1997, the Institute of Management Consultants published the results of focus group research of consultancy users on management consultancy services, which indicated that there was still significant room for improvement on the part of clients and consultants. Again, the suggestions put forward were simple and straightforward, and were framed within a linear, rational, functionalist view of the world.

Perhaps it is the view of the world that needs to be questioned and revisited. From an enactment perspective the linear, rational, functionalist view of the world makes restrictive and unwarranted assumptions about the nature of the environment, organisations and their relationships, about the strategic management process and also about how change occurs within organisations. These assumptions tend to constrain consultants' and managers' thinking and acting by encouraging them to regard socially constructed concepts as self-evident truths and to tailor their actions so they conform to rigid principles of organisation and accommodate presumed immutable external forces. This world-view is even more problematic where it underpins efforts to research, understand and conceptualise consultancy interventions. While practitioners are likely to abandon ill fitting theory in favour of pragmatism, researchers are more wedded to their ontological and epistemological assumptions, which guide what they see and how they account for it (Blaikie 1993, Hughes 1990). The assumptions are especially restrictive and binding when consultancy interventions attempt to address strategic issues, since these deal with the most fundamental of enactments: the organisation, its relationship with its environment and its core structures and processes.

Research from an enactment perspective explores how the organisation and the environment are created as well as discovered (Weick 1995), and how labels (Smircich and Stubbart 1985) or definitions (Blumer 1967) take shape and affect cognition and action. The enabling and constraining influences of prior enactments and structures (Giddens 1976, 1984), interlocking routines (Westley 1990) and nets of collective action (Czarniawska-Joerges 1992) are core to an analysis of strategic change processes. At the heart of the research is an attempt to understand consulting interventions as social processes rather than merely technical, functional processes.

2.5 RESEARCH OBJECTIVES

An enacted world implies that the organisation and its environment are continually shaped and defined through interpretive frameworks and patterns of activity. Attention is drawn to how senior managers within organisations create meaning and context, through language, metaphors, symbols and stories, rather than technical analysis. Smircich and Stubbart (1985) argue that senior managers' roles should be re-conceived, yet little attention has been paid to the implications for their advisers. Management consultants, who are increasingly used by senior managers to assist on practically all business issues including strategic management, appear to hinder rather than facilitate that role by emphasising rational analysis or humanist values. The implications of an enacted world for management consultants, in terms of how they contribute to this creative process, is far from clear.

The analysis of prevailing views on the nature of consulting interventions and their benefits from an enactment perspective raises a number of questions:

- What benefits do consultants' views, expertise and methodologies afford if objectivity is just an external bias, expertise is someone else's conventional wisdom, and methodologies are restrictive orthodoxies or pre-determined patterns of thought and action?
- How do essentially mechanistic consulting interventions affect, or blend into, the more fluid habituated action patterns, which inform and constrain individual frames of reference and organisational paradigms?
- How are interventions affected by on-going enactments, which are largely opaque to the consultant?

Some fresh insight into these issues and a different, in many ways complementary, perspective into consulting interventions has the potential to contribute to the knowledge and discourse on management consultancy, and to strategic management and organisation theory. Research also needs to speak to practitioners, both managers and consultants, if it is to add value outside a purely academic context (Watson 1994). Practical guidance should be of more than passing interest to practitioners. When consultancy interventions attempt to address strategic issues, they influence and interfere with the fundamentals of an organisation. The title of O'Shea and Madigan's (1997) book; "Dangerous Company: Consulting Powerhouses and the Companies They Build and Ruin", is a stark warning of the risks and potential consequences.

The aim of this research is to generate greater awareness and understanding of the influence and effects of management consultants' interventions in organisations, in particular as they help senior managers in developing strategic direction and effecting strategic change. Specifically, the research explores the central question:

How do management consultants' interventions influence processes of strategic change within organisations?

The intention of the research is both to advance academic knowledge and to inform and sensitise consultants and managers to issues relating to consulting interventions, and so help them reflect on the practice of consulting and being clients (Bingham 1992).

An examination of the influence of management consultants on processes of strategic change in organisations from an enactment perspective can offer new insights, concepts and understanding. A fresh perspective is certainly called for, even if not easily achieved.

The limitations of existing research reflect, in part, the difficulties of studying the consulting process. As the literature review above suggests, the consultancy process tends to be far less programmed, neutral and transparent than some of the formal models portray. The thinking-in-action (Schon 1983), political manoeuvring (Greiner 1986, Moore 1984), tacit claims to and use of power (Bloomfield and Danieli 1995) and back-stage activities (Clark 1995, Buchanan and Boddy 1992) are not easily accessible to the external researcher. The research difficulties are further complicated by multiple interpretations of an intervention (Beer and Eisenstat 1996) and subtle reciprocal influences (Kahn 1993, Argyris 1961).

The difficulties in studying the consulting process are compounded by a general reluctance to open up interventions to rigorous examination. Researchers and commentators (Gagnon 1984, Rassam and Oates 1991, O'Shea and Madigan 1997) have noted a reluctance to discuss specific assignments on the grounds of client confidentiality or desire to protect proprietary consulting approaches. Clearly, allowing a researcher access to clients and staff entails a cost in terms of time and effort. Perhaps of greater concern is that opening up an intervention to external scrutiny may risk surfacing shortfalls in competence, delicate or tense relationships and/or covert manipulations. An editorial in *Management Consultancy* magazine (May 1998) suggested that this "near silence" was creating a mystery around the work of management consultants and preventing the articulation and dissemination of best practices. This secrecy has also retarded rigorous analysis and theory development, leaving managers and consultants alike to stumble along, sometimes in a fog of misunderstanding, suspicion and ignorance. This research seeks to remove some of this fog.

3. RESEARCH METHODOLOGY AND DESIGN

3.1 INTRODUCTION

The review of the literature on strategic change, organisations and management consultancy in the previous chapter indicates a limited amount of detailed, theory based research into consulting interventions. It also suggests that research into consultants' strategy interventions from an enactment perspective offers the possibility of fresh insights into how such interventions affect the thinking and subsequent actions of members of an organisation. In particular, research attention is focused on how consultants influence and are influenced by the schemas, interlocking routines and actions which facilitate the continual negotiation of social order.

The research design and methods were chosen for this research to enable the process of inquiry to be incisive, comprehensive and theoretically sensitive and sensitised. The case study method grounds the research firmly within specific and defined contexts, allows an examination of how thinking and actions evolve and unfold over time, provides data from different perspectives and from a range of informants, and enables analysis at different levels: individual, group, organisation and environment. Direct, face to face interviews, as the primary source of information, allow those involved to express themselves freely and to give their constructions and interpretation of events. The overlap of field research and analysis within individual cases, and the phased approach to the research overall, facilitates the development, testing and elaboration of concepts. The drafting and circulation of a case study to those involved provides feedback on the reasonableness and resonance of the account with their own experiences.

The design and methods reflect an essentially exploratory research agenda, aimed at the development of abductive theory and conceptual frameworks, informed by and linked to existing theory, yet grounded in the data from specific cases. Importantly, the chosen design and conduct of the research are consistent with the philosophical assumptions of the enactment perspective itself.

The remainder of this chapter elaborates on the research methodology and justifies the choice of research design. The conduct of the actual fieldwork and analysis is described in later chapters.

3.2 RESEARCH METHODOLOGY

The research is intended to generate some insight into a particular aspect of the world of management. It is informed by and builds on three different literatures or bodies of knowledge: strategic management and change, organisation theory and management consultancy interventions, as outlined in the previous chapter. The research methodology and design has to enable the questions raised, or the gap in the body of knowledge, to be addressed incisively and rigorously. The choice of research design and methods also has to be compatible with, or more accurately derived from, the underlying philosophical assumptions.

As Hughes (1990) points out:

“Every research tool or procedure is inextricably embedded in commitments to particular versions of the world and to knowing that world... it’s very status as a research instrument making the world tractable to investigation is, from a philosophical point of view, ultimately dependent on epistemological justifications.” (1990: 11)

3.2.1 Epistemological Commitments

Central to the research is the enactment perspective, which is based on the view that organisations and the environment are, in essence, social constructions, and that social order and social reality is continually negotiated through interlocking routines, sensemaking processes and patterns of action. Research within such interpretive (Blaikie 1993) or symbolic-interpretative (Hatch 1997) conceptions of the world seeks to discover and describe the meanings and interpretations, intentions and motives, experiences and actions of individuals as social actors. There is no presumption that external forces somehow operate thorough individuals, unobserved and unknown to them; the human act is self-directed, however imperfectly or inconsistently (Blumer 1966). The meanings and interpretations, intentions and motives, experiences and actions of individuals as social actors are the basic building blocks for understanding and providing accounts of social reality. The task of the researcher is summarised succinctly by Blaikie (1993):

“To discover why people do what they do by uncovering the largely tacit, mutual knowledge, the symbolic meanings, intentions and rules, which provide the orientations for their actions. It is the everyday beliefs and practices, the mundane and taken for granted, which have to be grasped and articulated in order to provide an understanding of these actions.” (1993: 176)

Any comparison and attempt to build or test concepts or theories to account for social action requires the researcher to start with actors’ understanding and concepts of their situation and their rationales for action (Shutz 1963a). The process of inquiry does not start with a well-defined theoretical framework, which either implicitly or explicitly is imposed on the views and experiences of individuals, and/or is used to guide the research and explain the findings. Rather, the researcher is required to empathise with the participants of the phenomenon being investigated and their experiences, and to obtain a deep and rich comprehension of their reasoning, behaviours or beliefs (Evered and Louis 1981). As Blumer (1966) comments:

“ In short, one would have to take the role of the actor and see his world from his standpoint. This methodological approach stands in contrast to the so-called objective approach so dominant today, namely that of viewing the actor and his actions from the perspective of an outside, detached observer... the actor acts towards his world on the basis of how he sees it and not on the basis of how that world appears to the outside observer.” (1966: 542)

This need to see the world from the actors’ standpoint and empathise with their reasoning, beliefs and conceptions suggests and favours interviews as the way of soliciting accounts from those involved. It also favours a relatively open and

unstructured format, which allows participants to express themselves in their terms and using their concepts, to elaborate on the subtleties and complexities of their beliefs and motivations, and to raise and explain issues important to them. A semi-structured interview process also allows the researcher to explore a wide range of subjects, to check and probe on certain issues and to gain immediate and direct feedback that some shared understanding of the very personal perceptions exists between informant and researcher. The researcher has to understand the accounts of those involved, and more specifically to gain as deep and empathetic an understanding as possible, before trying to synthesise these accounts and then begin to interpret these into social scientific constructs and theories (Shutz 1963b). As Pettigrew (1990) points out, in practice this means accepting and exploring a plurality of accounts of the same event, before attempting, as a researcher, to analyse and make sense of potentially conflicting versions of reality.

3.2.2 Abductive Research Strategy

From an enactment perspective, all research is to some extent exploratory, since the way in which people make sense, personally and inter-subjectively, of their situations depends on innumerable specific factors and interactions. Deetz (1996) describes such research as having emergent or local origins in terms of the concepts and problems being addressed and investigated. Moreover, the development and dissemination of knowledge and even research processes change enactments to some extent. As Giddens (1984) points out, the concepts and theories derived by social researchers about managerial behaviour are studied and appropriated by managers. This process of learning and becoming aware of one's own and others' behaviour risks changing the very behaviour studied in the first place. As suggested in the literature review, management consultants both reflect on experience and are prone to pick up and promote the latest fad or theory.

The commitment to the primacy of actors' conceptions places an onus on the researcher to develop, as well as test, social scientific concepts, theories and frameworks. Unlike the hypothetical-deductive method of science promoted by rational or positivist schools, the researcher cannot simply take an extant theory or causal mechanism, translate it into testable hypotheses and then expose those hypotheses to the severest tests indicated by the posited theory itself. This would mean imposing some form of external framework on a social setting and the way in which individuals make sense of their world. Rather, the researcher has to draw out or induce the tacit and taken for granted, to surface the unreflective attitudes and practices and to assemble the fragments of meaning. From these articulated insiders' insights and stories the researcher builds social scientific description, concepts and theories. This is the abductive research strategy (Blaikie 1993). An example of an abductive strategy is Glaser and Strauss' (1967) grounded theory method, which they developed to enable generation of theory from data in an emergent yet rigorous fashion. Their concepts of categories are the intermediaries or bridges between participants' ideas, language and concepts and researcher derived theoretical constructs. They both anchor or ground the theory in the data and allow abstraction and generalisation. The categories also provide the means of identifying analogous situations where the theory might be expected to hold and thus define, in part, the transferability or analytical generalisability of the theory.

Exploratory, abductive research does not mean naïve research based on the presumption of theory neutrality of observation. There is a formal recognition that the researcher is

also an actor seeing and understanding the world from a particular perspective. The enactment perspective provides the theoretical lens which guides and directs the process of inquiry. The extant theory, academic literature and knowledge of the subject in general sensitise the researcher to areas of possible interest, and the development of analytical concepts. This existing theory can subsequently provide both additional support for emergent concepts and a backdrop for evaluating the contribution of the research. The perspective and the literature, though, are aids not straightjackets, making explicit the frame of reference for the research and analysis (Eisenhardt 1989). The role of the researcher as the primary research instrument (Berg and Smith 1988) is also acknowledged. The researcher's presence and the very act of inquiry in part inevitably shape the way people structure and articulate their experiences and intentions. It is then the researcher who analyses and integrates the diverse accounts and narratives. Academic rigour in exploratory, abductive research is provided through informed empathetic inquiry, and the structured coding and the synthesis of categories and dimensions grounded in the data. The fusion of different accounts into single, researcher compiled narratives or case write ups, accessible to and commented on by informants, provides further means of ensuring that the research has captured, in a rounded, reasonable and empathetic way, participants' experiences and understanding. In keeping with this intention, the narrative style (Van Maanen 1995) used to communicate emergent concepts and understanding seeks to meet the integrity and rigours of academic scrutiny while engaging practitioners with empathy and in a way in which they can easily follow and understand.

In summary, an abductive research strategy has been adopted for this research. The process of inquiry is informed by a defined theoretical lens and prior research, and the theoretic concepts are developed through rigorous analytical induction and supplemented by a process of feedback with participants.

3.2.3 Knowledge Sought

How knowledge and theory are advanced, namely the contribution of the research, is inherently linked to the researcher's epistemological commitments and research strategy. While functionalist and realist philosophies of science focus on explanatory power, interpretive schools of thought, of which the enactment perspective is one, focus on understanding.

The positivist philosophy of science contends that theories are derived inductively from repeated observations of a phenomenon, and explanatory power is primarily in the form of a constant conjunction of events. For critical rationalism explanatory power comes from the causal relationships explicit in the theory, which are deemed to hold until demonstrated to be false by subsequent tests (Popper 1959). Realism contends that the object of science is to create, and subsequently test, models, which if they were to exist would explain the observed phenomenon (Bhaskar 1978). The explanatory power is derived from a model of the underlying, but essentially unobservable, processes, which give rise to observable events. Critical realism posits that these models are hypotheses, subject to later revision (Outhwaite 1987).

An interpretive view is that the concept of understanding, developed in relation to specific instances of the subject or setting, is more appropriate for a social phenomenon than the notion of explanatory power. Such understanding is not devoid of theory.

Theory, as conceived and summarised by Bacharach (1989) as “a statement of relationships among concepts within a set of boundary assumptions and constraints”, reflects a realist philosophy. Rather, an abductive theory, described by Gioia and Pitre (1990) as “any coherent description or explanation of observed or experienced phenomena”, is the goal of the research. This entails going beyond the level of description, analysing carefully and critically the views of the participants, and linking emergent ideas to extant theories. It does mean not imposing the researcher’s order on the world, but being creative in exploring, divining and testing potential relationships. Such theory can be used to investigate and make sense of phenomena or situations outside the unique context in which it is derived. It can thus improve understanding within the academic and practitioner communities and so sensitise actors to their behaviour and its potential interpretation and implications.

In summary, the research’s methodology and strategy, and the type of knowledge sought are coherent and based on defined epistemological commitments.

3.3 CASE STUDY RESEARCH DESIGN

The case study research methodology was chosen as an appropriate means of exploring interventions within the context and processes of an organisation, and drawing upon multiple perspectives. As Schon (1983) points out, an intervention takes place within the context of changes occurring within the organisation itself and its wider environment, both of which give it meaning and shape. In terms of Layder’s (1993) research map, the research focus is on situated activity, namely the consulting intervention, but embedded in and actively seeking to influence the social setting or enactment within an organisation. The ability to address the social, contextual nature of interventions is fundamental to establishing a rounded, cogent and relevant understanding and theoretical framework.

As Yin (1994) suggests, case study design is particularly suitable in cases where the context is highly pertinent to the phenomenon of study. Yin (1994) describes a case study as:

“ an empirical enquiry that investigates a contemporary phenomenon within its real life context, especially when the boundaries between phenomenon and context are not clearly evident.” (1994: 13)

Pettigrew (1990) argues that “context is not just a stimulus environment but a nested arrangement of structures and processes where the subjective interpretations of actors perceiving, comprehending, learning, and remembering help shape process” (1990: 270). From an enactment perspective, the boundaries between a consulting intervention and the on-going processes of action and interaction within an organisation are constructs. Such constructs, like many others including the organisation, environment or concept of strategy, are essential in providing focus and scope to any research. The research though needs to treat these boundaries as permeable and fluid. As suggested by the literature, an intervention is likely to influence and be influenced by conceptions, routines and events happening within the organisation or its environment.

Insight into sensemaking processes and competing enactments requires multiple perspectives, which are facilitated by the case design. The views, understanding, expectations, hopes, fears, actions and reactions of multiple informants can be sought in relation to a specific case, a specific consulting intervention. An understanding of the dynamic interaction of consultants and managers is fundamental to the research and favours the choice of the case study design. The case study design can also enable the exploration and analysis of the intervention process and its effects at multiple levels: the interaction of managers and consultants involved in the intervention, and between members of the organisation.

Yin (1994) also states that the case study strategy has a distinct advantage where “a how or why question is being asked about a contemporary set of events over which the investigator has little or no control” (1994: 9). The central question being asked by this research is how management consultants influence processes of strategic change, with a view to developing coherent accounts and a theoretical framework. Importantly, case study research is suitable for exploratory research, but is more than the first phase of a predominantly survey based research strategy. As Stoecker (1991) puts it, the case study design “is a comprehensive research strategy”. The case study can accommodate both the development and testing of theory, essential given the exploratory and theory development nature of the research.

The case study is also an established and understood research strategy. Allison (1971) used a case study approach to provide explanations of the Cuban Missile Crisis from three theoretical perspectives. Johnson’s (1987) study of changes at Foster Brothers Retailers and Pettigrew’s (1985a) study of strategic change within ICI are examples of the case study approach. In these cases, the research was informed by significant prior knowledge and a defined theoretical perspective, and went on to contribute to the theoretical perspective and substantive theory.

The chosen research design reflects an emphasis on theory development and the relative absence of rigorous academic research on consulting interventions. Moreover, the subject itself has not been analysed from an enactment perspective, which itself is still on the periphery of mainstream strategic management research. Rather than focus on a single case study, the research design is one of studying multiple cases. Multiple, diverse case studies provide greater coverage of the phenomenon and allow a greater amount of testing, elaboration of concepts and comparative analysis between cases (Pettigrew 1990, Yin 1994). The multiple instances help to reveal underlying patterns and thus enable more complete understanding and explanation. The importance of factors will tend to emerge more clearly, as a factor or relationship, which appears relatively unimportant in one case, can be amplified and its role clarified as more cases are analysed. Pettigrew and Whipp (1991) studied multiple, matched cases to explore how organisations respond to competitive forces and possible sources of competitive advantage within a meta-framework of process, content and context.

The cases studied by Johnson (1987), Pettigrew (1985a) and Pettigrew and Whipp (1991) were longitudinal, though these combined some elements of retrospective analysis. Longitudinal case studies have the advantage of enabling the researcher to track all the key events, access the views and observe the behaviours of participants as they occur. The longitudinal cases allow the researcher personally to experience, follow and appreciate the multiple connections, loops and emergent aspect of events as they

unfold. However, they are difficult to gain access to, and, from a practical point of view, there is no guarantee that the researcher will be allowed to follow the intervention through to the end, particularly if difficulties emerge. Neither can the researcher be sure of witnessing or being given intimate details of informal chats or private meetings that might have a profound effect on the course of an intervention.

Practical considerations favoured multiple retrospective cases. The retrospective cases are more certain and time efficient to research, since the data collection on the case can be completed within a manageable period and is not drawn out over a possibly indefinite period as the case unfolds. The use of multiple case studies enables the researcher to phase or overlap the research process between cases. The phasing of the research enables tentative concepts and theoretical frameworks developed from one case to be tested, amended and/or elaborated through research on subsequent cases. This phasing at the case level complements the overlap of data collection and reflection and analysis, theory development and testing (Glaser and Strauss 1967, Strauss 1987, Strauss and Corbin 1990) within individual cases. The passage of time can also reduce sensitivities surrounding client confidentiality (Rassam and Oates 1991) or delicate interpersonal relationships (Argyris 1961, 1985, Kahn 1993), and so improve the chances of gaining access and the degree of openness with which informants discuss issues.

The disadvantage normally cited in respect of retrospective studies is that accounts are distorted and biased as a result of the passage of time. Participants present the researcher with a constructed series of events, intentions and interpretations from memory or limited documentary information. These constructions will be based on participants' present frame of reference, and some of the emotions, rationales and subtleties experienced at the time of the intervention may be lost. As Weick (1995) contends, all sensemaking is retrospective and best characterised as a continuous, social process; accounts at different points in time are inevitably different, but should not be regarded as distortions of some form of objective reality.

With retrospective case studies, the researcher is practically limited to a single snapshot, or at best a couple of snapshots covered by a relatively short interval of time. Unlike with longitudinal cases, the researcher cannot directly follow, through a series of interviews, or possibly direct observations, how a consultant's or a manager's interpretation and understanding of an intervention changes over time. Events, comments and emotions may increase or decrease in prominence. By asking informants to describe their views at an earlier date, how they have changed and why, an insight, though incomplete, can be gleaned into the sensemaking processes.

Research into multiple cases enables the researcher to vary the proximity of the field research to the events relating to the different cases. This variation across cases provides other suggestions and insight, again limited and incomplete, into how the interpretations and understandings of managers evolve over time, and hence into the influence of the intervention on on-going processes of strategic change.

In retrospective cases, though, the views of participants are likely to reflect their considered thoughts, theories and insights. Informants can become co-theorists, sharing their personal, intimate experiences and reflections on the social phenomenon. Such reflections offer firm grounding for the elaboration of social scientific constructs and

theories. Retrospective cases thus have certain advantages from a theoretical perspective as well as from a pragmatic one.

3.3.1 Cases

As with all research, the theoretical lens and methodology have to be operationalised (Rose 1982) at a detailed and practical level. In exploratory, case study based research the decisions on how best to conduct the study go hand in hand with the fieldwork, reflecting a need to operate within the parameters of the research strategy and the opportunities afforded by any specific case. In particular, cases are less selected than they are found, though the process of search is guided by emergent theoretical considerations (Glaser and Strauss 1967).

The starting point for seeking cases is predicated on the core research interest, namely the intervention of a consulting firm or single consultant within the process of change occurring in a client organisation. The focus is, therefore, on finding purposeful interactions of management consultants and individuals within the client organisation responsible for, or tasked with, bringing about strategic change, within the context of the wider organisational enactment. The fieldwork, in essence, involves obtaining, comparing and analysing the multiple accounts of the intervention, and exploring the motivations, reasoning and interpretation of the various actors.

In line with the epistemological commitments, managers' and consultants' definitions and understanding of what constitutes a strategy intervention are primary considerations in deciding to research a case. The agreement to include the case in the research is reached through discussion and mutual clarification of concepts. The period that the consultancy is retained for the assignment provide the focus and approximate temporal boundaries for the case. This eliminates the need to impose arbitrary time boundaries, as in some cases of research into organisational change (Miller and Friesen 1980, Pettigrew 1990, Romanelli and Tushman 1994). However, the intervention needs to be studied in terms of its history and consequences, not a discrete set of interactions abstracted from on-going routines, actions and conceptions which characterise organisations. The reasons for and overall process of engaging consultants are expected to be key to setting expectations (Gattiker and Larwood 1985), and in shaping the scope, content and 'modus operandi' of the intervention. The subsequent changes to structures, systems, actions and understanding, facilitated or inspired by the intervention, are also key elements of the research.

The following two chapters provide a detailed and candid account of the fieldwork and analysis of the four cases researched. In essence the research process sought to apply the methodology and principles set out above.

4. CONDUCTING THE INITIAL RESEARCH:
KEPNER TREGOE'S INTERVENTIONS WITHIN
THE BRISTOL AND WEST BUILDING SOCIETY
AND
THE POST OFFICE GROUP

4.1 INTRODUCTION

The practical difficulties of finding organisations and consulting firms prepared to participate in the research were recognised at the outset. Researchers and commentators (Gagnon 1984, Rassam and Oates 1991) identified the reluctance of consultants and their clients to divulge details of specific assignments, and the authors of most published case studies have been consultants in the interventions described and analysed. Moreover, the wise, if not totally heeded, advice from Cranfield School of Management faculty warned of the effort and perseverance required to carry out the research.

While clear intentions and research design elements, as summarised in the previous chapter, were set out in PhD Review papers, the actual research process was hesitant, staccato, stumbling and fraught with problems and disappointments. Opportunities were grasped and accommodated into the overall research strategy and design. Pettigrew (1990) describes his and this research experience aptly:

“...the practicalities of the process are best characterised by the phrase “planned opportunism”... a judicious mixture of forethought and intentions, chance, opportunism, and environmental preparedness” (1990: 274).

Such “planned opportunism” played a part in the first two cases studied, and how the research evolved. One consulting organisation, Kepner Tregoe, and two of the firm’s clients, the Bristol and West Building Society and The Post Office, agreed to participate in the research. The cases relating to Kepner Tregoe’s interventions in the two organisations were studied and tentative concepts, frameworks and inferences were derived. Once the two cases had been secured, there was a conscious decision to analyse and draw some tentative conclusions from these cases before attempting to secure further cases. The initial phase of the research thus revolved around the investigation and analysis of the two cases above.

The chapter provides a detailed description of the conduct of the research, with a view to sharing my experiences, decisions and the process through which I reached my tentative conclusions. The next section recounts how access was secured to the first two case studies, and this is followed by a review of the instruments and protocols used to study, analyse and synthesise the cases. The stand-alone case write ups or narratives, as reviewed by the research sponsors in the participating organisations, are located in the Appendix. These write ups are important elements of the thesis and research process itself. The case write ups can be read prior to section 4.3.2 on analysis, thereby providing the story and contextual backdrop the research process used, in particular the fieldwork and analysis. The final sections in the chapter describe the interim findings from the initial research and reflection, which are illustrated by quotations taken from the interview transcripts.

4.2 ACCESS

Once the research objectives, methodology and design had been more clearly defined, the process of securing access to empirical cases began. The initial access strategy was to approach the major management consultancy firms, since many had strategy practices and offered strategy consulting services. Since only a small number of cases were to be researched in depth, a relatively focused and small scale mailshot was deemed appropriate.

In September 1994, 13 firms were approached. Ten firms were members of the Management Consultancies Association (MCA), which is a voluntary body established to enhance the standing of the management consultancy profession and to promote the interest of its members. The MCA's members are the larger, well established consultancies. Of the total membership, the ten approached were selected on the basis of personal knowledge regarding their large size and wide scope of work. Additionally, the London offices of three major international consultancies, not members of the MCA, were also selected: McKinsey and Company, Bain, and Booz Allen Hamilton International. All the firms approached carried out strategy assignments for numerous clients, and the expectation was that some would be interested in the research subject and willing to participate. A standard letter was sent to each firm, personally addressed to the Managing Partner or Managing Director.

The letter outlined the research objectives and methods, and stressed the participation and open access sought of both the organisation and the consulting firm as a prerequisite of inclusion in the research. The letter also emphasised that all participants would be assured that their comments and views would be dealt with discretion and confidentiality, since the information sought was expected to be sensitive and generally regarded as highly confidential. An offer was made to reciprocate (Pettigrew 1990) by offering consulting firms and client organisations feedback on the results of the research, once completed. The knowledge and insight likely to emerge from the research was expected to be of interest to consulting firms in particular, since it held out the possibility of improving their services to clients in an area which is highly complex and professionally demanding.

In some cases the firms replied promptly, but in most cases the letters were followed by telephone calls around a week later. Four appointments were arranged with partners or managers from: Andersen Consulting, Ernst & Young, Touche Ross Management Consultants, and Oasis Group Plc. At these meetings, I outlined the objectives of the research and the research design and then invited questions. The anticipated concerns regarding confidentiality and sensitivity were raised during the various meetings, but these concerns were not regarded as insurmountable. However, after some months and numerous telephone calls, all four of the above firms decided not to participate, despite some having expressed an interest in the research at the meetings. The reasons for declining to participate were phrased in terms of inadequate or inappropriate resources or just a lack of interest. I sensed that I may have persuaded the individuals with whom I spoke of the potential merits of the research, but that they must have found it difficult to overcome the internal reservations and concerns. As has been noted earlier, there is a general reluctance on the part of consultants to discuss their work.

From a conventional mailshot approach, the emphasis switched to asking Cranfield School of Management faculty, fellow researchers and contacts within the consulting profession personally if they knew or could put me in touch with consultancy firms or client organisations that might be willing to participate in the research. In the Summer of 1995, a Professor at Cranfield School of Management sent a single page summary of the research proposal to an acquaintance at Kepner Tregoe, a relatively small firm of management consultants which specialised in process consultation, who agreed to see me. I arranged a meeting in September 1995 with Mike Freedman, the Executive Vice President, at which I outlined the objectives of the research and the research design. Mike Freedman described briefly the Kepner Tregoe approach and intervention philosophy and said that he was interested in the research. He also identified two client organisations with which Kepner Tregoe had worked recently to help them to develop their corporate strategies. Both these organisations had subsequently undergone and were still undergoing significant strategic change.

Mike Freedman approached senior managers within these organisations, the Bristol and West Building Society and The Post Office Group, who agreed to discuss their organisation's participation in the research. In October 1995, meetings were arranged with Kevin Flanagan, Group Services Director at the Bristol and West, and with John Roberts CBE, Managing Director Personnel at The Post Office. Following a number of meetings, both organisations agreed to participate in the research.

In both cases the consulting intervention was made up of a series of interactive workshops designed to help the senior management of two organisations develop their own business strategies. The workshops each lasted two days, with approximately a month between each, and followed a conventional flow of identifying the factors in the environment, understanding the organisation's relative strengths, choosing and then developing the exact details of the strategy (Tregoe, Zimmerman, Smith and Tobia 1989). Kepner Tregoe provided the analytical framework, introduced and explained a range of decision making and analytical techniques and acted as facilitators during the discussions. Kepner Tregoe did not claim any industry expertise and based its approach on a belief that senior managers should carry out the analyses themselves since this generates greater understanding of the issues and ownership of the chosen strategy. Participation in the workshops was restricted to the Chief Executive and top management team.

These interventions clearly fitted the research agenda. Given the difficulties experienced, the decision was taken to follow up both cases promptly, as quickly as the managers within the organisations could fit the proposed interviews in their diaries.

4.3 STUDYING THE CASES: INSTRUMENTS AND PROTOCOLS

The case data came from the review and analysis of secondary data and in-depth interviews with key members of the organisation and the consulting firm.

Following the initial meetings with both the Bristol and West and The Post Office, documentary material was requested and provided by both organisations. Specifically, the binders, which had been compiled and circulated by Kepner Tregoe, containing the

deliberations and decisions made by the respective strategy formulation groups were sent to me. These binders documented the chronology of the strategy process and final strategy agreed as a result of the intervention. The binders supplemented some promotional material supplied by Mike Freedman on Kepner Tregoe's approach and an article referring to previous work. This information was reviewed and provided a basic understanding of the process, nature and context of the intervention.

4.3.1 Fieldwork

The fieldwork was designed to solicit the accounts and perspectives of consultants and members of the organisation either directly involved in the consulting intervention or to some extent affected by it. The in-depth interviews with informants lasted around one hour. The fieldwork in the two cases overlapped very slightly, but the analysis of the first case of the Bristol and West influenced the later fieldwork for The Post Office case.

4.3.1.1 Bristol and West Building Society

The initial briefing for the Bristol and West took place on 23 November 1995 when I met Kevin Flanagan in Bristol, following a short meeting with him in London in September. The formal interviews started in January 1996 and finished in March 1996, and most were held at the Bristol and West offices. Kevin Flanagan suggested that I should speak to Jennie Barton, one of his direct reports, and some of his colleagues on the Executive Team (in effect the operating Board), and mutually convenient times were arranged. The interviewees/ informants for the Bristol and West case study were:

| | |
|---------|---|
| 23/1/96 | Jennie Barton, Head of Strategy Management and Implementation |
| 12/2/96 | Jeff Warren, Deputy Chief Executive and Finance Director |
| 21/2/96 | Ian Kennedy, Group Operations Director |
| 4/3/96 | Kevin Flanagan, Group Services Director |
| 21/3/96 | Mike Freedman, Executive Vice President, Kepner Tregoe |

A meeting was scheduled with John Burke, Chief Executive, but was subsequently cancelled. Since John Burke was the 'client' or 'sponsor' for the consulting intervention, specifically the person with ultimate responsibility for employing, directing and evaluating the work of the consultants, it was disappointing that he personally declined to participate in the research. The stated reason was that he felt I had got the necessary information on the strategy formulation process from other members of the Executive Team, namely Jeff Warren, Ian Kennedy and Kevin Flanagan.

Mike Freedman was the lead consultant, responsible for facilitating and co-ordinating the work of Kepner Tregoe. Unfortunately, both the other two consultants involved in the Kepner Tregoe intervention, Ann Orton and Nick Mobley, were working in the USA and could not be included in the research. Ann Orton supported Mike Freedman in the formulation process and Nick Mobley led the subsequent implementation planning on behalf of Kepner Tregoe.

4.3.1.2 The Post Office

Before I could arrange the first interviews, Bill Cockburn CBE, the Chief Executive of The Post Office, resigned and was succeeded by John Roberts CBE. The research was delayed while the new organisational arrangements were being sorted. John Roberts transferred the responsibility for sponsoring and liaising with me to Richard Osmond, The Secretary. A meeting was arranged in January 1996 with Richard Osmond and the research agenda and methods were vetted and approved. The Post Office interviewees/informants were:

| | |
|---------|--|
| 20/3/96 | Jean Irvine, Group Information Technology Director* |
| 28/3/96 | Jerry Cope, Managing Director, Strategy and Personnel |
| 16/4/96 | Kevin Williams, Managing Director, Parcel Force |
| 3/5/96 | Richard Dykes, Managing Director, Post Office Counters |
| 16/5/96 | David Tailor, Business Strategy Director, Post Office Counters |
| 3/6/96 | John Roberts, Managing Director Personnel* |
| 17/6/96 | Bill Cockburn, Chief Executive* |
| 19/6/96 | Mike Freedman, Executive Vice President, Kepner Tregoe |

(* at the time of the Kepner Tregoe intervention, but not when the interview was conducted)

Bill Cockburn agreed to participate personally in the research, even though he had left and was at the time Group Chief Executive of WH Smith. He was aware of the research and had sanctioned The Post Office's participation initially. His account of events and perspective was invaluable given his role as sponsor of the intervention and his influence within the organisation and on the consulting process. David Tailor was interviewed at the suggestion of Jean Irvine who perceived that he had strong views on the Kepner Tregoe intervention.

Again, Mike Freedman was the lead consultant, supported by Ann Orton. As with the Bristol and West case, Ann Orton was in the USA and could not be included in the research.

In both cases, the choice of interviewees combined initial suggestions by my sponsor within the organisation, based on my description of the nature and purpose of the research, and subsequent suggestions by interviewees themselves (snowball sampling; Burgess 1984). The order of the interviews largely reflected the openings available in respective diaries, though there was a conscious effort to interview Mike Freedman last in both cases. I had already spoken to Mike Freedman, who had talked about his firm's approach in general, and I felt that the limited interview time could best be used addressing specific points which emerged from the other interviews and my reflections. The interview with Bill Cockburn came towards the end of the fieldwork in The Post Office case, because I contacted him only after I had started the fieldwork. I was encouraged to contact Bill Cockburn by senior managers at The Post Office when I interviewed them, which helped to overcome a slight hesitancy on my part. I was unaware of the circumstances relating to Bill Cockburn's departure and did not want to raise possible issues or concerns within The Post Office. I was also keen not to make his agreement to participate in any way conditional on my being able to research the case.

The option of going back to ask more detailed questions at a subsequent date was sought, in principle. However, there was a tacit, mutual acceptance that this was going to be difficult in practice, given the work pressure faced by all the interviewees.

4.3.1.3 Topic Guides

The research objectives of understanding how management consultants' interventions influence processes of strategic change within organisations, and earlier literature review were the starting point for developing topic guides and provided the framework and key lines of inquiry, as suggested by Eisenhardt (1989). Specific questions were also prompted by the review of the documentary material. Personal experience as a management consultant and of having carried out or been involved in similar strategy formulation assignments provided another source of questions. This combination of theoretical and practical sensitivity is a distinct advantage when doing exploratory, grounded research (Glaser and Strauss 1967). Given that consulting relies heavily on tacit, experiential knowledge (Schon 1983, 1987), this blend of theory and practice helped both to identify, focus on and probe issues, and to provide a backdrop for making sense of answers and directing questions, especially in the early stages of the research.

The intention was to give primacy to actors' understanding and interpretation of events and to be as open as possible to their accounts, recognising that observation and comprehension cannot be theoretically neutral. Topic guides were developed to focus the research efforts in line with emerging areas of interest. A separate topic guide was developed for each interview. The initial topic guides included questions designed to establish a basic chronology of events, as perceived and recollected by interviewees, and 'factual' information on timings of the intervention and participants in the strategy formulation process. Subsequent topic guides picked up on issues and events which previous interviewees considered important or appeared important to the researcher once the interview transcripts had been reviewed, or analysis undertaken. There was a deliberate overlap between the data collection, reflection and the formal analysis. The later topic guides for The Post Office case reflected and incorporated questions relating to the themes and issues that were emerging from the initial analysis of the Bristol and West case.

An example of a topic guide developed for the third interview in the Bristol and West case is included as Exhibit 1. This guide built on the initial briefing provided by Kevin Flanagan, the research sponsor within the Bristol and West, and a formal interview with Jennie Barton, who was responsible for the implementation of the strategy, though she had not been party to the formulation process. The interview with Jeff Warren, Deputy Chief Executive and Finance Director, was the first opportunity to explore in detail the mechanics and interpretations of the Kepner Tregoe strategy formulation process from the perspective of an insider.

The topic guides were intended to act as a prompt list or a reminder of issues previously raised, and prior and emergent theoretical considerations, and so supported rather than constricted the interview process. The order and articulation of the questions asked reflected the flow and language used by informants. As with the literature review, these guides were sensitising issues designed to help the process of inquiry and exploration.

TOPIC GUIDE

Interviewee: Jeff Warren, Deputy Chief Executive and Finance Director

- * First indications that B&W might use KT - impressions reactions, reservations (if any)
- * Describe the presentation Mike Freedman made to the Exec. What attracted you to the approach or KT? What reservations?
- * How did the Exec come to a decision on KT?
- * How long after did the workshops start? What preparation did you or KT do?
- * Describe the process adopted by KT. How was it adding value to your strategic debate? Were the gaps between workshops useful? How?
- * Was the shortlist of Driving Forces easily arrived at?
- * What contribution did the KT consultants make to your deliberations - process/content? Were there any off-line meetings?
- * What was Mike Freedman's style. Did it flex, adapt or change during the course of the review? Was this appropriate, helpful?
- * The process took over 6 months; how did other events and activities influence the formulation process? What internal processes were also at work?
- * How happy were you with the results, the strategy selected - rigorous, exhaustive, best possible?
- * Why were KT asked to support the implementation?
- * Why was Jennie Barton asked to head up the strategy implementation group?
- * On reflection, what could KT have done to make the formulation process better?

4.3.1.4 Interviews

In carrying out the research, there was a deliberate attempt to establish rapport with the interviewees, and to solicit their accounts and interpretations. As the researcher, I recognised and accepted that my presence and my line of questioning in some way influenced the process of reconstructing events and impressions. The interviews were loosely structured and were essentially a conversation with a purpose (Burgess 1984), a mutually constructed dialogue. Informants were given a brief overview of the topics of interest and allowed to express themselves as they wished, with the topic guides acting as a prompt to ensure that the areas of interest were covered. The discussion around individual topics varied from single sentences to multiple pages of transcribed narrative. The questioning sought to probe issues and build upon previous comments to understand as fully as possible and to empathise with the meaning that the intervention had for them. The interviewees held firm opinions and were prepared to express them, which was not surprising given their seniority within their respective organisations and experience. It was reassuring that, when interviewees thought I was going off at a tangent or had not understood what they were trying to say, they corrected me and emphasised their point of view.

For most of the informants the intervention seemed vivid. Inevitably, retrospective case studies require individuals to reconstruct the series of events from memory or limited documentary information. This meant that the interviewees were uncertain regarding the exact dates and timings of the intervention, and could not describe with any confidence the precise analytical tools or frameworks. However, in most cases, the 'factual' details could be checked using the documentary material, and sometimes at the interviewee's request certain details relating to the intervention were shared, if known. This uncertainty served to highlight those aspects of the intervention that apparently had the least impact or salience to those involved. Their impressions and feelings in respect of the intervention seemed to be still fresh and were expressed clearly. Questions and probing were also directed towards getting them to remember their original views, emotions and rationales, and this suggested how their interpretations and understandings had changed over time. Some interviewees were very conscious of these changes, and could provide specific examples of changes in perspective and explanations of why the changes had occurred.

In asking informants to recollect an intervention, the researcher is presented with a personal series of snapshots, with the chance that key events essential for developing an adequate understanding and depiction of the intervention are missed out. However, the iterative process of data collection and analysis meant that as rounded and comprehensive as practical an account was developed as the interviewing progressed. Reading the transcripts in detail, reflecting upon them, and trying to understand what the interviewees were saying threw up issues and areas which warranted further investigation and so were incorporated into subsequent topic guides.

Somewhat unexpected but most welcome were the carefully considered thoughts and insights offered by most interviewees. It appeared, and was sometimes confirmed, that they had reflected at length on the intervention. They had formed and were able to communicate their theories, understandings and explanations of the intervention and consulting interventions in general. Most of the interviewees had participated in or directed other such interventions. The views expressed tended to be synthetic and

analytic, rather than a more descriptive account of the events as they unfolded. This provided me with valuable insights and clues in the search for more theory-based appreciation and conceptualisation of strategy consulting interventions. In essence, the interviewees were my co-theorists, sharing the way they had made sense of the intervention, simultaneously giving rise to and grounding the emergent concepts in their experiences and perceptions.

4.3.1.5 Transcriptions

Almost all of the interviews were tape recorded, with the agreement of the participants, and so enabled me to take a complete and verbatim record of what was said. The initial briefings were not recorded, though extensive notes were taken. The tapes were transcribed by a specialist transcription service. I personally verified the transcriptions by comparing them with the tape recordings of the interviews, inserting punctuation in line with my understanding of the dialogue and points being made. This process of verification and punctuation served two purposes. It created an intimacy and empathy with the accounts of the interviewees and the points they were making. It also was the first stage of the analysis, in which issues emerged and were noted for subsequent interviews; these included apparent discrepancies in the timing or accounts of specific events or significantly different opinions. These pre-theoretical issues and insights played a major part in shaping and directing the inquiry. These verified transcripts were used in the later, more systematic analyses.

4.3.2 Analysis

Analytical procedures were designed to provide the rigour fundamental to good research. The choice of an interpretive epistemology, abductive research strategy and case study design, reliant on multiple accounts, places a considerable burden on any researcher to lay out and explain how concepts and conclusions are derived. There is simultaneously the task of capturing and making sense of the complexities, subtleties and nuances of the divergent accounts, and of structuring and clarifying the data collected. There is also a “requirement for inductive conceptualization” (Pettigrew 1990: 281) or a need to apply “disciplined imagination” (Weick 1989) to generate theory from data. This latter requirement entails an inherently creative process of moving from purely actors’ or participants’ accounts to a more general, social scientific level of explanation, while remaining true to their conceptions (Shutz 1963b). The results of this process of conceptualisation should be recognisable to and understandable by participants.

In keeping with the abductive research strategy, a grounded analytical approach was used to meet the needs of the research objectives. The approach was informed by the original work of Glaser and Strauss (1967) on grounded theory method, which stresses researchers’ creativity, insight and sensitivity rather than a general procedure. The grounded method was later refined by Strauss (1987) and given a more structured procedural form by Strauss and Corbin (1990). Gioia and Chittipeddi (1991) and Gioia, Thomas, Clark and Chittipeddi (1994) applied a grounded method in their research and developed empirically grounded, overarching dimensions from “in vivo” codes, analytical codes, and categories. Gioia, Thomas, Clark and Chittipeddi (1994) set out, in graphical form, the link between the “in vivo” codes, analytical codes and categories, both grounding the analysis in the words and concepts of the informants and defining the connections between the analytical codes and categories. This analytical process and

representational form facilitated the marshalling of subtle and diverse concepts emerging from the transcripts.

In essence, the analysis sought to make sense of and conceptualise from the experiences, understanding and meaning attributed by those involved in or affected by the Kepner Tregoe interventions. As the analysis proceeded it provided the conceptual and practical framework for the subsequent data collection, and the on-going, iterative analysis and organisation of the themes and ideas that emerged. The process of inquiry iterated between data collection and analysis, and the analysis itself started within a single case, then across cases, which in turn prompted more investigation within an individual case. This iteration and review was the basis for rigorous conceptual development, firmly grounded in the data.

4.3.2.1 Open Coding

The analysis and fieldwork overlapped significantly, with each element of the research process informing the other. All the transcripts were read individually once they had been verified, and interesting passages were highlighted. The process of highlighting text was tentative, intuitive and unstructured, and picked up on themes which ran through the available literature and echoed personal experience. In the margins, notes were made commenting on or raising issues which appeared to warrant further investigation.

These passages provided the main source of ideas and issues to incorporate in the topic guides. As part of the process of maintaining an open mind to discovery, more formal analysis was deferred until the interviews with the individuals involved in the Bristol and West case study had been completed. The aim was not to code too soon, and potentially close off avenues of inquiry or reduce the receptivity to the constructs and meanings of those who participated in the interventions.

Once all the transcripts from the Bristol and West case study had been verified, these were read through as a group to gain a holistic impression of the intervention and to begin comparing the accounts as a way of identifying differences in perspectives. This led to more passages in the text to be highlighted, as comments, views and events which had been previously skipped over appeared to have greater significance. The detailed coding of the transcripts then began.

The objective of this 'first pass' was to label or code the highlighted extracts of the texts, using as far as possible the concepts and expressions used by the interviewees/informants themselves. These "in vivo" codes helped to ground the analysis, since they were a constant reminder of how those involved understood what happened and had powerful associative effects, bringing to mind the speaker and the context of the extracted text. Some of the interviewees' descriptions were also very evocative; for instance "prisoners of the process", was used to describe the structured facilitation. There was no attempt at this stage to develop and impose a structured coding framework written in the margin of the text, and an element of duplication and lack of precision was accepted at this stage.

4.3.2.2 Categories and Dimensions

The codes were written on 'post it' notes and stuck on a wall. They were then arranged and re-arranged as possible connections between the codes suggested themselves, as advocated by Miles and Huberman (1994). This holistic, visual manifestation of the codes and their potential connections stimulated further thoughts, ideas and possible connections. The notes remained on the wall for several days, as the transcripts were re-read and the contexts giving rise to particular codes re-examined. This slow, iterative process of analysis allowed time for reflection and evaluation. Gradually, codes that appeared to have few connections were marginalised in terms of their location on the wall.

Groupings of codes were tentatively made around the strategy formulation process and the facilitation style and process. In addition, a looser grouping was made which brought together ideas and issues relating to the clarity of, commitment to and the degree of consensus relating to the strategy developed. Two groupings, namely context and politics, which were expected to be quite prominent, based on the literature (e.g. Greiner 1986, Greiner and Schein 1987, Pettigrew 1985a, Quinn 1980), appeared to be relatively unimportant in the Bristol and West case. However, the strong political and contextual themes which were emerging from the interviews with Directors at The Post Office, which were being carried out at the same time, indicated that these groupings were worth keeping for the moment. These interviews with informants from The Post Office influenced the process of analysis on the Bristol and West case.

On re-reading the transcripts, the observations and reflections of one Bristol and West Director on the intervention itself, and how he perceived that the Executive Team's approach in relation to strategy formulation had moved on, struck me as interesting. I was particularly struck by the dualism in his discourse. Exhibit 2 is an extract of the transcribed interview with the Director.

Words and expressions such as "out here somewhere", "separate process", "outside", "meet quite separately", "externalised", and "step out" suggested a notion of *separation*. Words and expressions such as "mature", "standard parts of our normal management practice", "internalised", "only bringing back", and "through integrating" suggested a notion of *absorption*. The two concepts were distinct yet inter-related and provided a way of understanding the specific Kepner Tregoe intervention.

More fundamentally, these concepts seemed to offer an emergent framework for answering the central research question: How do management consultants' interventions influence processes of strategic change within organisations?

The notion of *separation*, in the form of independence, objectivity, defining a scope, applying a methodology and managing the consulting process, was inherent in the good consulting practices advocated by writers such as Block (1981), Weinberg (1985), and Margerison (1988). The notion of *absorption* echoed themes and ideas in the sensemaking (e.g. Weick 1979, 1995), learning (e.g. Argyris 1977) and strategic change (e.g. Bartunek and Moch 1987, Johnson 1987) literatures. The tentative concepts became the core dimensions of the emergent theoretical framework. The groupings of the codes could be understood as elements or manifestations of these core concepts or dimensions.

**EXTRACT OF THE INTERVIEW WITH A DIRECTOR OF
THE BRISTOL AND WEST BUILDING SOCIETY**

SP How much content discussion went on at your regular board meeting or Executive team meetings?

Dir About the strategy?

SP Yes

Dir Not very much to be honest. We tended to leave the discussions of strategy and its stuff to when we were meeting with KT. There would be some discussion, but it would be mainly on the lines of where are you up to on your homework, or... (Director) would say - look I have done some work but I need to talk to with...(Director), or I need to talk with... (Director) to close out on this particular issue or to move this issue forward. But they were mainly in the nature of this is where I am up to, rather than I would like to discuss this. And that didn't seem to have any negative effects. My memory of it at the time was that it seemed *only natural that this stuff was being developed out here somewhere, it was being developed in a separate process*. It was almost like the *only place where you can talk strategy is over in Queens Square, you know that is the strategy room, like the only place you could study is the library*. You know, as we moved on, we have become a touch *more mature* about things, not much, but we have become a bit *more mature*. We are actually talking about them as *standard parts of our normal management process* to the extent, Sergio, that as a rule of thumb we try to have something about strategy on every Executive agenda. Sometimes it is a very full discussion. For example at the last Executive meeting, and at the next one which is this Wednesday, we had a very full discussion, in fact involving others on STEP analysis, and on Wednesday we are going to finish off STEP analysis and move into SWOT analysis. Now *when we first started the process we would only do this outside*, so to speak, but it is *now becoming internalised* within the organisation and we actually have a timetable now of full Executive meetings where, a lot will depend on the subject, we will actually be able to initiate and close out the discussion within the time confines of the normal Executive meeting. But there may well be one or two other subjects where we will just need to *just meet quite separately* for that, in a sense the only *bringing back into the normal management process* will be noting that X, Y Z was agreed, frankly from a minuting purposes. So I think, where we have moved from is, if you like, the *process being externalised* towards the *process being internalised*, but without in a sense being *a prisoner* of that. We try to do most of this through *integrating it with our normal management process*, but if and when a particular issue requires us to take *a step out* if you like, then we will do that.

Notes: Passages in italics are those highlighted as part of the process of analysis and reflection
Names removed for confidentiality

The case suggested that the Kepner Tregoe intervention sought to separate out a set of decisions, decision processes and decision makers from their organisational context:

“... this was a very unusual case of strategy because there were in effect two levels of decision being taken... whatever happened... they still needed to sort out the range of products... targeted customers, what competencies they needed... I think they also recognised that the charge towards discussing the higher level issue (of ownership) was one which was not necessarily going to involve them all, so the separation, I thought, was well handled by John (Burke).”

Kepner Tregoe consultant

“Frankly, it occurred to me at the time that it was necessary (to be prisoners of the process), but looking back it was absolutely necessary...we were, a slightly indelicate term but nevertheless an accurate one, we were strategy virgins... we were like the five year old - golly talking about strategy... if we hadn't had a tightly defined process, we could have gone walk about. ”

Bristol and West Executive Team member

“We didn't set out to make it a secret thing, equally we didn't go publicising it, simply because we actually wanted to have something of substance to say... We thought it better to get through something so we had material that we could then bounce off some people and then go firm.”

Bristol and West Executive Team member

The formulation process provided a new analytical framework. Its application, directed by consultants with different experiences and views to the Executive Team members, provided a distinct perspective on the organisation and its strategy, separate from the existing, tacit perspective:

“I am not sure it matters what the process is. I am not sure it matters who it is so long as they have a decent process... they had a framework and probably one of the main things about KT is that they had a view that there are eight key drivers in any business and you had to pick the one which is appropriate for you. It may or may not be rubbish, but I found the process was useful and actually brought out quite a bit and therefore they developed a framework around which you can have discussions...”

Bristol and West Executive Team member

The external facilitation created different group dynamics, introduced non-routine subjects and interaction processes and encouraged the participants to take an organisation-wide rather than a functional focus:

“In the initial stages of the intervention Mike Freedman had to get strident and unpleasant from time to time when individuals were being too functional and had to remind people fairly publicly that they were there as executives of the whole organisation as opposed to head of this or head of that.”

Bristol and West Executive Team member

The codes and texts that made up the looser grouping of clarity, commitment and consensus were reviewed in detail. They included the identification of strategy as an issue to be addressed formally, securing commitment to external support, defining the scope and relevant questions for a strategy review, articulating the strategy. The underlying theme was one of crystallisation or reification, essentially creating boundaries between routine management processes and strategy formulation, and making explicit and tangible the chosen strategy.

Maturity as an element of *absorption* made sense of some of the marginal codes, relating to issue of “comfort” with the consultants, of “internalisation” and of “evolution”:

“They were very, very uncomfortable with it at the outset, some more than others... But actually as results began to emerge and we began to see some real progress, and I repeat, committed progress, everybody pretty much saw whilst it might have been a bit tiresome, a bit pedantic, a bit pedestrian, they could actually see the value of the process. And in fact what was quite interesting was when they came back a year to eighteen months after the first intervention we were all making jokes about the way the typical Freedman day would go, you know sort of thing, and it had reached that sort of fond humour level. So people were accepting and I would suggest relatively supportive, that, if this is what was necessary to gain a committed consensus, they were prepared to enter into the spirit of the thing.”

Bristol and West Executive Team member

“So I think, initially, it (a tightly defined strategy process) was, for this particular group of people, given the particular history of this organisation and its, we now realise, very limited view of strategy formulation, a very necessary part of the task that we had to get done. I would go as far as to say that it probably remains true today, less true that it was because we have added this wider perspective, rather than function, we have recognised that talking about strategy does require a lot of talking, a lot of explanation and a lot of consensus building. You can have the greatest strategy you like, but if it doesn't have consensus it just ain't gonna work. But I suspect as we move forward we will probably actually be able to, if I can use this term, abuse the KT process merrily, but nevertheless pretty much staying true to the major part of the process.”

Bristol and West Executive Team member

Political and contextual factors appeared to have played a relatively small role in the intervention. However, John Burke, the Chief Executive of the Bristol and West Building Society and client for the assignment, had not been interviewed and only one person from outside the Executive Team had contributed to the research.

The concept of *absorption* created a new perspective and seemed to offer some insight into two aspects of the Bristol and West case that did not sit easily with the general impression of success associated with the strategy formulation.

First, the implementation planning which was facilitated by Kepner Tregoe and carried out by a group of senior managers of the Bristol and West, including two Executive Team members, was perceived internally to have been a failure. The reasons put

forward were varied, and included a “not invented here syndrome”, indicating a form of rejection or non-*absorption* by the senior managers not involved in the formulation process.

The second was a lack of interest on the part of some senior managers invited to participate in the strategy review process, which the Executive Team launched at the beginning of 1996, over 18 months after the intervention. The Director who recounted this state of affairs expressed puzzlement as to why this should have happened. These issues were not probed at the time and I later recognised that the contextual influence on the intervention had not been explored fully in this case.

With this tentative, loosely defined conceptual framework in mind, all the Bristol and West transcripts were re-read to make sure that the ideas and emergent concepts lined up with what the interviewees/ informants actually said, and where appropriate new passages were highlighted and coded.

The transcripts from The Post Office interviews were verified, read, coded in the same open, tentative way and analysed. The Post Office case interviews echoed the themes in the Bristol and West case on decisions being framed with set boundaries and decision makers being segregated:

“We had this issue: Are we going to be privatised? What degree of commercial freedom are we going to get?, and a lot of externalising the problem, it’s all Government’s fault. Now actually, KT tried very hard to say no, it’s not Government’s fault, everybody has these sort of problems and your job is to manage Government, which is absolutely right.”

POEC member

“And of course during it all we had the privatisation debate. But my position was very strong, and they accepted that, and that was - you need a strategy regardless of who owns you, and privatisation will have an impact in terms of affordability and how adventurous you can be and the scope of things, but fundamentally you need to do this work anyway, and that was accepted.”

Kepner Tregoe consultant

“Well I tried to protect them (Divisional Board members) from it mostly... I wanted to play my part of the POEC discussions, but in a way that didn’t disrupt them or make them too anxious. And I really kept them apart from it. I mean I had to ask them for information and I kept them broadly in touch with what was happening, but without giving them a blow by blow account of how this was all going.”

POEC member and Divisional Managing Director

The processes of *absorption*, where individuals internalise and develop the concepts and ideas first discussed during the strategy intervention, were also evident in The Post Office case:

“I think that you could say that KT is sort of down here, as a foundation on which all this is built, but you can’t.... It’s like a house, once the house is built you know there are foundations there, but you can’t see them any more, so it’s

hard to say what influence they are having. They are probably supporting it all, but you couldn't be sure... it could have fostered new ideas.”

POEC member

“It has probably influenced us more than perhaps we give it credit for. We quite often go back to (Kepner Tregoe intervention), amongst the Board group somebody will remember something that we did in that exercise and will use it as a piece of learning, it may be a positive piece, it may be negative... It stimulated the thoughts that are now on-going; we no longer think of ourselves as a niche UK player or a UK-centric player...”

POEC member

The Post Office case also highlighted how managers outside the strategy formulation process might seek to find out about it, understand its likely outcomes and to influence it. The interviews indicated a strong desire on the part of some senior managers to bring the consulting intervention within the orbit of the prevailing political and cultural norms and controls:

PO Int: ...our managing director was off in a room somewhere working up something with some consultants who were called Kepner Tregoe. But it wasn't clear who they were because Kepner Tregoe were known to one or two of us as Mr Kepner and Mr Tregoe who wrote books on the subject, but it was called Kepner Tregoe. (Managing Director) communicated some of the stuff as to what we would be doing, and he wasn't entirely sure what they were doing because I got the sense that the whole picture had not been revealed, as to what was going on. But what emerged from that was that some analysis was going on to try and place the Post Office Group into one of the KT drivers... Obviously, it emerged that it was just a technique... And we went out of our way to try and find out a bit more about it... although this wasn't pressed upon us and indeed the communication was a bit haphazard. We invited a consultant from KT to come and brief out top team on what this methodology was and what the thinking was... The emotion around it was that, first of all, that we observed here, that they seemed to be trying to force fit the business into a distribution business... Bunch of consultants turn up and talk to the important people in the business, who then say your Managing Director disappears for a while. He is not very clear why he is being dragged down, certainly he hasn't got a big picture and in The Post Office he is probably told not to communicate for a bit, so you get this kind of silence when people start speculating as to what is going on.

SP Did that leave you with certain concerns... I mean, how did you react to the situation?

PO Int: Well, what I did was to go and get the book and read it, and to force the issue of being communicated to by consultants, because the only way we were going to understand what the bloody hell was going on was to talk to the consultants. We could work out ourselves what the politics of it were, because it was privatisation going on. We know that, but the issue was to try and find what it was they were doing, to find out what the likely outcome was going to be, and of course to

influence it, thereby influence the outcome... once we understood what was going on we could brief (Managing Director) accordingly.”

While the Bristol and West case only alluded to potential tensions or adverse effects of a highly segregated, formulaic strategy formulation process, The Post Office case pointed to a very apparent tension:

“It wasn’t very good for the next level of most senior managers, who hadn’t been involved. They felt terribly cut off by this process, and, because it was a fairly concentrated process, you know there was something funny going on inside a magic box as far as the rest of the organisation was concerned.”

POEC member

“You got a lot of not invented here, you got a lot of clashes, and this comes back to the tunnel point, you got a lot of clashes with existing models and systems, being used by very big managers within the organisation, which we weren’t able to integrate into the process.”

POEC member

This tension between *separation* and *absorption* suggested complex and subtle processes linking consultants’ activities and how they affected on-going organisational processes. In particular, the political processes (e.g. Pettigrew 1985a) and conscious defensive routines (e.g. Argyris 1985) appeared prominent. These tentative, emergent concepts suggested passages of text in the transcripts, which were highlighted. Research memos were written which documented some of the messy, piecemeal thinking and helped to articulate and explicate the concepts and their potential relationships.

A coding framework was then developed linking the in vivo codes to analytic codes and to the core categories or dimensions, and applied to all the transcripts from the Bristol and West and The Post Office cases. The text references were collated and reviewed. The relationships between the codes were then examined, as part of the process of developing a more complete, integrated understanding of the interventions and their effects within the two organisations. This framework was gradually refined as the research proceeded and is shown as Exhibit 3.

A similar analytical approach was used by Gioia and Chittipeddi (1991) and Gioia, Thomas, Clark and Chittipeddi (1994) in their study of strategic change in a large, public university, in which they developed two key explanatory concepts, sensemaking and sensegiving, from the grounded theory analysis of the longitudinal case. Gioia, Thomas, Clark and Chittipeddi use a similar conceptual framework of clearly specified links between informant codes, analytical codes, and aggregated second-order categories which supported the two overarching dimensions of sensemaking and sensegiving. They were thus able to relate their conclusions to the interview and documentary data, enabling them to demonstrate the robustness of their analyses. Gersick (1994) also used a similar method in her longitudinal study of a venture capital-backed start-up company in which she explored whether temporal pacing could regulate momentum and change in an organisation’s strategy.

EMERGENT ANALYTICAL CODES, CATEGORIES AND DIMENSIONS

| “In Vivo” Codes | Analytical Codes | Second Order Categories | Overarching Dimension |
|--|--|---------------------------------|------------------------------|
| pent up desire marshall commitment forced to confront catalyst jolt/ shake the system | focus | | |
| independence ignored wider issues say no need to do regardless | boundaries, scope | Crystallisation/ Reification | |
| something we could say/ call our strategy face validity circle around business cobbled/ “blue tac” clear strategy, not woolly (importance thereof) consensus | output tangibility, synthesis | | SEPARATION |
| models, methodology systematic, structure unfolding process framework for discussion helpful way to see credibility, viability marshall thoughts rigour | methodology, concepts, framework/ approach | | Alternate Paradigm |
| experience personal credibility challenge, critique have opinions devils advocate external stimulus test for intellectual or intuitive source | external perspective, challenge | | |

Emergent Analytical Codes, Categories and Dimensions

| “In Vivo” Codes | Analytical Codes | Second Order Categories | Overarching Dimensions |
|--|--|-----------------------------------|-------------------------------|
| discipline prisoners of the process tunnel, rigid working with terrorists keep us on track, bring us back enable, facilitate poultice, draw out issues shaft of light to break out of circle referee | external management | | |
| outside, cut off out there somewhere, off in a room behind closed doors not invented here hermetically sealed in secret low involvement by design no consensus at next tier of management | physical detachment | Altered Discourse and Interaction | SEPARATION |
| less functional more peer, but boss still present lower level of politics more constructive top executive together for long periods of time Nth challenge not welcomed | hierarchical influence reduced, interactions changed | | |

Emergent Analytical Codes, Categories and Dimensions

| “In Vivo” Codes | Analytical Codes | Second Order Categories | Overarching Dimension |
|---|----------------------------------|--------------------------------|------------------------------|
| (CEO) leads the process private discussions, fireside chats manipulation collusion, accomplices steer, not entirely democratic close down the debate | CEO agenda and direction setting | | |
| force issue of being communicated to adequately brief MD influence the outcome minimise the damage competition divide and conquer forage around | influencing | Politicisation | |
| inevitable resistance legitimise resentment how dare poke fun at constructive cynicism, creative tension non buy-in, raspberry not invented here little things happen and don't happen | resentment/ resistance | | ABSORPTION |
| overarching questions other work impinges duplication inconsistency, dissonance force fit external element of change too powerful added complexity | relatedness | Contextualisation | |

Emergent Analytical Codes, Categories and Dimensions

| “In Vivo” Codes | Analytical Codes | Second Order Categories | Overarching Dimensions |
|---|---|--------------------------------|-------------------------------|
| cultural fit used KT before, familiar explain organisation, educate draw into own porridge | culture/ assumptions assimilation | | |
| biases, strong internal beliefs juxtaposed, competing, clash foreign invaders essentially a strategic planning methodology poo-pooed it irrelevance, not coming to anything less than expected not compelling strategy - a turd | positioning | Contextualisation | |
| part of the wallpaper comfort, relaxed with chemistry, personal fit | familiarity, comfort | | |
| skills transfer ownership in psyche and mentality part of management internalised, institutionalised connection, anchor, embed underpin refine and hone beyond prisoners | internalisation | Maturity | |
| re-framing changed the way people think orients the mind provided the seeds stimulated on-going thoughts more influence than credited raise awareness, move us on | re-framing/ evolution | | ABSORPTION |

4.3.3 Case Write Ups

The individual case studies were written up and sent to the research sponsors within the Bristol and West, The Post Office and Kepner Tregoe, as advocated by Yin (1994). The aim was to create an account, based on a number of individual accounts, which would resonate with the experiences of the individuals involved. The emergent concepts and understanding were used to structure and determine the content of the two cases, but no attempt was made to link the accounts to other theory or concepts or to go beyond the individual case. The preface acknowledged that the case study was a distillation and partial analysis of selected interviews and documentary material and therefore incomplete and influenced by the research agenda. The decision on whether to include or exclude comments, views or aspects of the intervention or its wider context were ultimately mine. The considerations and judgements exercised were about remaining as true to the accounts of those involved as possible while seeking to present a composite, holistic account which went beyond any individual account. I also tried to respect the interviewees' desire for confidentiality and for their relationships with colleagues, former colleagues and between consultants and clients not to be put at risk. This meant in practice toning down certain comments or making their source less transparent, but did not materially affect the integrity of the case write up. Conceptual relevance and the desire to present a coherent, non-judgmental narrative were also factors which influenced the writing, in terms of style and content, of the cases (Van Maanen 1988, 1995).

The case write ups were reviewed by the research sponsors. One sponsor kindly replied in writing clarifying certain points and adding others so that the case write up could be, in his words, "a more accurate reflection of what happened". In the other case, there was a formal meeting and discussion on some points and how they might be expressed. No substantive changes were made to the case write ups.

This writing up of the individual cases and their review by the research sponsors was an integral part of the analysis and served a number of purposes. Weick (1979, 1995) expresses the value and revelatory quality of writing very succinctly; "how can I know what I think until I see what I say". It forced me, as the researcher, to pull together and analyse the accounts into a single case and synthesise what I perceived had happened from the personal accounts and documents available (Simmons 1988), then to test this understanding by sharing it with the individuals involved. The case write up gave me confidence in that the initial concepts and constructs were understood and to some extent shared and validated by those involved, and so could be built on. This initial validation was important since it provided surer foundations for the more elaborate conceptualisation carried out later, reducing the chances of a dislocation between the experiential knowing of participants and the researcher's conceptual development. The write up though is distinct from the individual accounts that provide the bedrock data (Silverman 1995). The case was not intended to be theoretically comprehensive, since there was an expectation that the thinking and conceptual development would evolve and aspects of the case or the interviews would become more prominent or meaningful. As such it was described as a "first order" analysis, in that the account represented more than a "first-order narrative" based on informants codes and concepts (Gioia, Thomas, Clark and Chittipeddi 1994). The account sought in a limited way to fuse actors' accounts with emergent social scientific descriptions and emergent perspectives (Blaikie 1993, Shutz 1963b).

In addition, a case write up was promised, as part of the access negotiation, as a way of allaying any concerns over the publication of potentially sensitive and confidential issues. On reading the case, the Bristol and West research sponsors did not raise any reservations regarding its content and agreed that it could be circulated to other researchers and interested parties within Cranfield School of Management and the wider academic community. The Post Office sponsor was happy for the case to be used intact as part of the PhD research, but given some of the comments contained in the case preferred that it were not published or circulated widely. The case write up was an instance, albeit small, of reciprocation for their participation in the research. The sponsors found the case write ups interesting, and contributed to some extent to their knowledge and understanding of the specific intervention, and possibly interventions in general.

These two revised case write ups which are included in the Appendix form an important part of this thesis. They provide the history and context of the two interventions and core data on which the concepts and theoretical framework are grounded. The concepts are described and supported by the data, primarily in the form of direct quotes. The accounts themselves are acknowledged by those involved in the interventions. The case write ups though are not the only source of data and substantiation for the thesis. Additional material from the field interviews of these two cases is drawn upon to illustrate, discuss and elaborate concepts from the research process as a whole.

4.4 INTERIM FINDINGS

Research into Kepner Tregoe's work with the Bristol and West Building Society and The Post Office indicated that consultants seek to draw or separate out the object of the intervention from other activities and influences. In the cases studied, the object of the intervention was the deliberate process of strategy formulation. This attempt to separate a set of decisions and the decision makers from the on-going organisational life appeared not to be easily achievable. Insidious pressures, commitments and understandings seemed to draw or absorb the intervention into the political and cultural maelstrom of the organisation.

The initial research suggested a tentative answer to the central research question: **How do management consultants' interventions influence processes of strategic change within organisations?** Through creating and maintaining some degree of *separation* consultants can influence and contribute to the thinking and subsequent actions of their clients and senior management within the organisation. The case study research pointed to this *separation* being created and maintained in three distinct, but inter-related, ways: crystallisation/ reification, the imposition of an alternative paradigm, and the altering of existing patterns of interaction or discourse. This was congruent with the emphasis and advice in practitioner texts (e.g. Block 1981, Weinberg 1985, Margerison 1988, Kubr 1996) that consultants do and should define a scope, apply a coherent methodology and manage the process.

However, the case study research, particularly The Post Office case, indicated that interventions are not impervious to the history, politics, culture and business environment of organisations. These factors act almost like a gravitational force,

creating a resistance against the attempt to take the object of the intervention outside the prevailing frame of reference and field of influence. Specifically, these factors shape the understanding and influence the reactions of managers directly involved in the intervention, and those who expect to be subject to the outcome of the intervention, but who are not directly involved. These factors were broadly understood and conceptualised as politicisation and contextualisation of the intervention. These factors echoed research by Westley (1990) on how middle managers react to being excluded from strategy deliberations. The tensions between the consultant created views and perspective and the prevailing consensus was broadly analogous to the concept of competing enactments (Smircich and Stubbart 1985).

It seemed from the initial research that consultants and their clients intuitively appreciate and address the interplay and tensions between *separation* and *absorption* (though not in these terms). Consultants recognise they have to bring something distinctive to the organisation, to have some expertise, insights or approach that is different and can add value. Equally, they have to position their interventions so they are acceptable. There has to be some “cultural fit” and political alignment with the organisation and its dominant coalitions. The relationship between the consultant and the client for the assignment appeared crucial to managing the intervention, and specifically the interplay and tensions between *separation* and *absorption*. This very closely reflected early research by Argyris (1961) who observes that consultants compromised their own stated values in client situations, as they were subtly co-opted or intimidated. McGivern (1983) finds that “interdependent” relationships between consultants and clients are perceived by both parties as most effective in the conduct of assignments. McKinney Kellogg’s (1984) research shows that effective feedback process and frequent exchange of information are two characteristics of successful consultations.

Separation seemed necessary to facilitate a shift in the frame of reference of those directly involved in an intervention, at an individual and group level, and to facilitate a re-conception of the organisation and its environment. This need to step outside the prevailing paradigm is supported by Johnson (1987, 1988), and Berger and Luckmann (1966) suggest that an enclave needs to form where new concepts can gain support and take root. *Separation* creates a shared view in respect of the strategy, ownership and clarity and provides new paradigms and “conceptual gems”. The *separation* benefits the “formulation” of the outcome of an intervention, but in the cases studied hindered its “implementation” or *absorption*. Those not directly involved in the intervention had not been through the (different) thinking process and, to the extent that the outcome is distinct from the prevailing assumptions and conceptions, found the outcome alien. The dislocation appeared greater where the *separation* had been achieved by overcoming strong forces for *absorption*.

However, to the extent that an intervention enabled managers to conceive of a new reality and new possibilities, it can stimulate “thoughts that are on-going”. The cases suggested that work done during the intervention may “go into the sand” and that “the words are no longer spoken”. But some of the ideas begin to permeate through the organisation. The intervention can become a “foundation”, unseen but supporting future developments and fostering new ideas. The processes of reification (Smircich and Stubbart 1985) instigated and supported by consultants are reversed, and concepts

and ideas slowly internalised and fused with existing models, changing both text and context in subtle and unforeseeable ways. This very much supports the conception of organisations as networks, interlocking routines and habituated action (Czarniawska-Joerges 1992, Weick 1995).

4.5 REFLECTIONS AND SYNTHESIS

As part of the PhD review process and to help in the process of reflection and synthesis, a paper was drafted, covering the research objectives, methodology and process, the cases studied and the emergent findings. The process of drafting this paper helped to clarify my thinking and to draw together and synthesise the ideas, themes and emergent concepts in the research memos. The documentation of the interim findings also forced me to check the logic, accuracy and rigour of what I was putting forward, and highlighted some of the strengths and weaknesses of the initial research. In the absence of co-researchers, the reflection prompted by the need to produce a formal paper heightened my awareness of my role in conducting the research. This process of reflection made me stand back from the research and become more critical and self-conscious.

This paper was submitted to and reviewed by the faculty members my PhD Review Panel. The subsequent discussion and the Panel members' helpful comments guided the next phase of the research.

5. CONDUCTING SUBSEQUENT RESEARCH:

CAROUSEL / TRIANGLE MANAGEMENT SERVICES CASE AND McQUILLAN YOUNG COMMUNICATIONS / TRANSITIONS CASE

5.1 INTRODUCTION

The two cases researched suggested that consultants' influence on processes of strategic change within organisations might be conceptualised and understood within a theoretical framework with *separation* and *absorption* as overarching dimensions. The research indicated an interplay and tension between the efforts to isolate the object of the intervention, the deliberate process of strategy formulation, from other activities and influences, and insidious pressures drawing or absorbing the intervention into on-going organisational processes.

Such a conceptualisation was consistent with themes in the existing literature on strategic management, organisation theory and consultancy interventions. However, the research findings and analyses were grounded on two relatively similar and to some extent incomplete cases. Additional cases, exhibiting a reasonable diversity in terms of the context, nature and process of the interventions were required to establish a well-grounded and comprehensive analysis. In line with Eisenhardt (1989), two additional cases were sought given the exploratory and theory development nature of the research. Anything less than four cases risked generating concepts and theoretical frameworks lacking compelling empirical grounding and sufficient complexity, inclusiveness and richness.

Consequently, the focus of this second phase of the research was to test, refine and elaborate the concepts and framework which had emerged, by seeking and studying other, diverse cases. As with earlier attempts to secure access, the efforts were fraught with difficulties and disappointments, and best characterised as planned opportunism. Two cases were researched: Triangle Management Services' strategy day with Carousel, and Transitions' on-going support of McQuillan Young Communications. These cases were significantly different from the earlier cases on a number of theoretically relevant dimensions, yet supported and helped to hone the concepts developed.

The diversity, combined with a strong degree of convergence with the synthesis from the earlier cases, indicated that a thorough coverage and analysis of the subject had been achieved. Thus the McQuillan Young Communications / Transitions case became the last one to be researched as part of this PhD.

The next section of this chapter details the commonality between the first two cases and the rationale for seeking diverse cases. The following sections discuss in turn the two subsequent cases studied, in terms of access, fieldwork, analysis and case write ups. The stand-alone case write ups themselves are set within the Appendix.

5.2 DIVERSITY AND FURTHER CASES

The interim research findings and analyses were grounded on two relatively similar and to some extent incomplete cases. As such, additional cases were called for to explore more fully the influence of strategy consulting interventions, and to ground the emergent concepts and framework in a wider number and range of instances.

Both initial cases related to Kepner Tregoe interventions. The two interventions were described by Mike Freedman as typical of the strategy formulation assignments carried out by Kepner Tregoe, and regarded as reasonably successful. The consulting approach was based on a rational linear view of strategy formulation and organisational change, and the methodology itself was modelled on a sequential process of analysis, choice and implementation. Mike Freedman and Ann Orton were the two principal consultants for both cases. The strategy formulation framework, methodology and consulting process was essentially the same, though it was applied to the unique circumstances of the two organisations.

Commonality between the cases created some advantages, making the process of inquiry more efficient and allowing greater focus on emergent issues and differential factors, especially in the light of limited interviewing time and restricted access to senior managers and consultants. The basic structure and application of the process were explored in detail from a number of perspectives in the first case study and this learning process did not have to be repeated in the second case. Rather, this knowledge was used to direct the line of inquiry and to ask more probing questions of interviewees from The Post Office. Nonetheless, the interview process for The Post Office case did seek to explore, test and elaborate issues and perceptions previously examined in detail across a number of interviewees. These included the importance of and stated high quality of the facilitation, and the central role of the Driving Forces within Kepner Tregoe's analytical framework.

The perceived success of both interventions appeared less of a common factor as the interviews proceeded. It became evident that members of the client organisations had very mixed, and in some cases unflattering, comments in respect of Kepner Tregoe. Some even deemed the intervention a failure or incomplete. Furthermore, interviewees appeared to be very frank and forthcoming in their opinions, which permitted a detailed and extensive exploration of the intervention. The access strategy of approaching consultants first did not appear to be an issue since both organisations had to agree to participate and the consultants had little to gain from promoting participation beyond a quick inquiry. However, the other common factors raised questions about the extent to which the concepts developed from the two cases alone, even if corroborated by other related theories and research, could be applied to other instances or contexts.

Moreover, the inability to interview the Chief Executive of the Bristol and West Building Society and the reliance on a single informant from outside the Executive Team meant that the case was built on a rather limited number of individual accounts and perspectives. Certain issues, which emerged from The Post Office case and/or are touched upon in the literature, were not explored fully. The nature and importance of the relationship between the client and consultant was not clear. Nor was there a rounded exploration of the views, understanding, positioning, and the possible resistance, resentment and attempts to influence the process on the part of senior managers excluded

from the strategy formulation. The credibility (Lincoln and Guba 1985) of the concepts and framework relied heavily, for a number of points, on The Post Office case. This in itself relied on a larger, but still relatively small number of informants, and both cases relied on two interviews with a single consultant, Mike Freedman.

The issue of credibility, which is approximately comparable to the more functionalist notions of construct validity and internal validity, called for more cases to generate more substantial and compelling empirical grounding for the concepts and theoretical framework emerging from the research. This issue of transferability (Lincoln and Guba 1985), again analogous to a more functionalist notion of external validity (Yin 1994), called for diverse cases to enable the complexity, inclusiveness and richness of consulting interventions to be captured and synthesised.

The concept of diversity implies seeking cases which exhibit different aspects of the social phenomenon, enabling its fuller exploration and study. Pettigrew (1990) advocates looking for extreme situations, critical incidents and social dramas, which make the processes transparently observable, and for polar types which can disconfirm patterns from earlier case studies. Strauss (1987) and Strauss and Corbin (1990) emphasise the need for selective or theoretical sampling based on emerging findings. The advice offered by Strauss and Corbin (1990) is to choose cases which permit categories to be dimensioned, elaborated and linked as part of the continual process of developing grounded theory. However, they recognise the need to retain some flexibility, and include open sampling as another strategy.

The concept of diversity is distinct from the notion of 'representativeness', which is important within functionalist research where the aim is to generalise the findings and theory across a population or class of phenomena. In such research, the concerns relate to having too narrow or unrepresentative a sample and the potential bias this might introduce. However, the objectives of this research, and its epistemological underpinnings, are to produce coherent description and explanation and, through that, some degree of transferability or analytical generalisation. The concept of diversity is also distinct from concerns which might arise had either a literal or a theoretical replication strategy (Yin 1994) been chosen as the research design. There was no intention to adopt a literal replication strategy, where a case is chosen to support or corroborate a predetermined theory. Literal replication, like theoretical replication, where a case is chosen to refute previous finding for theoretically predicted reasons (Yin 1994), relies fundamentally on theoretically predefined dimensions which underpin the case selection and research questions. Neither replication strategy was appropriate as a starting point, given the determination not to impose a researcher's construction on participants' experiences and the absence of a well formulated theory or set of concepts as reliable guides at the start of the research or from the first two cases.

In line with Eisenhardt (1989), who suggests that between four and ten cases are required to provide the necessary empirical grounding and richness in conceptualisation, at least another two additional cases were sought. While guided by the advice to look for extreme situations and theoretical sampling, the likely difficulty in securing access suggested making the best of whatever cases became available.

In mid-February 1997 around 70 letters were sent to Cranfield Management Association members who attended either the Senior Management Programme or the

Directors as Strategic Leaders course. Former Cranfield faculty and students, who were or had been consultants, were also approached, as were personal contacts from my MBA programme. Additionally letters were sent to some of the Partners in the major consultancy firms who had expressed an interest in the research when they were contacted initially. The objective of the letter was to inquire whether their circumstances had changed and whether they were now in a position to participate in the research. The fact that two cases studied had been completed and “interesting” findings had emerged was used as an incentive. While a number of organisations and people expressed an interest, no further case access was secured from those routes. Cranfield contacts and PhD candidates then became the primary sources of leads for potential case studies.

5.3 CAROUSEL / TRIANGLE MANAGEMENT SERVICES

In July 1997 I contacted Triangle Management Services, a firm of management consultants offering specialist services to the freight, express, postal and logistics industries.

Paul Jackson, Triangle Management Services’ Chief Executive and owner, agreed to see me and a meeting was arranged for 19 August. At the meeting Paul Jackson explained that Triangle operated in a niche market and relied on its reputation, its depth of knowledge of the industries served and the expertise of its professional staff to secure assignments and to advise clients. Apart from management consultancy services, Triangle offered support in undertaking mergers and acquisitions, training, project and interim management, marketing and recruitment services. He also talked about his views on consulting and the principles that guided him in his work with clients.

Paul Jackson suggested that his larger, international clients, such as DHL, might be reluctant to participate in the research, but that I might be able to study a recent intervention with a small family-owned business called Carousel. He explained that Carousel was a transport broker based in Sittingbourne, Kent, which had approached him to review the company’s strategy. He thought I would find the case interesting, even though the intervention itself had been very brief; essentially a one day workshop. I indicated that I would be interested in the research opportunity, so Paul Jackson contacted the Directors of Carousel. The Carousel Directors were sent some information, prepared by me, on the research design and agenda, and subsequently agreed to participate.

I telephoned Michael Martin, the Joint Managing Director of Carousel, my contact within the company, and arranged a date for the first interviews. Prior to the first interviews, Michael Martin sent me the Triangle Management Services report which summarised the workshop deliberations, the pre-workshop questionnaire completed by the Directors, and a Carousel document describing the recommended strategic and organisational changes, many of which were introduced on 1 November 1997.

In all, I interviewed the four Directors who made up the management team and two staff members suggested by the Directors. I also interviewed Paul Jackson who had led the workshop, and Jason Whiteley a consultant with Triangle, who had developed

and analysed a pre-workshop questionnaire sent to Carousel. Jason Whiteley had also assisted Paul Jackson at the workshop itself. The interviewee or informants used to develop the case history were:

| | |
|----------|---|
| 14/11/97 | Michael Martin, Joint Managing Director |
| 14/11/97 | Maureen Martin, Chief Executive Officer |
| 14/11/97 | Graham Martin, Joint Managing Director |
| 14/11/97 | Mark Chittenden, Customer Services Consultant |
| 9/12/97 | Andrew Ovenden, Logistics Director |
| 9/12/97 | Helen Pilcher, Team Leader, European Division |
| 20/1/98 | Paul Jackson, Chief Executive, Triangle Management Services |
| 20/1/98 | Jason Whiteley, Consultant, Triangle Management Services |

5.3.1 Fieldwork, Analysis and Case Write Up

As with the first two cases, the data came from the review and analysis of secondary data, followed by in-depth, confidential interviews with key members of the organisation and the consulting firm.

Topic guides for the initial interviews were developed from the secondary data, and from the concepts and provisional theoretical constructs emanating from the first phase of the research. Subsequent topic guides picked up on issues and events that previous interviewees considered important or that appeared important once the interview transcripts had been reviewed. These later topic guides also highlighted issues to be probed which seemed to disconfirm or not corroborate findings from the first phase of the research. There was a deliberate overlap between the data collection and the analysis.

As before, the interviews were semi-structured and were essentially a conversation with a purpose. Interviews were tape recorded, with the agreement of all the participants, and the tapes were transcribed and personally checked against the tape recordings of the interviews. Once all the transcripts from each case study had been checked, these were read through as a group to gain a holistic impression of the intervention and to begin to compare the accounts as a way of identifying differences in perspectives. The detailed coding of the transcripts then began. The texts were coded using the codes which had emerged from the first phase of the research and also new codes suggested by the data.

Every attempt was made to retain an open mind to contradictory views, opinions and interpretations and to issues given prominence by the informants but not identified in the first phase of the research. The concepts and expressions used by the interviewees/informants themselves were retained as far as possible and added to the coding framework. New concepts or ideas were also noted and their relationship with the existing analytical constructs examined. Where appropriate these concepts were incorporated into an analytical category or dimension, amplifying and elaborating its definition or significance. The case histories and in some cases the transcripts of interviews relating to the first two cases were reviewed briefly in the light of new concepts and possible constructs. Some issues in the earlier cases previously ignored were brought into relief by this later work.

The case study was written up and sent to Michael Martin of Carousel and Paul Jackson of Triangle Management Services for their review and comments. As with the earlier cases, the aim was to create an account, based on a number of individual accounts, which would resonate with the experiences of the individuals involved. Some minor amendments suggested by the Directors of Carousel and by Triangle Management Services were incorporated into the final draft of the case write up. Both organisations agreed that the case could be used for the PhD. The final case write up is included in the Appendix.

The Directors of Carousel mentioned that they had found the process interesting. Jason Whiteley found the whole process stimulating, and Paul Jackson appreciated the feedback on the assignment. Triangle Management Services formally asked permission to use the final case write up to explain the type of services the firm could offer to small businesses. Both Carousel and I agreed. I was particularly pleased since this represented a tangible benefit and form of reciprocation for the time and effort Triangle Management Services had put into the research.

An interim paper, covering the background to the case research, the case write up and tentative theoretical reflections, was drafted and reviewed with my supervisor. This paper built on and synthesised my thinking and research memos.

5.4 McQUILLAN YOUNG COMMUNICATIONS / TRANSITIONS

In March 1998, I was discussing my research with a former PhD student at Cranfield. At the time, he was working for a consulting firm called Transitions which focused on providing advice and support to small companies which were trying to grow rapidly and so make the transition from small to medium sized enterprises. He suggested that his organisation might be willing to participate in the PhD research. He explained that the two founding partners of Transitions, Shai Vyakarnam and Robin Jacobs, had gained their PhDs from Cranfield and were generally sympathetic towards academic research.

A few weeks later, I arranged to meet Simon Pratten, a partner of Transitions, who might be able to help. I met him on 19 June 1998, and explained the nature of the research and the type and level of involvement required. He agreed to contact a few of his clients to see if any would be willing to participate. About a month later, Simon Pratten provided me with the names of Directors of two client companies, and suggested that I telephone them personally. One of the companies declined to participate, while the other agreed to see me to discuss the research.

I met Linda McQuillan, the Director and co-founder of McQuillan Young Communications, a specialist communications, publishing and public relations company, on 18 August 1998. I talked through the nature of the research and the research methodology. Initially she was not sure how she could help until I suggested that the work undertaken by Transitions with McQuillan Young Communications might be a suitable case study. She agreed to speak to her business partner and members of staff to get their reactions. A few days later I called and was told that they were happy to participate.

In all, I interviewed five individuals from McQuillan Young Communications, which represented almost all the professional staff, as well as Simon Pratten. Specifically, the informants for the case were:

| | |
|----------|----------------------------------|
| 28/8/98 | Linda McQuillan, Director |
| 28/8/98 | Tricia Young, Director |
| 28/8/98 | Joanne Kuriyan, Events Manager |
| 18/9/98 | Briony Martin, Assistant Editor |
| 18/9/98 | Wayne Theisinger, Design Manager |
| 12/10/98 | Simon Pratten, Transitions |

5.4.1 Fieldwork, Analysis and Case Write Ups

Overall, the fieldwork followed the same pattern as the research conducted on the previous cases. The analysis was focused on testing and elaborating or modifying the concepts and theoretical framework developed earlier, while retaining an open mind to disconfirming evidence and the nuances of the specific case.

The case study was written up and sent to Linda McQuillan of McQuillan Young Communications and Simon Pratten of Transitions for their review and comments. As with the earlier cases, the aim was to create an account, based on a number of individual accounts, which would be congruent with the experiences of the individuals involved. A minor amendment relating to the description of Transitions was suggested by Simon Pratten. He appreciated the feedback on aspects of the assignment, particularly his influence on the relationship between the two McQuillan Young Directors, which he was unaware of and would not normally have been discussed in a review of the assignment. Linda McQuillan and Tricia Young were pleased with the way in which the development of McQuillan Young Communications was conveyed in the case and found the analysis interesting. They expressed some surprise regarding the comments on the Transitions models, which they could not remember being used in any formal way. Linda McQuillan and Tricia Young intended to discuss some of the points raised in the case write up with Simon Pratten at one of their meetings. The final case write up is included in the Appendix.

An interim paper, covering the background to the case research, the case write up and some theoretical reflections, was drafted and reviewed with my supervisor. This paper built on and synthesised my thinking and research memos.

5.5 REFLECTIONS AND SYNTHESIS

The two cases studied as part of the second phase of the research enabled a testing and elaboration of the interim findings and concepts, and a richer and deeper appreciation of how management consultants' interventions influence processes of strategic change within organisations. The cases suggested that tensions could be eased and the intervention shaped to accommodate differences in perspectives and paradigms, and so alleviate some of the potentially adversarial aspects of the prevailing enactment.

As part of the analysis the coding framework was up-dated to reflect the emergent findings, reflections and conceptualisations. The overarching dimension of *separation* was largely elaborated through the second phase of the research. In particular, expertise and knowledge was a prominent feature of Paul Jackson's work with the Carousel Directors. He used his industry knowledge to make suggestions and created options for Carousel, unimagined or perceived as infeasible by the Directors:

“There were quite a few things that sort of came out, that were quite, you know, quite sort of radical for us, which totally affects our thinking. We always saw ourselves as a very, very small company, but marketed ourselves as a very large company to attract the business. And to a great extent we, yeah, we actually did over-market Carousel as a company. It really came out looking at our U.S.P.s as a company, that we actually did have a lot more to offer than we thought we had. One of the things was airfreight. It's a service we'd always offered in our brochure, but never really sold it, because we didn't have the tools to sell it. And the reason... the reason that Paul got quite excited about it is because obviously every single airfreight agent operates out of Heathrow and no-one nobody actually has the sort of client base or the location that we do. And we've had discussions with (Major Freight Forwarder), as a company. And we had their Directors round the table last week, and might see them next week. And it looks as if we can do a reciprocal deal with them. Now, we never even thought that we could do that. You know, they have a 60 billion dollar, pound turnover, what ever it is, company and we've got something in common with them. So we can work with big boys.”

Carousel Director

To a lesser extent, Simon Pratten drew upon specific experience and expertise in his work with McQuillan Young Communications, especially the need for greater structure and control as a business grows:

“What Simon has brought to it and what was very badly needed though we probably didn't realised it at the time was the straight business side of it, which is the structure of the business, the control of the business, setting the direction actually focusing on McQuillan Young as a business.”

McQuillan Young Director

This explicit use of perceived expertise and knowledge made the challenges to prevailing assumptions and perceptions more telling, more credible and more pointed. It also provided input for analyses and, implicitly, gave confidence in the outcomes. Triangle Management Service's intervention highlighted how the application of a relatively simple analytical framework in the form of a SWOT analysis (Strengths, Weaknesses, Opportunities and Threats), industry knowledge and forceful challenges and views can combine to create and impose a radically different paradigm:

“When we got the questionnaire through it really started to bring to light that 22% of our business in turnover was with UK parcel work, but in real terms it was probably taking up 40% of our time...”

Carousel Director

“When we did an analysis that showed them that the small amount of work they did on the Continent was actually 20 times more profitable than the work they did for domestic parcels, it just became very clear, but they’d never done that...we did a matrix of what contributed what and how the overheads were allocated...they’d never looked at it that way.”

Triangle Consultant

“It does make you wonder that the suggestions that were given, you think – ‘why didn’t we think of that’, you always do. But it’s such a complete change in some ways, getting rid of certain Divisions. I think it may have been too large a step for them to contemplate.”

Carousel staff

The ideas relating to and concept of *absorption* expanded significantly through the second phase of the research and new core categories were derived to address the diverse aspects of *absorption*. The major conceptual advance was the realisation that *separation* is never achieved completely. The intervention cannot be self-contained or sealed off, but remains embedded within the wider organisational enactment. The accounts of the Carousel Directors described the emotions and tensions they felt during the workshop:

“There were a couple of questions that made me... I felt came a little close. And I had to think about it, and think: well, OK, fine, I can understand the reasons for the questions, if I’m not totally honest about it... I’ve got to face up to the fact that as a person myself, and I can only speak for myself, I tend to let people come so far and then there’s a bit of a distance you see. And I thought: hold on a minute Paul you’ve just stepped inside that little arena that very few people ever get into. Then I addressed, mentally, again myself, and thought he’s doing it for a reason. I mean why am I here, why have we asked him to come? It is for a reason, and yes who else is going to tell you.”

Carousel Director

“In fact at one stage during the day, he made me feel quite insecure by talking about; ‘well, let’s get Maureen out of the scenario because, you know, she’s not going to be there for ever, and she’s coming up to retirement age’, or however it was phrased, beautifully done, ‘and it’s up to you boys’. And I thought God, I’ve been put on the scrap heap. In fact my comment to him was, you know, ‘well I’ve just been retired off’, which he glossed over. And looking back on it that was for a reason, because what he actually did was retire me out of the position I was in to develop, and said: ‘Maureen you should be out there networking more, you should be out there talking to more clients, you should be out there doing you know A, B or C, and start where you feel comfortable, and develop it, and you should join, you know, the Institute of Directors etc’. And I must admit there was one stage when I thought I haven’t got time for all that rubbish, to be quite blunt. Who’s going to run the shop? ... I can now see that he extracted me, if you like, from the bowels of the ship and put me up in the crow’s nest. You can still steer the ship but you’re in a different position to do it. But I’m only feeling that now by putting it into practice. I actually had to do it... it’s very well somebody telling you all these wonderful things that could happen or may not happen, depending on how much you are prepared to put into that... If you’re going to

make it successful you've got to do it, and the first step was physically changing the people in places."

Maureen Martin

Despite the near crisis situation they were experiencing and their determination to listen, their commitment to the world as they saw it was constantly present, putting up "physical or mental barriers". Relating the events of the day to the missing Director almost immediately suggested a need to affirm emotional commitments towards him and to seek a reconciliation of new and old ideas and perceptions:

"Well the way we actually operate there's (Martin family members) who are basically on the Board, Directors, and who also basically own the company, and there's a chap here called Andrew Ovenden, who's Director of Logistics. And the four of us sat down. We... He's a very crucial part of our team, but we didn't involve him with Triangle, because he wasn't part of the family. And we weren't too sure what they would say. Yeah? So... But once we knew for a fact that it was all quite, quite positive stuff, we brought him in, sold him the concept of what we were doing, and then looked at all the recommendations in relation to the staff. We then... I produced a sort of a presentation package to all the staff and actually had them in individually, because obviously they knew that we had Triangle in. We up-sold it to the staff."

Carousel Director

The notion of interventions as embedded processes was further reinforced by Simon Pratten's work with McQuillan Young Communications. Some of his suggestions were met by deeply felt, but not previously articulated, emotional reactions from the Directors:

Dir: "There have been times where he's said well I think you've got to consider, I think you should consider this and we've both said no we're not going to do that. It's sort of instinctively and immediately and he's said oh well okay and he'll back off and come round again and then he'll think about it.

SP: When you say back off and come round, you mean two months down the track he may raise it?

Dir: I think so, there is one issue that I can think of when we were recruiting the publications manager at the end of last year, and we needed to look at someone with a higher salary than we were paying anybody else and it was important to get the right person and this would free us up and so on. He said - I think you have to start looking at the idea of offering the share of the equity, what do you call it...

SP: Equity participation

Dir: Yes, something like that, and we were not keen at all and that's probably just another instinct of ... you know ... but if they are getting a good salary, we'll give them profit share, we'll give them, but they are not having X % of the company. And we were very adamant about that and he felt that this was

unreasonable of us and he still feels, I'm absolutely sure and it would be worth checking with him, he still feels I think that this is a real impediment to our growth. And that's an issue that he comes back to time and time again."

The monthly meetings with the two Directors had become a routine for the organisation, and Simon Pratten began to feel more like an insider than outsider, taking vicarious pride in the achievements of McQuillan Young Communications:

SPe: Do you still see yourself as an outsider?

SPr: Less so funnily enough. No, I don't I feel. Now you come to ask me, no, I don't, I feel myself much less as an... even more so now I've actually been to their new office because when we used to meet at the IOD, you were remote from it and I used to feel very remote, and not so sure. But even after that one meeting last week, it's... I've... my feeling has changed, because I was there for all day, so I was able to have quick chats with the others, and was around and they saw me around. And little things like Linda and Tricia, I just happened to note, they didn't shut the door. OK, it was a glass door I think, so they could... or was there a window from the meeting room, I can't remember, but even so the door was open. So even if we were talking something that was a bit sensitive we just dropped our voice, but there was no shutting the door away. So I feel, no I feel less and less an outsider. I feel quite proud of it actually, not proud from my point of view, but proud of the business that I'm part of what they've been doing. Not proud, really not proud in my end, but proud of being part... I thoroughly enjoy it, I enjoy it hugely being part of it. It's exciting, it's stimulating, it's challenging because as I say they are a bright pair."

These ideas then provided the basis for re-framing and re-casting the various aspects of *absorption* broadly into the ways in which the organisational enactment encroaches on and subsumes an intervention. This prompted another review of all the cases and more revisions of the coding framework. This review highlighted the interplay and tensions between nascent reality being created by the intervention and the wider organisational enactment.

While the Kepner Tregoe interventions were marked by a fairly rigid application of a prescribed process, the Triangle Management Services and Transitions interventions exhibited far more flexibility, interaction and accommodation. Paul Jackson consciously watched the body language to see how far he could go. Simon Pratten proposed options, had them rejected, but then raised these issues later, acknowledging sensitivities and reservations. In essence, the latter two cases suggested that consultants are either overtly or subtly restricted in their ability to act out, and get members of the organisation to act out, their social reality. Comments and views expressed by Directors of the Bristol and West Building Society and The Post Office took on new meaning. Certain topics and concerns may have been off the formal agenda or never voiced, but they played a part in the deliberations and how the intervention was understood. They followed the strategy formulation process, but at times were disengaged if not overtly resistant or sceptical:

"I think they are too religious and straight with themselves, because on numbers of occasions we would say - look Mike you know the answer to this,

I actually don't emotionally feel the need to work this out for myself, if you tell me I am quite happy to accept it. But they- no, we are not going to do that, you must work it out for yourself, sort of thing, and we will go through a series of questions and we will score stuff and we will spend another four hours on it. And you sit there, thinking - look you have done this 20 times before, you know what the answer is going to be, tell us, it is OK, its all right really. But almost under no circumstances I think did that happen....

Mike in particular had the experience and was not prepared to short-circuit the process because of his experience. And, hey, I know how this is going to end up and so we talk about it, get a bit irritated and then lets bloody well get on with it, if we have got to do it, and then off we go...

It was painful for us but we got through it sort of thing we got out and we liked the end point. One can imagine you get to a point in that process and you have lost someone because they are just so pissed off with the whole thing that they... And it happened with us, individuals would step out for the afternoon, they would be there but they wouldn't be there, and I think everybody without exception that happened to at some point or another, they were just totally so fed up with the whole thing at that point that they cease to contribute."

Bristol and West Director

"I was very keen to see how some external help could contribute to the development of strategy. Of course there was a great deal else going on at the time, both subliminally and subconsciously and all sorts of other ways, and I think one of the issues for me was: Was this a serious exercise, were we going into this with an open mind, was it a genuine attempt to bring the experience and expertise and brain power of the Executive Committee to bear on the strategic issues facing the Corporation on the one hand, or was it on the other hand a means by which Bill intended to have his way?...

I have got to say that the process, provided you do take an open line, has some interesting features. But like most processes once you are on the track it is ineluctable; no matter where you think the destination ought to be the process drives you towards the destination. And that is the point of it; there is no point in having a process if it is just going to get second guessed, you know, by your own view. My view of it oscillated a little bit, and of course I had in mind the interests of the (Division) before that of the Corporation as a whole. Because you have to remember the context of all this was of course privatisation, nobody knew how that was going to work."

POEC member and Divisional Director

Flexibility, interaction and accommodation imply mutual influence, which was only hinted at in the first two cases. In The Post Office case, the Chief Executive was seen, by other Directors, as having a strong influence on the process. However, the content and outcome of the discussions ("fireside chats") between Bill Cockburn, the Chief Executive and Mike Freedman of Kepner Tregoe were not explored in detail. Simon Pratten recognised and acknowledged how his work and his advice had been influenced by how Linda McQuillan and Tricia Young saw things. The processes through which the scope, content, and conduct of an intervention are shaped and how consultants are influenced by their clients' reality were highlighted in the second phase of the research.

The McQuillan Young Communications / Transitions case also highlighted how ideas generated by the intervention are *absorbed* and transform managers' conceptions even as the intervention itself unfolds:

“And I think one thing that Simon did make us think; earlier on in the year, we said; why do we need to be big, we can enjoy ourselves and neither Linda nor I are empire builders nor are we people who want to spend all our time managing people, and we both decided that for absolutely sure, that’s what we don’t want to be doing all the time. So that limits how big the company can ever get, but we think that probably twelve to fifteen people or twenty people is perhaps where we can see ourselves getting to. And I think Simon has helped in that process because he kept saying why don’t you want to be bigger, and we resisted it quite a lot... I think he kept questioning, he kept challenging us on that point about why we didn’t want to be bigger. And he was always talking about recruiting for growth and all this sort of thing. And I think perhaps he... you know we listened, because Linda and I both are quite good listeners and so we take on board what he says. And I think both of us probably then thought about it, either consciously or sub-consciously I don’t know, and then thought; well, yes maybe we do want to be a bit bigger because I think we have seen some projects come through this year where size has mattered.”

McQuillan Young Director

The two last two cases, though, exhibited a distinct lack of political activity. The attempts to influence, position and contextualise interventions, prominent in The Post Office, were almost absent. The Directors of both client organisations perceived little efforts to lobby them, and staff resentment or resistance was practically non-existent.

“They saw it as a problem solving exercise...I think they saw it as being that we’d come back and we’d wave a magic wand and all of a sudden everything would be 9 to 5 and wonderful...we hadn’t said specifically what we were going for, but they assumed it was for their benefit.”

Carousel Director

“I think they were deeply suspicious at first. I’m not sure they’re completely comfortable. They’ve got used to it... I think (one member of staff) was probably quite resentful, certainly in the beginning, partly because we were small and she wasn’t part of the meetings, and partly because there was an external influence having an impact on her life without her say so.”

McQuillan Young Director

“We haven’t been invited to share it, except in very specific circumstances... so, no, I don’t think we would presume to say before they went off that we think this.”

McQuillan Young Staff Member

The iterative and continual process of analysis, reflections and synthesis throughout the period of the research led to a richer, deeper and more inclusive understanding. The last two cases helped to break down the sharp divide between *separation* and *absorption*,

and drew attention to subtle processes of mutual influence and the way in which the tensions between the different ways of seeing and acting are mediated and managed.

The overarching dimension of *absorption* was recast around two categories: *pressure to conform* and *dissolution and fusion*, which subsumed and redefined the earlier categories of *politicisation*, *contextualisation* and *maturity*. In addition, a core category of *interplay and tensions* was created, comprising processes of *embedding* the intervention and *managing the interplay* between the competing enactments, and a third ‘second order category’ of *inherent tensions*. This process of elaboration, refinement and recasting involved a restructuring of the coding framework, shown in its final form in Exhibit 4. This final coding framework comprises new “in vivo” codes and analytical codes from the second phase of the research as well as supplementary codes from the first two case studies. Specifically, these supplementary codes are “in vivo” codes not identified at the end of the first phase and included in Exhibit 3. The additional and re-allocated “in vivo” codes from the first two cases are indicated.

In essence, the drafting of the thesis was the final stage of an on-going process of reflection and synthesis. The concepts and conclusions of the research are described and explained following a review and evaluation of the field research.

CONSOLIDATED ANALYTICAL CODES, CATEGORIES AND DIMENSIONS

| “In Vivo” Codes | Analytical Codes | Second Order Categories | Overarching Dimension |
|--|----------------------------------|---------------------------------|------------------------------|
| marshal commitment forced to confront catalyst made us driving force <i>priority</i> <i>single minded</i> <i>channel, focus</i> <i>not minutiae</i> | focus | | |
| independence ignored wider issues say no need to do regardless <i>get things on the agenda</i> <i>list of things to cover</i> | boundaries, scope | Crystallisation/ Reification | SEPARATION |
| something we could say/ call our strategy face validity circle around business cobbled/ “blue tac” clear strategy, not woolly (importance thereof) consensus paid money for document affirmation <i>articulate thinking</i> <i>crystallise ideas</i> | output tangibility, synthesis | | |

Key to In Vivo Codes:

- Normal text: Bristol and West Building Society / Kepner Tregoe and/or
The Post Office / Kepner Tregoe codes (original)
- Normal text*: From above cases, re-allocated as a result of second phase of the research
- Normal text(+): From above cases, supplementary as a result of second phase of research
- Bold text:** Additional codes from Carousel/ Triangle Management Services case
- Italics:* Additional codes from McQuillan Young Comm. / Transitions case

CONSOLIDATED ANALYTICAL CODES, CATEGORIES AND DIMENSIONS

| “In Vivo” Codes | Analytical Codes | Second Order Categories | Overarching Dimensions |
|---|--|-------------------------|------------------------|
| models, methodology systematic, structure unfolding process framework for discussion helpful way to see credibility, viability marshall thoughts rigour tools formal analysis | methodology, concepts, framework/ approach | | |
| experience challenge, critique have opinions devils advocate external stimulus test; from intellectual or intuitive source questions, criticism objectivity lateral thinking stark contrast <i>bigger perspective</i> <i>demytify</i> <i>prodding and poking</i> <i>impress importance of</i> | external perspective, challenge | Alternate Paradigm | SEPARATION |
| industry knowledge never thought we could <i>why is or how could be</i> | expertise, knowledge | | |

CONSOLIDATED ANALYTICAL CODES, CATEGORIES AND DIMENSIONS

| “In Vivo” Codes | Analytical Codes | Second Order Categories | Overarching Dimensions |
|--|--|-----------------------------------|------------------------|
| discipline prisoners of the process tunnel, rigid working with terrorists keep us on track, bring us back enable, facilitate poultice, draw out issues shaft of light to break out of circle referee face up to, total honesty move in a convoy <i>drag us back</i> | external management | | |
| outside, cut off out there somewhere, off in a room behind closed doors hermetically sealed in secret low involvement by design no consensus at next tier of management <i>open door, but lowered voices</i> | physical detachment | Altered Discourse and Interaction | SEPARATION |
| less functional more peer, but boss still present lower level of politics more constructive top executive together for long time | hierarchical/ status influence reduced, interactions changed | | |
| more emotional(+) sentiments not expressed otherwise take out of scenario <i>take on more, delicate issue</i> <i>not minutiae</i> | subjects discussed | | |

CONSOLIDATED ANALYTICAL CODES, CATEGORIES AND DIMENSIONS

| “In Vivo” Codes | Analytical Codes | Second Order Categories | Core Categories | Overarching Dimension |
|--|-------------------------|--------------------------------|------------------------|------------------------------|
| (CEO) leads the process jolt/ shake the system keen to get hands on business different agendas | agendas | | | |
| force issue of being communicated to adequately brief MD influence the outcome minimise the damage competition divide and conquer forage around more visits <i>not presume</i> | influenc- ing | political activity | Pressure to Conform | ABSORP- TION |
| inevitable resistance legitimise resentment how dare poke fun at constructive cynicism, creative tension natural fears apprehensions <i>not invited to share</i> | resenting/ resisting | | | |

CONSOLIDATED ANALYTICAL CODES, CATEGORIES AND DIMENSIONS

| “In Vivo” Codes | Analytical Codes | Second Order Categories | Core Categories | Overarching Dimension |
|--|------------------|-------------------------------|------------------------|-----------------------|
| overarching questions other work impinges duplication external element of change too powerful added complexity | relatedness | | | |
| biases, strong internal beliefs juxtaposed, competing, foreign invaders essentially a strategic planning methodology poo-pooed it irrelevance, not coming to anything problem solving exercise someone to blame snippets so fear worst <i>up to them to take decisions</i> <i>couldn't have done without</i> <i>shadowy figure</i> | positioning | contextualise/ positioning | Pressure to Conform | ABSORP- TION |

CONSOLIDATED ANALYTICAL CODES, CATEGORIES AND DIMENSIONS

| “In Vivo” Codes | Analytical Codes | Second Order Categories | Core Categories | Overarching Dimension |
|---|----------------------|-------------------------|------------------------|-----------------------|
| draw into own porridge* terrorists, become free of(+) <i>less of an outsider</i> <i>proud</i> <i>part of fabric (but in a detached way)</i> | | dissolution | | |
| skills transfer ownership in psyche and mentality part of management internalised, institutionalised connection, anchor, embed underpin refine and hone beyond prisoners pulled apart and affirmed more aware followed like lambs <i>mind set change</i> | internalisation | | Dissolution and Fusion | ABSORPTION |
| re-framing changed the way people think orients the mind provided the seeds stimulated on-going thoughts more influence than credited raise awareness, move us on transmogrify(+) worked its way into the culture(+) one stage further thinking evolved pulled back our version force 10 gale to ripple | | fusion/maturity | | |
| | re-framing/evolution | | | |

CONSOLIDATED ANALYTICAL CODES, CATEGORIES AND DIMENSIONS

| “In Vivo” Codes | Analytical Codes | Second Order Categories | Core Categories | Overarching Dimension |
|---|---------------------------|-------------------------|------------------------|-----------------------|
| <p>pent up desire* not ready for(+) come to a head couldn’t do it, too close open to suggestions, exhausted <i>struggle with identity</i></p> | readiness | | | |
| <p>personal credibility(+) cultural fit(+) used KT before, familiar(+) part of the wallpaper comfort, relaxed with chemistry, personal fit common ground, affiliation our background relate to (age) <i>success, tangible benefits</i> <i>respect</i></p> | familiarity, comfort, fit | embedding | Interplay and Tensions | |
| <p>explain organisation, educate* ease off(+) accommodated(+) reflection, not just shoot from hip <i>back off, come round again</i></p> | accommodation | | | |

CONSOLIDATED ANALYTICAL CODES, CATEGORIES AND DIMENSIONS

| “In Vivo” Codes | Analytical Codes | Second Order Categories | Core Categories | Overarching Dimension | |
|--|--------------------------------|--------------------------------|------------------------|------------------------------|-------------------|
| private discussions, fireside chats* | intervention direction setting | managing the interplay | | | |
| steer, not entirely democratic* | | | | | |
| close down the debate* | | | | | |
| Nth challenge not welcomed* | | | | | |
| manipulation* | stance | | Interplay and Tensions | | |
| collusion, accomplices* | | | | | |
| not empathise with agenda | | | | | |
| father confessor role | | | | | |
| <i>neutral</i> | | | | | |
| clash, inconsistency* | | | | | |
| dissonance* | | | | | |
| force fit* | | | | | |
| less than expected* | | | | | |
| not compelling* | | | | | inherent tensions |
| strategy – a turd* | | | | | |
| non buy-in, raspberry* | | | | | |
| not invented here* | | | | | |
| little things happen and don't happen* | | | | | |

6. CLOSURE AND EVALUATION OF THE FIELD RESEARCH

6.1 INTRODUCTION

This PhD is essentially exploratory research, grounded in an enactment perspective, into a relatively little studied subject area of how management consultants influence processes of strategic change in organisations. Its aim is to develop, as well as test, social scientific concepts, theories and frameworks.

As the field research and analysis progressed over the last two cases, the findings were integrated into the previous phase of the research, enabling the concepts and theoretical framework to be checked, refined and elaborated. The richness, inclusiveness and credibility of the concepts and framework were continually reviewed and assessed. Once the last case had been analysed and written up, the diversity exhibited by the four cases, and the extent to which theoretic saturation had been achieved, was evaluated with a view to drawing the field research to a close. This evaluation was an integral part of honing and consolidating the emergent theoretical framework. The last two cases researched showed considerable diversity in terms of the intervention methodology and approach, and the involvement of different consultants, which were primary concerns at the end of the first phase of the research. Yet, the concepts emerging from the first two cases were corroborated in many ways and extended in others. The last case, though adding to the study, tended to corroborate rather than extend significantly the emergent theoretical framework, as indicated by the small number of new *in vivo* codes and no additional analytical codes. An analysis of a reported case was also undertaken to explore the robustness of the emergent framework.

An evaluation of the research was then carried out using criteria suggested by Lincoln and Guba (1985) and Wallendorf and Belk (1989): credibility, transferability, dependability, confirmability and integrity. This evaluation suggested that the research was reasonably credible and of wider relevance, though not without some shortcomings and limitations.

The next section analyses the diversity in the cases and the grounds for drawing the research to a close, and is followed by a section evaluating the research.

6.2 DRAWING THE FIELD RESEARCH TO A CLOSE

Three principal factors or criteria were used to determine the appropriateness of drawing the field research to a close: diversity of the cases studied, the extent to which theoretic saturation was achieved, and pragmatism.

6.2.1 Diversity

The latter two cases when compared to the Kepner Tregoe interventions at the Bristol and West Building Society and The Post Office suggest five principal differences:

- Methodologies and Approaches
- Consultants

- Duration of Intervention
- Proximity of Intervention to Field Research
- Client Organisation Size and Stakeholders

There are also important differences between the case of Transitions' work with McQuillan Young Communications and Triangle Management Services' work with Carousel. Specifically, there are significant differences in relation to the first four factors or dimensions listed above, though the cases share some similarities in respect of the last factor.

The nature of the differences and their theoretical relevance in relation to the emergent findings from the research are discussed in turn below.

6.2.1.1 Methodologies and Approaches

The rigid application of the strategy formulation process, yet a reliance on the managers themselves to provide the substantive inputs were important features of the Kepner Tregoe interventions. The consulting process, which separated the senior managers and their deliberations from the conventional routines, was central in developing the concept of *separation*. A review of the 'best practice' texts on management consulting (e.g. Block 1981, Margerison 1988, Kubr 1996) suggests that an explicit or covert imposition of a framework or methodology is intrinsic to consulting interventions. The importance of the specific analytical framework and process in creating or bringing about the actual degree of *separation*, though, remained a relevant question. Also, the extent to which the specific process adopted created the tension in respect of existing routines, patterns of interactions and paradigms, at the group level and in relation to others in the organisation, warranted further investigation.

Kepner Tregoe based its approach on a strongly held belief within the firm that senior managers should carry out the analyses themselves since this generates greater understanding of the issues surrounding strategy formulation and greater ownership of the chosen strategy. Kepner Tregoe had developed and provided the selected groups of managers with an elaborate and rigorous analytical framework to develop a strategy; in essence the specific questions which needed to be answered and the logical sequence for answering those questions. They introduced and explained a range of decision making and analytical techniques to support the answering of those questions and the consultants acted as facilitators during the discussions. An objective of the intervention, from Kepner Tregoe's perspective, was to educate senior managers in the processes involved in formulating a business strategy. Mike Freedman and Ann Orton of Kepner Tregoe did not claim to have any particular view on or insight into retail financial services, logistics nor distribution. The firm's stated core expertise was in facilitating the process through which an organisation would determine its own strategy.

Triangle Management Services did not have a detailed, documented methodology for taking a client through a strategy formulation process. Rather, Paul Jackson structured the main part of the intervention around a basic analytical framework, the SWOT analysis, and used his experience and judgement in applying it and getting the Carousel Directors to apply it during the workshop. The process and method of

analysis were far less rigid, with issues being parked and new issues introduced to the discussions, and did not draw upon well defined decision making techniques. While Paul Jackson recognised the importance of process and facilitation skills, Triangle prided itself on the industry knowledge and expertise of its consultants, and used that expertise to make substantive recommendations. Implicit in the firm's approach is a belief that Triangle typically has a fuller and more objective understanding of the client's business context, and hence the opportunities available to the client organisation. Paul Jackson certainly imposed his industry knowledge and expertise on the debates and used it to help shape the conclusions.

The Transitions intervention was marked by a lack of defined scope, approach and deliverables at the outset. The intervention and consulting support evolved over the period in line with the needs of the business as perceived by Simon Pratten, Linda McQuillan and Tricia Young. The intervention was characterised by a general absence of any formal analytical methodologies or techniques for addressing issues. Simon Pratten focused on asking questions that drew out the implications of options under consideration or possible changes; he was "not always drawing boxes and trying to put things in boxes". The process of deliberation and analysis was more flexible than the Kepner Tregoe approach, and did not revolve around a basic model like Triangle's work. Simon Pratten, like Paul Jackson, drew on his experience, though this was related to the broad sector of professional services rather than specific industry knowledge offered by Paul Jackson. Transitions' implicit value judgements regarding the desirability of growth did permeate, subtly, through into the agenda for the meetings and in setting the direction for McQuillan Young Communications.

6.2.1.2 Consultants

The trust and off-line discussions between the consultant and the Chief Executive were fundamental to an understanding of the way tensions are managed between the formal strategy process and the wider political and organisational agendas. Consequently, the importance of the interpersonal factors, highlighted by other researchers such as Argyris (1961), McGivern (1983), McKinney Kellogg (1984) and Bingham (1992), and the nature and effects of a particular relationship between a consultant and his/her clients needed to be addressed.

In the cases of the Bristol and West Building Society and The Post Office, the senior consultants were the same: Mike Freedman and Ann Orton. Together they managed the strategy review process and facilitated the discussions of the senior management teams from the two organisations. Their management of the process, and their challenges and interventions during the discussions, were described by those managers involved as important in helping them to achieve a new perspective and understanding. In the case of the Bristol and West Building Society, Kepner Tregoe had done work for the Society before and Mike Freedman had presented to the Executive Team and had extensive discussions with the Chief Executive before being commissioned. In the case of The Post Office, Mike Freedman was personally known and respected by the Chief Executive, Bill Cockburn. These relationships were used extensively by Mike Freedman, particularly in the case of The Post Office, to manage the strategy formulation process and the tensions between the 'objective' strategic analyses and the desire to incorporate or promote wider corporate and political agendas. The trust and off-line discussions between Mike Freedman and Bill

Cockburn were fundamental to managing the tensions between the formal strategy process and the wider political and organisational agendas.

The Directors of Carousel commissioned Triangle on the basis of a few brief telephone conversations with Paul Jackson and a referral from a trade association. They had not heard of Carousel before, nor had they met Paul Jackson prior to the evening before the workshop. Paul Jackson was given a very loose brief: “a three sentence e-mail” (Carousel Director) on which to develop Triangle’s proposal. He saw Carousel, as a company, as his client rather than any one or more of the individual Directors, and did not have off-line discussions or briefings with any single Director.

Tricia Young of McQuillan Young Communications met Simon Pratten at a conference, and the first assignment was conducted by Robin Jacobs, another partner of Transitions. Before agreeing to the initial period of six months’ free consulting, the Directors of McQuillan Young Communications had only met Simon Pratten a few times and had attended, along with the staff, a workshop he ran on marketing plans. While Linda McQuillan and Tricia Young had some basis for being comfortable with Simon Pratten, the familiarity, trust and respect grew through the intervention. Initially, Simon Pratten saw the two Directors as his clients, and was equally comfortable dealing with either of them. As the intervention moved forward he started to see McQuillan Young Communications, the business, as his client since it had become in his view a “proper business”. Simon Pratten began to identify with the business and have a certain amount of vicarious pride in its achievements.

6.2.1.3 Duration of Intervention

Time was a key factor in defining the nature and process of *absorption* at the individual, group and wider organisational level. Time is a central theme in the strategic management and sensemaking literature (e.g. Pettigrew 1985b, 1988, 1990, Barr and Huff 1997, Gioia and Chittipeddi 1991). A greater understanding of the effect of the duration of the intervention on how ideas and perspectives are positioned, accepted, internalised and acted upon, or positioned, rejected, subverted and/or subjected to political influences was desirable.

In the two Kepner Tregoe cases, the interventions were made up of 6 workshops, each lasting two days, with approximately a month between each workshop. A summary of the deliberations and conclusions was circulated to the participants by Kepner Tregoe a few days after each workshop. The managers involved in the workshops were tasked with activities to undertake between the workshops and had time to reflect on what had been discussed. The timing in Kepner Tregoe’s approach was designed to allow the managers to mull over the issues and internalise the strategy formulation process, the decisions taken and the final outcome. The other managers in the two organisations were aware of the intervention and had ample opportunity to find out about what was happening, make sense of it and try to influence it.

In the case of Carousel and Triangle, the intervention was made up of a preparatory questionnaire, a single one day workshop, and subsequent dispatch of a brief report a few weeks later. The intervention was kept low key and its brevity did not present many opportunities for those not directly involved to discuss it or seek to influence it.

The Transitions intervention had been running for over a year at the time of the research and expected to continue for some months. Linda McQuillan and Tricia Young had the time to think about, shape, implement and experience the results of ideas discussed during the monthly meetings while the intervention was on-going, unlike the Carousel Directors. Unlike the Kepner Tregoe interventions, the design and duration of Transitions' involvement enabled the focus of interest and agenda to evolve throughout the course of the intervention, incorporating initiatives and keeping the intervention relevant to the changing circumstances of the business. This time horizon also meant that when Simon Pratten did "back off" on certain sensitive or emotional issues, he could come back to them later, not "letting them lie". The scope for managing any tensions or disagreements was therefore much greater than in the other cases; there were no immediate 'make or break' situations confronting the consultant. The staff of McQuillan Young Communications were aware of the intervention and had ample opportunity to find out about what was happening, make sense of it and try to influence it, but showed little inclination to do so.

6.2.1.4 Proximity of Intervention to Field Research

A central feature of the analysis and conceptualisation of *absorption* were the cognitive and mediating processes used to make sense of, and come to terms with the intervention. The literature on sensemaking (Weick 1995, Gioia 1985) suggests that events are continually reinterpreted and made sense of through time as the flow of experience is bracketed or chunked in different ways. Time was expected to influence how the participants both described and explained the intervention, and to allow some insight and examination of how that understanding evolved.

The fieldwork for the Bristol and West Building Society and The Post Office was conducted about two years after the intervention itself, and participants' understanding of the influence of the respective interventions had been shaped by subsequent experience. Informants had formed synthetic and analytic views of the events and their consequences. They could remember how they felt about and appreciated the interventions at the time, and could explain how strategic change had been affected within their organisations, and how their understanding of the nature of strategy, of formal strategy formulation processes and the role of consultants had changed.

Triangle's intervention at Carousel was only a few months old at the time of the fieldwork. The first interviews took place only two weeks after the changes were introduced. Interviewees' impressions and feelings in respect of the intervention seemed to be still fresh, the accounts were more descriptive, and the judgements were more tentative and hedged. The interviewees were aware that neither the longer term effects nor the full ramifications of the changes had unfolded; they were still in the "honeymoon period" (Carousel Director). As such, they were in the middle of the process of integration or "transmogrification" (Bristol and West Director) described by earlier interviewees.

Transitions' intervention at McQuillan Young Communications, when the fieldwork was conducted, was at the same time over a year old and very proximate. Linda McQuillan and Tricia Young recognised that the business had changed and that their thinking and aspirations had also changed. They recognised that Transitions'

interventions had “been a major instrument of change”, and that this had “happened very subtly”. At the same time the intervention was still unfolding, and with it their understanding of how Transitions’ involvement was shaping the development of their company. Linda McQuillan and Tricia Young appeared to be drawing tentative, interim conclusions, which were both considered but also recognised as subject to possible re-evaluation and amendment.

6.2.1.5 Client Organisation Size and Stakeholders

The contextualisation of and attempts to influence the intervention, particularly in the case of The Post Office, and reaction to the outcome were central in defining and understanding the processes and forces of *absorption*. The conceptualisation of organisations as nets of collective action, habituated patterns of interaction and shared cognitive schemas, maps and paradigms focuses attention on the very nature and composition of an organisation (Westley 1990, Fiske and Taylor 1991, Czarniawska-Joerges 1992, Weick 1995). Specifically, the influence of possible strength, complexity and interconnectedness of cognitive processes and action routines on an intervention warranted closer investigations.

The Bristol and West Building Society and The Post Office were both large organisations, with long histories and employing many thousands of people. They had numerous levels of management, geographically dispersed activities and defined management processes, structures and hierarchies. The management teams were subject to external pressures from stakeholders. The Post Office was the subject of political debate over whether it should be partially or full privatised, and was under pressure from the HM Treasury to limit investment and debt funding and to deliver agreed levels of annual surplus. The Chairman of the Bristol and West Building Society was examining whether the Society was large enough to prosper as an independent entity in a consolidating financial services market. Both organisations had long histories and had experienced a reasonable degree of success prior to the interventions. The Directors did not supervise the activities of ‘front line staff’, nor middle managers, but relied primarily on their direct reports to communicate strategic direction to managers and staff lower in the organisation. Senior managers within the Bristol and West Building Society and The Post Office were generally experienced, talented and strong minded individuals with significant responsibilities and authority.

Carousel was family-owned; the Martin family members were owner-managers with vested interests in the success of the company. Carousel was a small company with around 30 Directors and staff, which had been in existence about 12 years and had few major external stakeholders. The Directors spent most of their time running the day to day operations and between them managed most of the company’s staff. Communication between Directors and staff was therefore direct and frequent. Other than the Directors, only one Sales Manager had managerial responsibilities.

McQuillan Young Communications was formed, as a “loose partnership”, about two years before the intervention started and had at the time two Directors and two members of staff. As in the Carousel case, the Directors were deeply involved in day to day activities. They were the main fee earners with responsibility for the provision of client services, as well as having managerial responsibilities. Few processes or procedure had been established. There was little history or previous experience of

what was required in “building up a business”. Linda McQuillan and Tricia Young had few conceptions of what were appropriate or relevant subject matters to be discussed as part of a review of strategy and organisation structure.

Table 2 summarises the principal differences discussed above.

Table 2: Summary of Differences among Cases Researched

| | Bristol and West / Kepner Tregoe | The Post Office / Kepner Tregoe | Carousel / Triangle Management Services | McQuillan Young / Transitions |
|--|---|--|---|---|
| Methodology / Approaches | Rigid methodology, process expertise and approach | Rigid methodology, process expertise and approach | SWOT, industry experience | No explicit methodology, experience of similar business |
| Consultants | Mike Freedman and Ann Orton, little prior contact | Mike Freedman and Ann Orton, prior intervention with CEO | Paul Jackson and Jason Whiteley, negligible prior contact | Simon Pratten, some prior contact and work |
| Duration of Intervention | 6 Workshops, 5 months elapsed time | 6 Workshops, 5 months elapsed time | 1 Workshop, 1 day, follow up report | Monthly meetings, 18 months |
| Proximity of Intervention to Field Research | 2 years | 2 years | 3 to 6 months | On-going |
| Client Organisation Size and Stakeholders | Large, mutual, long history | Very large, public sector, very long tradition | Small, family owned business, 12 years old | Fledgling partnership |

6.2.2 Theoretic Saturation

As indicated above, the four cases represent markedly different interventions, in terms of process and context. Yet the last two cases broadly supported and elaborated the concepts and theoretical framework that emerged from the first phase of the research.

In particular, the dimension of *separation* was reinforced and a new analytical code relating to the use of expertise or knowledge was added by the Carousel / Triangle Management Services case. The last two cases also helped to draw apart the way in which interactions were changed into issues to do with reducing hierarchical or relational positions or postures and issues to do with the subjects discussed. In terms

of *absorption*, the last two cases expanded upon the way that learning, adoption of ideas and change occurs as part of and following an intervention. The pervasive presence of organisational commitments was a consistent theme, especially how ideas and themes proposed by consultants are either immediately or later evaluated in terms of prevailing norms and routines. The notion of the consultant being co-opted and the intervention itself *absorbed* was suggested by the McQuillan Young Communications / Transitions case. The political activity, which is marked in The Post Office case, did not appear very strong in the last two cases.

The final coding framework, shown as Exhibit 4, reflects how the last two cases contributed to the amendment and elaboration of the concepts and understanding. As can be seen from comparing Exhibits 3 and 4, the coding framework was recast following the second phase of the research, though the two core dimensions remained. The Carousel / Triangle Management Services case provided an additional analytical code and some in vivo codes. McQuillan Young Communications/ Transitions case contributed some new in vivo codes, but no additional analytical codes.

In a pure grounded theory approach, the signal to stop investigating new cases or instances of the phenomenon comes when theoretical saturation occurs, namely that the new cases add practically nothing to the theory development (Glaser and Strauss 1967, Strauss 1987, Strauss and Corbin 1990). Clearly, the McQuillan Young Communications / Transitions case added to some concepts and aspects of the theoretical framework. But the case also showed a strong degree of convergence towards the synthesis achieved from the earlier cases, despite the notable differences discussed above. Research and analysis of additional cases might enable more testing and elaboration, and bring out more subtleties and nuances. The view taken was that additional data would add relatively little to the development of the core concepts and overall insight into consulting interventions.

As a check on the robustness of the theoretical framework, an analysis of a reported consulting intervention was undertaken. The case relates to consulting work undertaken by Professor Chris Argyris of Harvard University, which he describes in detail in his 1993 book; “Knowledge for Action” (Jossey-Bass). The case offers the opportunity to explore whether elements of the conceptual framework developed through the research can be identified in an account and data generated outside the research itself.

“Knowledge for Action” is laced with extended transcripts of actual, tape-recorded conversations and intervention, as well as Argyris’ thoughts at the time and subsequent reflections and analyses. This abundant use of first hand data is deliberately intended “to provide readers with the information to make up their own minds about the validity of my (Argyris’) inferences and analyses.” (1993:67). Especially valuable in elaborating and testing the framework put forward by the PhD research is the conscious effort by Argyris “to provide the reader with a window into my mind by commenting on the conversations and also provide relatively observable data showing how I acted and how others responded.” (1993:68)

The nature of the intervention studied, the process of extracting data and creating an account of the intervention, and the stated purpose of the book are different from this research. The intervention in question was designed to change the undesired, but

apparently entrenched, defensive behaviour patterns of Directors of a consulting firm. Thus the focus of the intervention was not the firm's strategy as defined in Chapter Two of the thesis. Also the account of the intervention was developed by the interventionist himself, with only a partial insight into and partial attention on how the intervention itself was being construed by the Directors and within the firm. Finally, the text examines the processes of creating effective and sustained double loop learning in an organisation, and Argyris' primary audience includes field researchers in organisational learning, OD professionals, planners and implementers of management education. Argyris' primary theoretical focus is not consulting interventions per se.

The detailed account of the intervention was read thoroughly, including some of the later sessions or incidents, then coded using the coding framework developed (Exhibit 4 in Chapter Five). Clearly, the coding was far more tentative and speculative than in the cases studied personally, where I had the opportunity to explore the interpretations and understanding of those involved directly. Argyris (1993) though is deliberately explicit and highly articulate, reducing the scope for gross misunderstanding. Despite some missing elements, examples of most of the analytical codes could be readily identified. The analysis is summarised in Exhibit 5, which contains quotations and illustrations from the text with associated page references to Argyris' text. Processes of *separation* were evident, while the *interplay and tensions* and *absorption*, though identifiable were less prominent. This research suggests that these latter processes are not always at the fore and somewhat opaque, even to the more sensitive and experienced consultants. In this case, the consultant is also the author and narrator, and these elements might reasonably have been expected to be under-stated. Overall, the analysis pointed to the usefulness and robustness of the framework for examining consulting interventions.

In addition, the research, though aimed at theory development, is not a pure form of grounded theory method. It is directed and informed by prior research, theory and a theoretical perspective. The links to and underpinning by extant theory and empirical research, reviewed in the next chapter suggest that the research is well grounded. In particular, the case studies exhibit most of the characteristics or properties of sensemaking as set out by Weick (1995): grounded in identity construction, retrospective, enactive of sensible environments, social, ongoing, focused on and by extracted cues and driven by plausibility rather than accuracy. As such, the cases are not islands of research without any underpinning other than their own data for the emergent concepts and theories.

Moreover, the research should be taken and judged as an intentionally exploratory study in a relatively under-researched and difficult to research, though increasingly important, area of management.

**ANALYSIS OF REPORTED CONSULTING INTERVENTION
(AGRYRIS C (1993); ‘KNOWLEDGE FOR ACTION’; JOSSEY-BASS)
USING RESEARCH DERIVED ANALYTICAL CODES**

| Research Code | Quotation or illustration from text; page reference in brackets |
|--|---|
| Focus | Publication of results (73) Directors not to have freedom to veto publication (74) Joint commitment following meeting (74) |
| Boundaries, Scope | Letter describing the major conditions (74) Action strategies were defensive, anti-learning and overprotective... working with individuals dedicated to integrity and honesty... to learn how to stop such hypocritical actions (89) |
| Output, Synthesis | Development of Directors’ Action Map (92, 94, 98) |
| Methodology Concepts, Approach | Collation of causal explanations; translation and mapping; feedback and validation; connection to actions; change seminar; support and intervention as requested (69, 70) Model 1 and Model 2 (49-66) Top down intervention (74,75) |
| External perspective, Challenge | Four features of effective feedback (91) Make views known and model the reasoning and skills (111) Normative position (113) Case examples (112, chapters 7 – 11, especially chapter 11) |
| Expertise, Knowledge | Knew that... came prepared... expected... not troubled by... concerned if... responses would give me some clues (75- 77) |
| External management | Feedback session managed by an intervener (131) My presence was crucial... prevent the situation from escalating counter-productively (152) |
| Physical detachment | Resist interviewing subordinates (75) Directors only at Feedback session and Change Seminar (90, 135) |
| Hierarchy reduced, Interactions changed | CEO’s candid reflections (at Feedback session)... led other Directors to explore their feelings about the CEO (118) |
| Subjects discussed | Undiscussables and cover-ups blew the cover-up and violated the norm of undiscussability (70) |

**ANALYSIS OF REPORTED CONSULTING INTERVENTION
(AGRYRIS C (1993); “KNOWLEDGE FOR ACTION”; JOSSEY-BASS)
USING RESEARCH DERIVED ANALYTICAL CODES**

| Research Code | Quotation or illustration from text; page reference in brackets |
|---------------------------------|---|
| Agenda | Live case... typically focused on an episode that had actually occurred and that was frustrating and embarrassing or threatening (135) CEO has responsibility for allocating consultants to cases... he has an inadequate understanding... created a process which undermines effective marketing and encourages unilateral resource grabbing and “black market” deals (136) |
| Influencing | |
| Resenting/ resisting | Genuine confrontation (117) |
| Relatedness | “Right” opportunity (151) |
| Positioning | |
| Dissolution | Others pitched in to help them produce new actions (152) Intervener no longer invited for sessions (153) Directors and others chose to continue tape recording some sessions (153) |
| Internal- isation | Directors began to realise... also learned... The (Feedback) session taught the Directors (70) The Change Seminar began the learning process (71) Signs of learning (146) |
| Re-framing Evolution | In the eyes of the participants, the experiments were trails of using a new set of skills to produce new consequences. They were not experiments to test a theory... (153) |

**ANALYSIS OF REPORTED CONSULTING INTERVENTION
(AGRYRIS C (1993); ‘KNOWLEDGE FOR ACTION’; JOSSEY-BASS)
USING RESEARCH DERIVED ANALYTICAL CODES**

| Research Code | Quotation or illustration from text; page reference in brackets |
|-----------------------------|--|
| Readiness | Saw a problem (73) A meeting to assess the commitment of all the Directors (73) |
| Familiarity, Comfort | Second, and private, opportunity to question me and the proposed program and to express doubts that they might not have expressed during the group meeting (74) My presence was crucial, even if I did not speak (152) |
| Accommodation | The decision on how much of this or that should be in your system is your decision (114) You may even wish to own up that you do not want to change certain actions (114) |
| Direction setting | Directors framed the problem (68) |
| Stance | Two major tasks... causal explanations... and generalisations (69) They felt that I respected each of them and that I was going to protect the process as best I could (241) |
| Inherent tensions | Validity of subordinates’ diagnoses of superiors’ performances before they themselves have gone through the process of developing a personal commitment to change and continuous improvement.... more evenhanded when they know their evaluations will become part of a joint dialogue... don’t realise the subtleties of the ways in which they bash their superiors (75) |

6.2.3 Pragmatism

Closure also has a pragmatic element. There is merit in documenting and publishing findings before the research is overtaken by events, loses its momentum or the researcher simply runs out of time. Access to other cases would neither be easy nor achieved in a short space of time. The general reluctance of consultants and their clients to talk openly about specific assignments was evident from the extensive efforts required to secure the four cases researched. Personal connections, perseverance and luck were required to gain entry to all four cases. Both Kepner Tregoe and The Post Office declined to participate when approached via a mailshot, while many other organisations expressed initial interest only to withdraw later. The lack of research has retarded analysis and theory development, leaving managers and consultants alike to stumble along on the basis of prejudices and consulting lore. Any rigorous research, even subject to later review and modification, benefits practitioners and provides another point of reference for the academic community.

6.3 EVALUATION

Evaluating research is vital, both to ensure that the foundations on which subsequent research may be built are solid and to give confidence to practitioners who may act upon the implied advice or concepts.

An abductive research strategy has been used to generate theory, in the form of a “coherent description or explanation of observed or experienced phenomena” (Gioia and Pitre 1990), primarily from interview data. The proposed concepts and theoretical framework come from coding and synthesis of multiple accounts, and the fusion of these accounts into case specific, researcher-compiled narratives, accessible to and commented on by informants. The role of the researcher as the primary research instrument (Berg and Smith 1988, Smith 1988) is also acknowledged.

As Yin (1994) points out, a qualitative, emergent process of data collection, analysis and synthesis inevitably requires the researcher to make judgements and to steer a course based on a personal understanding and evaluation. Case investigators are, accordingly, alleged to be particularly prone to bias.

6.3.1 Evaluation Criteria

To assess the trustworthiness of the research, Lincoln and Guba (1985) suggest four questions to be addressed:

- How do we know whether to have confidence in the findings?
- How do we know the degree to which the findings apply in other contexts?
- How do we know the degree to which the findings emerge from the context and the respondents and not solely from the researcher?
- How do we know the degree to which the findings would be repeated if the study could be repeated in essentially the same way?

These questions reflect a more subjectivist or social constructionist stance and are more appropriate than the functionalist tests for establishing the quality of empirical social research commonly used, and cited by Yin (1994), of construct validity, internal validity, external validity and reliability. Importantly, the cases are deemed unique sets of events and subjective experiences. The research process itself is seen as an inter-subjective process in which informants or social actors create and communicate meaning. As such, the questions reflect a concern for quality rather than verifiable validity, and are phrased in terms of degree.

Lincoln and Guba (1985) suggest four specific criteria for evaluating research, which better reflect the issues and consideration in subjectivist research: credibility, transferability, dependability, and confirmability. Wallendorf and Belk (1989) add a fifth criterion: integrity. These five criteria are described in Wallendorf and Belk (1989):

- **Credibility:** adequate and believable representations of the constructions of reality studied
- **Transferability** the extent to which working hypotheses can also be employed in other contexts, based on an assessment of similarity between the two contexts
- **Dependability** the extent to which interpretation was constructed in a way which avoids instability, other than the inherent instability of a social phenomenon
- **Confirmability** the ability to trace a researcher's construction of an interpretation by following the data and other records kept
- **Integrity** the extent to which the interpretation was unimpaired by lies, evasions, misinformation, or misrepresentations by informants

In evaluating the research against these criteria, the following sections draw upon the description of the research process and methods in previous chapters.

6.3.2 Credibility

For the research to be credible the concepts and theory should be adequately grounded in and be empathetic to actors' meaning and interpretations. The process of analysis and synthesis should at the same time meet the requirements of rigorous social theory, yet remain faithful to actors' constructions. A number of techniques suggested by Lincoln and Guba (1985), Wallendorf and Belk (1989) and others (Burgess 1984, Yin 1994) were employed.

Prolonged engagement is suggested to acquire deep understanding of the social phenomenon and to enable an assessment of the quality of the data. While the research methods did not include direct observation of interactions between managers and consultants, most of the data collected came from in-depth interviews. The semi-structured interview format allowed informants to express themselves freely and in

their terms. The topic guides, which built on the literature, previous interviews and findings from earlier cases, enabled apparently interesting or theoretically relevant subjects to be probed and investigated thoroughly. Both the data collection and analysis built upon significant personal experience as a management consultant. This made the process of inquiry efficient and practitioner informed. This literature based and experiential sensitivity combined with the evolutionary research process provided a backdrop against which issues, comments and tensions could be thrown into relief and then explored fully.

The data upon which the concepts and theoretical framework are grounded came from multiple perspectives and sources within a case, and from multiple cases. Documentary data in most cases was supplemented by in-depth interviews with a range of managers within the client organisation and the consultancy. This enabled comments, opinions, interpretations, and explanations to be compared, and the nuances and subtleties to be explored and distilled. Concepts from the earlier cases were tested and elaborated in later cases, as part of an integrative process of theory development. The diversity in the cases provided the opportunity to identify and analyse potentially negative cases.

In each case, a theoretically informed account of the interventions was sent to the sponsors within the consulting and client organisations for their comments. This provided a check of my understanding and articulation, albeit in the form of a composite account, of their experiences and interpretations. Their expressed comfort and understanding with the concepts and analysis provided another check that the theoretical framework was accessible to them and resonated with their constructions of reality.

There was also a continuous dialogue with my supervisor regarding the emergent findings and concepts, which provided a check for reasonableness and credibility. Interim papers were drafted and reviewed by the PhD Review Panel and other members of faculty at Cranfield School of Management as a deliberate strategy of peer review. In addition, a paper documenting the findings and concepts from the first phase of the research was drafted and submitted for the British Academy of Management Conference in 1997. The paper was reviewed and accepted as part of the regular stream, and subsequently presented at the Conference in September (Pellegrinelli 1997).

The credibility is though limited, as in most PhDs, by the fact that the research relies fundamentally on the skills, rigour and creativity of a single researcher, operating to a large extent alone. Empathy, intuition and prejudice tend to merge, and it is impossible to know how much influence the individual researcher has on informants' accounts of their experiences. The credibility of the research, ultimately, can only be judged by its insight and endurance in the face of other, similar research.

6.3.3 Transferability

For the research to be transferable the concepts and theoretical framework should be applicable in other, similar circumstances. While the findings are grounded in a set of unique cases, they should prove useful hypotheses, perspective or frame of reference for examining and understanding other instances of consulting intervention or social

interactions more broadly. As such, the framework should identify and articulate processes and forces so that relevant assessments of similarity between contexts can be made.

The research is framed within the enactment perspective, which provides a meta-theory of how individuals, groups and organisations make sense of and construct their social reality. In a very small part, this research elaborates this meta-theory and illustrates the enactment process. As such, the research represents a sensitising mechanism for future researchers and practitioners who wish to explore and understand social reality within the enactment perspective. Moreover, the concepts and theoretical framework spell out the processes of reciprocal influence between the intervention and the on-going enactments within the organisation. This facilitates the process of analytic generalisation to other instances, in terms of where the concepts and framework might be relevant in understanding or studying the cases in question.

More specifically, the diversity of the cases studied indicates that the findings and concepts have a direct, transituational relevance in cases where management consultants intervene to help senior managers to develop strategies. The cases studied displayed significant differences along five theoretically relevant dimensions, as described and analysed above:

- Methodologies and Approaches
- Consultants
- Duration of Intervention
- Proximity of Intervention to Field Research
- Client Organisation Size and Stakeholders

This diversity provides confidence in the concepts and a priori expectations that they might be applicable in many circumstances. The analysis of the intervention by Argyris (1993) provided further confidence in the wider applicability of the concepts and theoretical framework. The complexity and range of possible interventions, though, means that the concepts and framework can only represent starting hypotheses. In essence, the transferability or boundaries can only be determined by further research and more cases. The concepts are open to continual refinements and modifications (Glaser and Strauss 1967), which is a fundamental characteristic of emergent, exploratory research within a social constructionist stance.

6.3.4 Dependability

For the research to be dependable the concepts and theoretical framework should be grounded in relatively enduring features of the social world, not fleeting constructions based on particular circumstances. Dependability is a central concern for practitioners, as well as academics, if they are to base their actions on the concepts and frameworks developed from the research.

The diversity of the cases, again, provides some confidence in terms of the empirical grounding of the concepts. The links to and underpinning by the existing theory and research indicated above suggest that the processes investigated are built on enduring features of social reality. The limitation inherent in retrospective case of not being able to follow unfolding processes is only partly remedied through the differing time

gaps between the field research and the various interventions and through deliberate probing, during the interviews, for how views had changed.

The theoretical framework, though, is not conceived as a set of causal relationships which consistently operate within a set of boundary assumptions and constraints (Bacharach, 1989), but as a coherent description and explanation of an experienced social phenomenon (Gioia and Pitre, 1990). The theoretical framework should not be used prescriptively, but rather as a way of seeking to understand, approach and influence a consulting intervention. It is an addition to managers' and consultants' knowledge, sensitivity, tool kit or repertoire.

6.3.5 Confirmability

For the research to be confirmable the researcher should be able to demonstrate that the findings and concepts are grounded in the actors' constructions, and that the researcher has been open to actors' conceptions. As Wallendorf and Beck (1989) state:

“The term neutrality is an inappropriate term for this concern because post-positive research recognizes that there can be no absolute objectivity; at best the researcher can become conscious of and hopefully reduce his or her ethnocentrism, semantic accents, and biases.” (1989: 78)

The research methods employed provided an explicit link between the data and the concepts and theoretical framework. The coding framework is a prime, but not the only manifestation of the logic and rigour of the analysis. It shows how actors' concepts, captured in the form of in vivo codes, are grouped into and made sense of through analytical codes, categories and dimensions, which were derived through a process of analytic induction. Its development over the course of the research is shown in the form of two snap-shots as Exhibits 3 and 4. Memos and reflections in the form of rough notes were written throughout the process and synthesised as formal PhD Review papers, submitted to the PhD Review Panel, and Interim Review papers, submitted to my supervisor. This process established chronological points of reference on the development of my thinking, and the feedback served to highlight ambiguities, biases and shortcomings in the research as it proceeded. Clearly, though, the process was messy, iterative, and intuitive and called for the occasional creative leap (Weick 1989), to be supported or discarded as a result of further research or analysis (Glaser and Strauss 1967).

Importantly, the case studies are supported extensively with quotes from the verbatim transcripts, which sought to capture both the informants' ideas and the subtleties in the way in which they were expressed. As described above, the case study write ups were sent to the sponsors within the consulting and client organisations for their comments. While the write ups are researcher-compiled narratives, the comments from sponsors indicate that they are resonant with the views and experiences of those involved.

6.3.6 Integrity

For the research to have a high degree of integrity, there should be evidence that interviewees were encouraged to share their views, and did so willingly and

unreservedly. This can be particularly important if informants hold back for fear of recrimination or a desire not to breach confidences.

There was no evidence of prior briefing or any form of collusion in relation to the research, either between clients and consultant, or among company members in any of the cases studied. The interviewees were asked if they would be willing to participate, either directly by me, by the sponsor for the research or by their Directors. The interviews themselves were conducted in private, and the other people interviewed, or to be interviewed, were disclosed before the formal interview as part of a brief explanation of the background to and nature of the research. The research was firmly positioned as academic, and therefore, implicitly, only remotely relevant to their organisations. I made it clear, where there was any doubt, that the research was not part of an audit and that it was unlikely to have direct consequences for the individuals interviewed.

Interviewees were made aware that comments and quotes would be used. Anything designated by informants as “off the record” remained strictly confidential. In general, interviewees held firm opinions and were prepared to express them. If they thought I was going off at a tangent or had not understood what they were trying to say, they corrected me and emphasised their point of view. Except for the McQuillan Young Communications / Transitions case, the cases were exclusively retrospective and there was no on-going relationship between client and consultants which could be jeopardised or compromised by the research. In the McQuillan Young Communications / Transitions case, the relationship was seen as successful and strong by everyone interviewed. The case of Kepner Tregoe’s intervention with The Post Office was the only one regarded by some members of the client organisation as a failure, and then the informants talked in a frank and open way about their views and reflections. In part, this may have been facilitated by the earlier departure of the Chief Executive, Bill Cockburn, who was clearly seen as Kepner Tregoe’s sponsor.

The willingness of informants to answer questions on and discuss a wide range of delicate issues suggested that there were few if any attempts to avoid an issue. The use of retrospective case studies meant that I personally could not observe interactions, nor follow how ideas emanating from the intervention or the appreciation of the intervention itself. The comparison of multiple accounts did not suggest that there were any attempts to deliberately misinform me. Clearly, it is not possible to know whether certain topics were not mentioned, or personal positions or perspectives were misrepresented, nor is it possible to evaluate their potential significance. I did gain a very personal, intuitive and highly subjective impression that one company informant in each of the last two cases may have down-played, though not denied, an element of resentment or discontent in relation to the intervention.

6.3.7 Evaluation Summary

In summary, the research offers a reasonable degree of assurance that the findings are believable and credible, and that they can offer guidance and insight, with confidence, on other instances of strategy consultancy interventions. Inevitably, this research has some shortcomings and limitations (Shipman 1988) touched upon above, which relate to a single researcher studying a relatively small number of retrospective cases. There are reasons for presuming, though, that there is enough of a path for others to follow and build upon.

7. CONSULTING INTERVENTIONS AS EMBEDDED ENACTMENTS: CONCEPTS AND DISCUSSION

7.1 INTRODUCTION

The case study research provides insight into and a theoretical framework for understanding and explaining how consultants' strategy interventions influence processes of strategic change within organisations. Interventions are conceived as embedded enactments within the theoretical framework characterised by two overarching dimensions. These two dimensions are *separation* and *absorption*.

Certain consulting processes and activities can be understood as seeking to create and sustain a distinct enactment. The case study research points to this *separation* being created and maintained in three distinct, but inter-related, ways: crystallisation/reification, the imposition of an alternative paradigm, and the altering of existing patterns of interaction or discourse. It is through creating and maintaining some degree of *separation* that consultants can influence and contribute to the strategic thinking and subsequent actions of their clients and senior management within the organisation.

This enactment, which is created and sustained by the consultant(s), is embedded within the prevailing organisational enactment, and subject to a number of forces or processes of *absorption*. Consultants and members of the organisation involved in the intervention are under pressure to conform to, or to operate within, the constructs of the wider organisational enactment. Efforts to establish *separation* are met with inertia, resistance or active attempts to influence the intervention. These pressures and the need to make the intervention understandable, believable and acceptable mean that the ideas, analyses and views emerging from the intervention are continually being tested against, reviewed in the light of and related to wider constructs and assumptions.

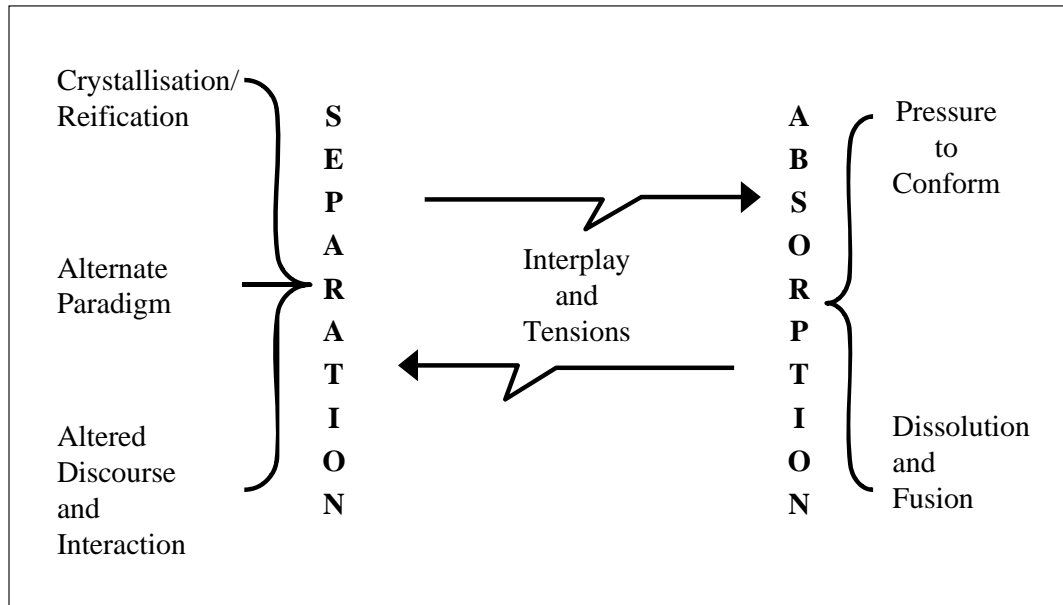
The temporary enactment created by the intervention enables individuals to re-shape their realities and go on to establish new routines and patterns of action, which in turn permeate and diffuse through the organisation. The enactment facilitated by the intervention gradually dissolves and is fused within the wider organisational enactment, and the intervention itself can become part of the fabric of organisational life.

The interplay between *separation* and *absorption* shapes the nature and course of an intervention and the influence consultants have on members of the organisation experience and live out their social world. Through processes of *separation* consultants seek to carve out a separate enactment while members of the organisation seek to understand, frame and deal with the intervention within the wider, taken-for-granted enactment. To varying extents, boundaries are permeable and the enactments are reciprocally influential. The views, desires and commitments of senior managers shape the nature of the intervention and constrain the freedom of consultants to assert their constructions of reality. Consultants are influenced as well as influence during the course of an intervention. The interplay between *separation* and *absorption* is a manifestation of the abstract notion of competing enactments (Smircich and Stubbart

1985). Advocates of the two enactments seek to secure a critical mass of belief and acceptance. The resulting tensions promote sensemaking and mediating activity to accommodate differing views as individuals attempt to generate or renew shared constructions of the organisation and its environment. The stronger the *separation*, the greater the potential dislocation between the formal strategy, or outcome of the intervention, and the prevailing organisational enactment.

Figure 1, as shown in Chapter 1, is an illustration of the theoretical framework.

Figure 1: Separation and Absorption



In a number of ways the research is supported by and expands upon many theoretical views and various empirical research studies on how consultants seek to influence strategic thinking and change within organisations. The research also provides a deeper and richer conceptualisation and insight into how context, and more specifically the organisational enactment, affects a consulting intervention and processes of reciprocal influence. Pressures to conform, the dissolution and fusion of the consultant facilitated enactment, and the interplay and tensions between enactments are distinct conceptualisations of important aspects of consulting interventions, and are contributions made by the research.

The remainder of this chapter expands upon the key findings and concepts and discusses their relation to existing theory and other research. In particular, the chapter uses the second order categories and analytical codes and their relationships to explore and understand consulting interventions. Extracts and illustrations from the cases are drawn upon both to ground the concepts and to add richness and vitality.

7.2 PROCESSES OF SEPARATION

By creating and maintaining some degree of *separation* consultants influence and contribute to the strategic thinking and subsequent actions of their clients and senior

management within the organisation. *Separation* is created and maintained in three distinct, but inter-related, ways: crystallisation/ reification, the imposition of an alternative paradigm, and the altering of existing patterns of interaction or discourse.

7.2.1 Crystallisation/ Reification

A consultant's intervention qualitatively changes the way in which strategic issues are discussed and decisions are made within an organisation, creating greater focus, definition and tangibility in respect of issues or direction. The act of bringing a consultant into the organisation begins to break down the almost seamless connection between different issues, agendas and activities, and the indefinite time horizon over which decisions and progress can be made.

The hiring of a consultant can be an act of recognition that an issue, or set of related issues, is important and worthy of special and prompt attention. Once a consultant is hired, senior managers are aware that they are no longer completely at liberty to address these issues "at a time when perhaps it fits with the wider issues", nor "keep at this until we have got it right" (POEC member), as might be the case in the absence of an external intervention. The "firefighting, and I mean constant firefighting", as in the case of the Carousel Directors, becomes less of a priority and time is allocated to addressing strategic questions and issues. As such, the intervention generates focus and a degree of commitment to going to meetings and tackling these issues; "we are going to do it" (McQuillan Young Director). In a sense, the intervention forces management to confront a number of key issues; "makes us face some issues that...you might just sweep under the carpet" (McQuillan Young Director). It can also be an impetus and discipline for action, whether it is as straightforward as filling in a questionnaire (Carousel), or embarking on radical change. The intervention can be "a major instrument of change" (McQuillan Young Director).

An intervention also formally creates the object or thing of interest, in the cases researched this was the business strategy of the respective organisations. The act of reification, namely generating an object of interest, implicitly defines what is not of interest, or at least what is less prominent and relevant. Strategy formulation is thus disconnected from other issues with which it may have been linked explicitly or unconsciously in the minds of senior managers. This act of bounding or scoping the object of the intervention is designed to limit and, in the process, clarify the issues that need to be addressed. It focuses effort on a more tightly defined set of relationships and/or interdependencies, making them more analytically tractable or conceptually manageable. In the Kepner Tregoe interventions the assertion or working hypothesis of independence between business strategy and the ownership of the respective organisations is invoked as a way of justifying the bounding of the interventions. In the case of The Post Office, it helped to get around management's habit of "externalising the problem" of being ultimately controlled by the Government, and therefore not addressing longer term, strategic questions. In the Triangle Management Services case, the Carousel Directors identified a number of issues for discussion, which Paul Jackson added to his ideas of what issues constituted business strategy. During the workshop though, Paul Jackson sensed or responded to an indirectly expressed need to open up the discussions to issues of leadership and management structure. The scope of the intervention was deliberately widened to address a set of related issues which Paul Jackson, explicitly, and the Directors,

implicitly, recognised as necessary for the successful definition and implementation of a way forward. In the Transitions intervention, the boundaries were agreed at each meeting and captured in the form of an agenda. Even with such apparently permeable and arbitrary scoping, the agenda items were disconnected from on-going discussions and concerns; “we don’t chat about the minutiae of what’s going on” (McQuillan Young Director).

Kepner Tregoe, in common with most consultants, capture as far as practical the logic leading to, and thinking underpinning, the outcome of the intervention. The act of justifying recommendations or professional opinions is fundamental to most consulting practices. Even if the management teams in the cases worked through the “A to B to C to D to E” in terms of the steps and analyses required of them to develop their respective strategies, Kepner Tregoe consultants documented their work. The required synthesis of the strategy in the form of a clearly articulated set of statements done by the managers themselves reinforces its coherence and integrity. The object of the intervention, and its distinctiveness are in part legitimised by the creation of an internally consistent outcome. Triangle Management Services also produced a report, while Transitions on occasions summarised the points agreed at the meetings. The Directors of McQuillan Young found that the discussions helped them to articulate what they had probably been thinking and to crystallise their ideas.

This process of documentation helps to crystallise what otherwise might have been more “woolly”, vague and fleeting in the memories of those involved. Creating a ‘hard copy’ helps to retain coherence and to put a “circle around the business”. As a physical record of deliberations and resolutions, a report or strategy document can help to ward off the incursions of other issues and thought processes. It also provides a tangible expression and symbol of the consensus achieved. In the case of the Bristol and West, the strategy document was used as a symbol within the organisation that a new strategy existed and that things would change. In the case of Carousel, it meant having something “more concrete”; the Directors could say they had paid for it, and “therefore it puts a value on it”.

7.2.2 Alternate Paradigm

Consultants bring with them a different way of addressing the object of the intervention, and a new perspective and insight. The consultants’ conceptual frameworks, views, expertise and questioning challenge managers’ taken-for-granted assumptions and beliefs. This challenge is both supported and reinforced by the application of an analytical discipline and rigour which would not otherwise have been achieved by the managers, as exemplified particularly in the cases of The Post Office and the Bristol and West. Rigour can come from the consultant simply asking questions and insisting on addressing the implications of certain actions or ideas, as exemplified in the case of McQuillan Young Communications. Consultants tend to be more focused, in terms of the specific object of the intervention, and tend to be proficient in the use of their preferred methodology. Their discipline and confidence help to overcome difficulties or reservations and to carry through the analyses to reach a conclusion or synthesis, and thereby generate the sorts of insights managers might not achieve unaided. As one of the Triangle Management Services consultants remarked, “we started to uncover things they hadn’t considered before”, as he and his colleague analysed things in ways that the Carousel Directors had not done before.

The absolute validity of conceptual frameworks and techniques used during an intervention is less important than their plausibility and ability to show or help managers to see the organisation and its environment in new ways. Some members of the Bristol and West Executive Team saw the process creating a framework for discussion and debate enabling new perspectives to emerge and be shared. The process or methodology has to have face validity for experienced managers to have confidence in the process and to be willing to apply it or believe the conclusions. The Directors of McQuillan Young were pleased that the structure and order imposed by Simon Pratten was not too restrictive; “he’s structured in that sense, but he’s not always drawing boxes and trying to put things in boxes”(McQuillan Young Director).

Consultants also bring their experience to bear in their interventions, either through their own application of their preferred approach or their facilitation of managers’ work, particularly in their ability to challenge, comment upon, draw out and synthesise issues. The preferred Kepner Tregoe role is one of catalyst for the debates and devil’s advocate, forcing managers to challenge their own pre-conceptions and expectations, and ensuring that due consideration has been given to specific issues before moving on. The external perspective and experience come through directly in the form of recommendations or expressed opinions, or in Kepner Tregoe’s case, indirectly in the questions asked and challenges made. The value of this process oriented experience is in knowing which issues needed to be covered and which analyses and debates are particularly important and require more thought and effort, and in developing or pressing managers to develop a deeper understanding. In the case of Triangle Management Services specific knowledge and industry expertise was sought by Carousel, and was provided by Paul Jackson in the form of substantive suggestions. Ideas and opportunities were put forward which the Carousel Directors had “never even thought (they) could do”, even though some of these ideas seemed, once they had been expressed, relatively obvious. Simon Pratten was seen to have a much broader perspective on growing and managing a business, and so able to “demystify” some of the issues involved for Linda McQuillan and Tricia Young.

The intervention presents managers with an alternative set of conceptual lenses for looking at aspects of the organisation or its environment and what is or may be possible, in part, from an outsider’s perspective. These images may be new, yet at the same time familiar:

“It reaffirmed what we probably already knew, but we needed somebody to stand there, because we’re inside the goldfish bowl, if you like, and he was outside, and he actually took us outside of that to make us look back in”

Carousel Director

Managers are thus better able to re-conceive the organisation and its environment, to some extent separating themselves from the shared conceptions and assumptions within the organisation. To the extent that managers accept these new insights as valid, real or useful, they begin to redefine their individual schemas and frames of reference. The experiencing of “very real and tangible benefits” by the McQuillan Young Directors reinforced the process of shifting “mind sets”.

7.2.3 Altered Discourse and Interaction

The presence of consultants generates different patterns of interactions between the members of the organisation, in some cases allowing members to step outside, at least partially, their customary roles, relationships and routine discussions.

External consultants help maintain focus and momentum, by endeavouring as far as they can to prevent managers from being distracted or going off at a tangent. Consultants, bolstered by their formal remit and their confidence in the process and analytical techniques, seek to carry the process through to its conclusion, even though it may be frustrating or difficult for the participants at the time. The Kepner Tregoe intervention approach and philosophy emphasises the facilitation of a fixed and pre-determined set of steps and deliberations in order to formulate a business strategy. The rigidity and discipline imposed was seen by participants as vital in achieving the depth and clarity of thought at the Bristol and West, and was a selling point in the case of The Post Office. Transitions' facilitation and management reflected a more "flexible", yet "channelled" approach, and Paul Jackson of Triangle Management Services set out an agenda and paced the day and made sure that no-one in the "convoy" was left behind.

The presence of the consultants, in their role of directing and facilitating, can also alter to some extent the interpersonal dynamics of the situation. With the consultants in charge the hierarchical power, while ever present, is tempered and played down, as a new, albeit temporary, authority structure is put in place. This allows a more open and honest debate and sharing of views, since the consultant can take the role of neutral "referee", perceived by most managers as able to take a more holistic view and having no (or few) vested interests or axes to grind. Most consultants, like Kepner Tregoe, stress their neutrality and objectivity. As a result the political undertones are reduced and the contributions made tend to be less functionally biased and more constructive. Moreover, consultants, because of their stated independence and status as outsiders, are able to say things and make certain challenges which managers do not feel comfortable making and so would very rarely make. They can also, as in the cases of Triangle Management Services and Transitions, raise "emotional", "delicate" or "personal" subjects, and issues which "come a little close" or which make the individuals concerned "feel quite insecure". The facilitation can have direct bearing on the personal and professional relationship between the individuals involved. In the case of Linda McQuillan and Tricia Young, Simon Pratten helped to strengthen their relationship, and in the case of the Martin family, Paul Jackson helped to surface and open up to discussion a simmering mix of professional and family tensions.

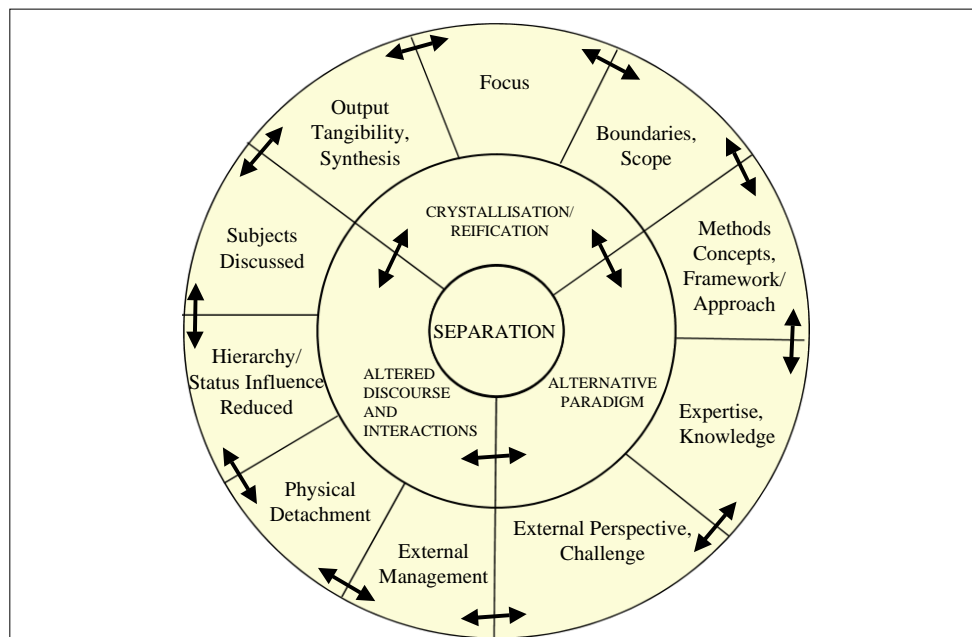
A physical detachment of the senior managers from the business helps to cut them off from external influences and other pressures, and so make them more focused and receptive to the ideas and concepts developed as part of the intervention. In all the cases studied, the interventions were designed so that the senior managers and the consultants have relatively little contact with other managers in respect of the strategy formulation, and the interventions were kept low key.

7.2.4 Separation Through Mutually Supportive Processes

These three processes of *separation* are mutually supportive. The initial reification of the object of the intervention is necessary for and reinforced by the application of the conceptual or analytical framework. Without an object and scope there is no compelling rationale for the primacy of the alternate framework or paradigm; it is one of many possible, competing perspectives. As the framework is applied, and the unfolding process generates new insights, the choice of issue, or set of issues, and its disconnection from other concerns appears self evidently correct. The central role of the consultant in linking the issue to the analytical methodology and/or style of facilitation fades into the background. The boundaries and hence definition of the question at hand vest prominence and validity to the concepts and experience of the consultants. In turn, the validity of the analytical process gives the consultant the power and authority to facilitate the deliberations. As the process unfolds managers gain confidence in the consultant(s) and insights generated by the intervention. The rigorous or disciplined application of the consulting process maintains the boundaries and implicitly sets new ground rules for how the managers should think and interact. The physical detachment has a practical advantage of reducing distractions and is a strong symbol of *separation*.

Figure 3 illustrates how the processes of *separation* combine into a mutually supportive and coherent whole.

Figure 3: Processes of Separation



Internal coherence of the processes of *separation* is crucial since it makes the consulting intervention and outcome believable and defensible, both to those involved and others. Taken together, these processes combine in an attempt to suspend the messiness, complications, pressures and ‘baggage’ of the rest of the organisation and so address the object of the intervention in isolation and on its own terms. In essence, consultants seek to create a distinct enactment where they can deploy most effectively

their competencies and skills. Typically, and in the cases studied, this entails the creation of a more ‘rational’ and more structured world which is more amenable to analysis.

Separation is necessary to facilitate a shift in the understanding and frame of reference of those directly involved in an intervention, at an individual and group level, and a re-conception of the organisation and its environment. Thus the distinct enactment, facilitated through *separation*, provides new schemas, paradigms and “conceptual gems”.

7.3 ABSORPTION

The enactment created and sustained by a consulting intervention is subject to pressures to conform and fit in with the prevailing organisational enactment. Efforts to establish *separation* are met with inertia, resistance or active attempts to influence the intervention. These pressures and the need to make the intervention understandable, believable and acceptable mean that the ideas, analyses and views emerging from the intervention are continually being tested against, reviewed in the light of and related to wider constructs and assumptions.

The temporary enactment created by the intervention enables individuals and organisations to re-shape their realities and go on to establish new routines and patterns of action. The reification facilitated by the intervention gradually dissolves and ideas and recommendations transmogrify and are fused within the wider organisational enactment. The intervention itself can become part of the fabric of organisational life.

7.3.1 Absorption as Pressure to Conform

The case study research, particularly The Post Office case, indicates that interventions are not impervious to the history, politics, culture and business environment of organisations. These factors can act like a gravitational force, creating a resistance against the attempt to take the object of the intervention outside the prevailing frame of reference and field of influence. Active pressure or resistance is motivated by anxiety, concerns and vested interests, and can manifest itself in the form of political and contextualising activity. Passive pressure to conform or resistance to *separation* exists in the form of the existing schemas, paradigms and habituated patterns of interactions, which condition managers’ responses and the way in which they conceive the organisation and its environment. The prevailing enactment shapes the understanding and influences the reactions both of managers directly involved in the intervention, and those who expect to be subject to the outcome of the intervention, but who are not directly involved.

Specifically, individuals interpret, and to some extent act upon, the purpose and content of the intervention in terms of their interests and goals. This can extend to the interests and goals of the organisational groups of which managers feel that they are members, that they are responsible for, or that they are representing. Thus, the prevailing hierarchy and power structures provide a backdrop for evaluating ideas and suggestions and so exert an influence on the direction and decision making processes of an intervention. This can constrain the scope, discussions and hence the final

outcome within bounds of the prevailing enactment, which provides security and control to the current holders of power.

The presumption of a hidden agenda, as in the case of The Post Office, led to the intervention being viewed with a “constructive bit of cynicism”, and generated “creative tension”. The consulting intervention was then no longer taken at face value. The perceived overly strong influence of the Chief Executive tended to undermine the intervention’s purported neutrality and objectivity, especially where those involved saw it being covertly steered. Once this perception or even suspicion was formed, personal and Divisional interests became legitimate bases for supporting or otherwise the strategic direction emerging from the process. Thus the intervention becomes a pawn in the wider political games and processes, and commitment to the outcome, tacitly, becomes even more conditional on its political acceptability to those involved and those affected.

Comfort in the process, a sense of control and personal security tend to reduce the degree to which individuals promote their own interests. Ownership and control of their company, trust in Simon Pratten and strong relationship between them, made it easier for Linda McQuillan and Tricia Young to consider an issue such as equity participation for a new member of staff, which neither individual was prepared to contemplate initially. In the case of the Carousel Directors, their strong family ties, equity participation and mutual respect gave them the sense of security to put aside personal interests and be prepared to dismantle personal empires for the sake of the company.

Managers not directly involved in the intervention, in terms of participating in it or influencing it in other ways, also represent a political force. The extent to which Directors and senior managers can, in the views of other in the organisation, legitimately take decisions or exercise power without consultation depends on the organisation. In the case of The Post Office, this appeared to violate norms or values of decentralised responsibility, autonomy and consensus. Kepner Tregoe’s emphasis on detachment in the case of The Post Office appeared to foster significant indignation and resentment, since it appeared to go against cultural norms, and heighten the sense of anxiety and uncertainty; “something funny going on inside a magic box”. In the case of McQuillan Young Communications, the longer serving staff were suspicious and felt some resentment over being excluded, while the more recently recruited staff took the intervention for granted.

The political activity is generated by the uncertainty surrounding interventions and concerns over their potential outcomes. Managers and staff can experience anxiety from not being sure how the intervention is going to affect them. Consultants represent an unknown quantity. While managers and staff might have a reasonable feel for the way their colleagues and senior managers might address and resolve an issue, the introduction of consultants threatens to disrupt this relatively stable pattern of deliberations and actions. The uncertainty forces managers and staff to make sense of the intervention and create expectations of its outcome. The intervention may raise hopes, as in the case of Parcel Force managers who saw the strategy review as an opportunity to create a demarcation between their business and Royal Mail and hence reduce the cannibalisation of their markets. The intervention may stir grave concerns, as in the case of Post Office Counters, whose managers worried that their business

would be starved of new investment and sacrificed in order to enable Royal Mail to be privatised. Rumours and speculation spread at Carousel and staff were concerned that consultants might mean redundancies. At the same time they hoped that the intervention might reduce the overwhelming operational pressures.

This uncertainty can trigger a number of defensive reactions, such as “foraging around” for information on the intervention methodology and approach, demanding more communication from senior managers, and trying to get the consultants to tell them what is happening directly. This process is exacerbated where members of the organisation share negative preconceptions and rumours of what consultants do. The uncertainty and tension can also set in motion greater and concerted efforts to influence the intervention and so “minimise the (potential) damage”. The attempts to influence the intervention can take the form of questioning, thereby implicitly raising issues and manifesting reservations, briefing those involved, and attempts to introduce other concepts, frameworks or organisational ‘facts’ into the deliberations. Thus, the interpretations and activity of those not involved reinforce the political tendencies of those directly involved. These processes were highly evident in The Post Office case, while at Carousel they were weak and comprised of a few extra visits from staff reminding the Directors of issues and problems. Within McQuillan Young Communications, however, there was an acceptance that Linda McQuillan and Tricia Young were entitled to take whatever decisions they wished, since they owned the company, were the primary fee earners and it was their reputation that was on the line. Staff did not “presume to say before they went off that we think this”.

Managers involved in an intervention also understand and react to the ideas and concepts put forward by the consultants in relation to other issues, initiatives, concerns and events. While consultants may wish to focus managers away from the “minutiae” of day-to-day activities or from the factors outside the organisation and their immediate control, they still remain to a greater or lesser extent part of managers’ pressing organisational reality, reinforcing the existing pattern of thinking and acting. The privatisation issue was a major factor that encroached significantly on the scope of the strategy discussions at The Post Office, while the ownership strategy was an overarching issue for the Bristol and West. The organisational implications attributed to external events or potential developments, insinuated themselves into and clouded the business strategy deliberations.

Managers and staff actively position the intervention in relation to their understanding of what is happening and why, both signalling and setting expectations. The Kepner Tregoe analytical framework and intervention process was positioned by managers in The Post Office as “just a technique” and “a strategic planning methodology from the 70’s”, and was “completely poo-pooed”, and dismissed as irrelevant by some. In the case of the Bristol and West, the methodology was seen as a framework for promoting discussion not necessarily as the best way to derive a strategy, and the implementation planning framework introduced by Kepner Tregoe was dismissed by some as inappropriate. The Carousel Directors went to the workshop to “listen to somebody who knows”, rather than for any specific consulting approach or insight. The McQuillan Young Communications Directors saw the meetings away from the office as opportunities to address longer term business issues.

7.3.2 Absorption as Dissolution and Fusion of the Embedded Enactment

Consultants cannot sustain an indefinite nor impermeable *separation*, rather the distinct enactment they facilitate is continually being eroded. Managers involved in the intervention promote and impose the constructs of their schemas and paradigms on the consultants to a greater or lesser extent. They respond to the challenges and alternative views expressed by consultants by “educating them about what we (managers) would see as the reality of life”, thus “drawing them into our (managers’) porridge” (POEC member). Thus sharing of apparently objective information represents an almost imperceptible encroachment of the prevailing enactment on the course and content of an intervention.

Moreover, at some point the managers want to integrate and take ownership of the outcome:

“... there is actually a limited shelf life (to working with consultants)... you go through the phases, like working with terrorists, of hating them, tolerating them, loving them, but at a certain point you want to be free of them.”

POEC member

To the extent that an intervention enables managers to conceive of a new reality and new possibilities, it can stimulate “thoughts that are on-going”. The work done during the intervention may “go into the sand” and “the words are no longer spoken”, but they begin to permeate through the organisation. The intervention can become a “foundation”, unseen but supporting future developments and fostering new ideas. The Kepner Tregoe intervention reframed the way the Bristol and West’s Executive Team thought about strategy. The POEC members still perceived a lingering trace of the thinking and ideas from their intervention. In both cases, the processes of reification instigated and supported by Kepner Tregoe were reversed and some of the concepts and ideas slowly internalised and fused with existing models. The outcome of the intervention appears to “work its way into the culture” (Bristol and West Director) but at the same time it is “transmogrified” (Bristol and West Director) as it is *absorbed*, changing both text and context in subtle and unforeseeable ways.

At Carousel, the fusion of the new vision and concepts, and the existing enactment was rapid. Andrew Ovenden was briefed a few days after the workshop and took part in the subsequent deliberations on the specific actions to be taken. The concepts and ideas were quickly internalised, at an individual level by the Directors and importantly as the Carousel management team. The Transitions recommendations were soon turned into a Carousel version of what should happen:

“We went from the initial recommendations saying – ‘yes, going to do all of that, no problem, we’re not going to question it’...we started to put it into some sort of order of priority, and then we started knocking things off and thinking – ‘no, actually, no, we don’t want to do that, and we don’t want to do that, or we want to do that slightly differently’.”

Carousel Director

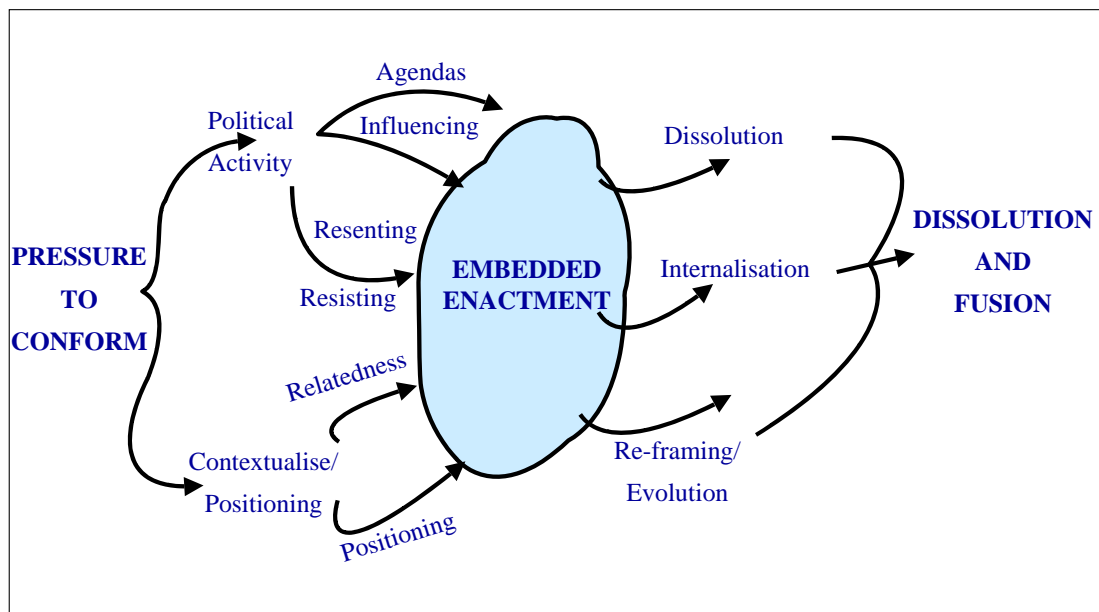
Although the Directors offered little resistance to Paul Jackson’s ideas during the workshop, they certainly questioned the ideas and the recommendations when they

were back in their customary environment and interacting in their normal ways, as a full management team and with their staff. This process of internalisation, which fused new and old, was aided by the small size and proximity, both personal and professional, of the Carousel management team. Only a few months after the workshop and a few weeks after the key changes were implemented, the Directors were talking about taking the ideas and recommendations from the workshop a stage further. Clearly, the intervention was supporting future developments and fostering new ideas.

In the case of McQuillan Young Communications / Transitions the intervention itself was subtly absorbed within the fabric of organisational life of the company. The meetings were a regular fixture in the diary and the way in which the Directors addressed issues of a strategic nature, and the staff took Simon Pratten’s involvement for granted. Simon Pratten himself was drawn into and felt part of the business and what it had achieved, and began to see his role more as a non-executive Director rather than as a consultant. Linda McQuillan and Tricia Young saw how the intervention had subtly brought about change and how it was continuing to shape their thinking and actions.

Figure 4 illustrates aspects of *absorption*.

Figure 4: Absorption



7.4 INTERPLAY AND TENSIONS BETWEEN ENACTMENTS

The interplay and tension between enactments, manifested as simultaneous on-going *separation* and *absorption*, are at the heart of consulting interventions, and determine the influence the intervention has on processes of strategic change. The intervention has to be framed or embedded within the organisation’s context, expectations and political agendas, making the choice and maintenance of boundaries a crucial aspect of the consulting process. The embedding is on-going process throughout the

intervention, characterised by reciprocal influence and accommodation. The intervention creates tensions as views diverge and competition to ensure that a particular view prevails ensues. This tension needs to be managed and eased in generating a new view of the organisation, its environment and the strategic options available. The relationship between the client and the consultant is central to this process. The more marked or politically influenced the *separation*, the greater the potential dislocation between the outcome of the intervention and the prevailing enactment. Consultants and their clients intuitively appreciate and address as best they can the interplay and tensions between the new and the familiar, and between the external and internal perspective.

7.4.1 Embedding Interventions

The tacit, intuitive strains and “pent up desires” of senior managers within an organisation create the entry point for consultants. Consultants, with the help of their internal advocates, crystallise these felt needs and coalesce issues, problems or concerns into an object for their intervention. The Executive Team at the Bristol and West wanted a formal strategy in the face of increasing industry turbulence. The Chief Executive of The Post Office felt the need to define the business rationale for being a group. The Carousel Directors experienced a form of crisis, and the Directors of McQuillan Young Communications were struggling to define the identity of their organisation. At the same time the prevailing enactment can limit the scope of the intervention. The issue of ownership was not adequately or formally addressed by Kepner Tregoe, neither in the intervention with the Bristol and West nor with The Post Office, even though some senior managers raised it as an important subject in both cases.

The instigation of a consulting assignment is both a powerful symbolic and political act. It signals an internal deficiency, “limited experience” or “weakness”, in essence a partial failure of the prevailing enactment, and a perceived need and will to rectify this shortcoming. It also signals the possibility of radical change, depending on individuals’ previous experience or perceptions of outcomes of management consulting interventions, and their interpretation of the situation and political forces at work. The announcement of a consulting intervention, in itself, promotes sensemaking activity, and surfaces some taken for granted assumptions or concerns.

Consultants recognise they have to bring something distinctive to the organisation in order to add value. Kepner Tregoe brought a tried and tested methodology, Triangle Management Services knew the freight forwarding business and Transitions’ Simon Pratten had extensive experience in running professional services firms. Equally, they have to position their interventions so they are understandable, believable and acceptable. There has to be some “cultural fit” with the organisation, and the individuals involved need to feel “comfortable” with the consultant and the process. The Kepner Tregoe methodology matched the rational analytical approach used within the Bristol and West Building Society. Mike Freeman and Ann Orton were “personally credible” and “self evidently good facilitators”. Paul Jackson of Triangle knew the stresses of managing a family business and had the age and experience to relate easily to Maureen Martin. Simon Pratten of Transitions had a structured but not dogmatic or mechanistic approach which suited the way in which Linda McQuillan and Tricia Young liked to work.

In two of the cases researched, Kepner Tregoe stressed the rigour of the process, in terms of its conceptual framework and the method of facilitation, but insisted that the content should be developed by the managers themselves. The intervention had a rigid structure, but was designed so that the managers would become “comfortable” and “relaxed” with the process and the presence of consultants. The consultants enforced discipline, but worked hard on the interpersonal “chemistry” and becoming “part of the wallpaper”. The format and specification for the final strategy statements were determined by the consultants, but the wording was composed by the managers.

In the Carousel / Triangle Management Services case, Paul Jackson was keen to secure consensus: “moving a convoy”, and was trying to get them to buy into the outcome. Paul Jackson also wanted to mull over the report and recommendations before sending it to Carousel: “you shouldn’t always shoot from the hip, so I wanted that sort of reflection period”. This desire to reflect and be sure that the recommendations were sound may, in part, have been provoked by the lack of challenge from the Directors during the day: “we followed like lambs really” (Carousel Director), or a sense that the report would have to withstand a close scrutiny.

The McQuillan Young Communications / Transitions case supports the mutuality of *separation* and *absorption*. The agenda for each of the monthly meetings was negotiated; items suggested by Simon Pratten, from an outside perspective, were meshed with internally generated issues and concerns. If an item raised created an emotional or instinctive negative reaction Simon Pratten would “back off”. However, the effort to raise and retain a subject for discussion, was not abandoned, since he would “come round again”, and would not let certain issues “lie”. The interplay and tensions are succinctly captured by one of the McQuillan Young Directors:

“And that’s where he keeps coming back, and now he prefaces it with – ‘I know you’re not very keen on the idea, but one of the things you might consider’.”

Time is a factor affecting the way interventions become embedded. The Kepner Tregoe strategy formulation interventions are characterised by a set of discrete workshops with time designated between them. The time was intended to allow the senior managers involved to think about and resolve issues and concerns in their own minds. Since others in the organisation are normally aware of the intervention, the senior managers are metaphorically in a “goldfish bowl” (POEC member). The longer the duration the more uncertainty and anxiety that can build and with it potential resistance or the likelihood of taking de facto strategy decisions. Alternatively, the duration may facilitate an acceptance of the intervention as part of the fabric of organisational life, if it is understood and positioned as a positive or benign influence.

7.4.2 Managing the Interplay between Enactments

The relationship between the consultant and the client(s) for the assignment is crucial to managing the intervention, and specifically the interplay and tensions between *separation* and *absorption*. Tensions, impasses and disagreements need to be

resolved. This relationship, though, can undermine the ability of the consultants to support the processes of separation, since the perceived objectivity, neutrality and integrity of the consultants may be compromised.

The Chief Executive of The Post Office hired Kepner Tregoe to conduct an objective, rational strategy formulation process. But he did believe that radical change was needed, had firm views on its general direction, and had a strong influence on the process and content of the strategy. He also discussed with Mike Freedman, the lead consultant for Kepner Tregoe, how and when certain issues might be introduced. This dialogue between the client and the lead consultant was a common practice for Kepner Tregoe. In creating a means for raising issues neither party wanted to discuss in public, a degree of implicit collusion was created; the consultant became absorbed into and instrument of the client's agenda. The Chief Executive, though, recognised that "having a sycophantic consultant in charge destroys the challenge... (the) credibility". Others in the organisation have to believe that the consultant is immune from the power of hierarchies and structures within the organisation if the intervention is to 'reveal' an objective external reality and the opportunities it offers, rather than the whims or aspirations of a powerful manager.

The tendency to collude is strong. A Chief Executive, or other individual within the organisation, may be seen to have legitimate authority to influence the intervention and the direction of the organisation, and to be critical to the implementation of the outcome, let alone to the continuation and success of the intervention itself. Nonetheless, collusion is not inevitable. In the Carousel / Triangle Management Services case, Paul Jackson "quickly sensed that it (*empathising with any one Director's agenda*) would be self-destruct". At the time of the intervention, the leadership of the company appeared a sensitive issue, with Maureen Martin having relinquished a lot of the power and influence in the company to her sons, who still believed that they ought to have more control. Paul Jackson observed the Director's body language to gauge reactions and how far to push an issue. In the McQuillan Young Communications / Transitions case, Simon Pratten attempted to be, and was perceived by the Directors to be, neutral at all times. That neutrality was noted, and Linda McQuillan and Tricia Young recognised that he was in a position to manipulate and influence the relationship between them. Simon Pratten did though appreciate that the different personal situations and professional aspirations of Linda McQuillan and Tricia Young created different agendas and minor tensions between the two. Trust in Simon Pratten and their respect of his professionalism and integrity were crucial in getting them to open up their business, themselves and their relationship.

The four cases suggest that a consultant needs to be able to understand and empathise with the various personal concerns, ingrained beliefs and political agendas, even if they are not raised formally nor fully articulated. The two later cases suggest that the political, collusive approach adopted by Mike Freedman of Kepner Tregoe is only one possible approach to dealing with tensions and unwelcome attempts to influence the intervention. Explicit or implied collusion with one or more of the parties involved may neither be necessary nor advisable, especially given the case of The Post Office, and should certainly not be visible. The last two cases indicate that numerous aspects of the intervention can be flexed to reduce tensions. Specifically, scope boundaries can be expanded or reduced, ideas and visions can be more or less crystallised. Analytical tools or methodological approaches can be more or less rigidly applied.

Deliberations, debates, or other forms of interactions between managers can be more or less actively and intrusively facilitated.

Embedding the intervention and managing the interplay and tensions are mutually supportive and dependent processes, since the more the intervention runs against the grain of the organisational enactment the more tensions it may generate. Kepner Tregoe's conviction in the correctness of the concepts and approach, and the methodical application of the process seemed to limit the consultants' ability to accommodate clients' lived organisational reality.

7.4.3 Inherent Tensions

The Kepner Tregoe intervention created for the Bristol and West's Executive Team clarity and a shared view in respect of the strategy. The consensus, ownership and clarity achieved as a result of the intervention was in marked contrast to the Executive Team's experience of "woolly" statements and a lack of thinking underpinning the strategies of other organisations. The Carousel Directors emerged from the workshop with a clear sense of what they should do.

However, the detachment of the strategy formulation process from on-going processes and paradigms can hinder the implementation of the outcome:

"we didn't really embed it in the business... you had a sort of strategy floating around somewhere, not anchored down to the ground.... you have to embed it in the activities of the organisation, because if you don't it won't be delivered. So pinning it into the five year plan, underpinning it by specific actions that have got to take place is the only way you will generate the achievement of the strategy."

POEC member

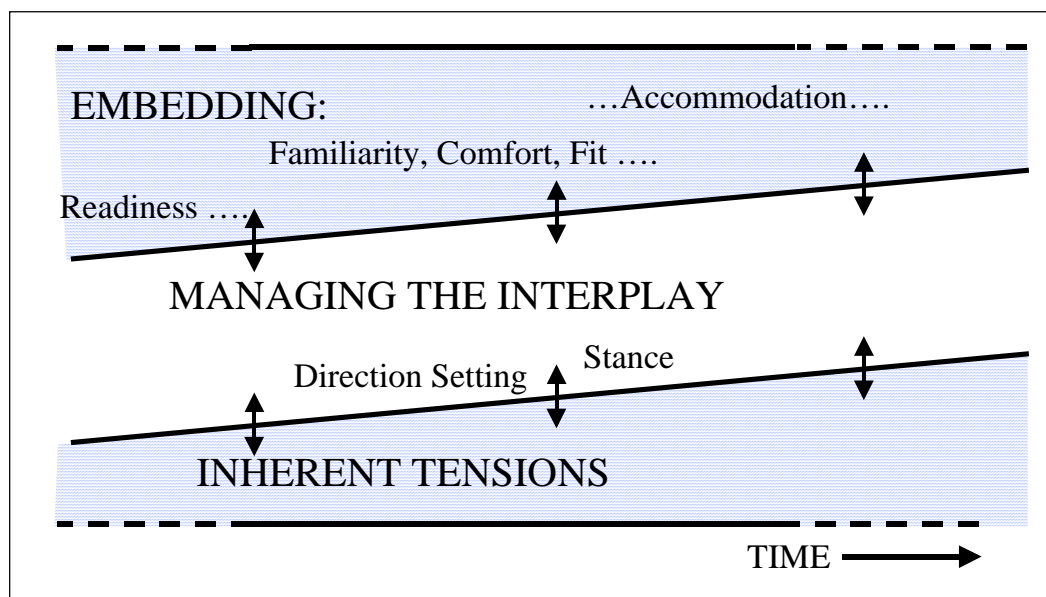
Separation creates a dislocation that can be difficult to overcome. The intervention changes the way those involved think about and see the organisation, in some cases more than the managers themselves "give it credit for". They have moved on and conceive a different organisation and environment. Those not directly involved in the intervention have not been through the (different) thinking process and, to the extent that the outcome is distinct from the prevailing assumptions and conceptions, find the outcome alien. They may not understand what is intended, nor see how it forms a coherent whole, nor how it might be realised.

The Bristol and West's attempts at implementation planning and in involving the next tier of management in the strategy review process faced initial difficulties. The dislocation appears greater where the *separation* has been achieved by overcoming strong resistance and active pressures to conform as in the case of The Post Office. The marginalisation of the intervention by disaffected parties appears aimed at reducing its influence, and the potential viability and impact of the outcome. This positioning can accentuate feelings of "force fit", "not invented here" and highlight "clashes with existing models and systems" once the outcome "bursts forth" on an "unsuspecting" world. Ridicule, resistance and inertia may follow, and "little things happen and don't happen". Not only may the momentum be lost, but, as in the case of The Post Office, the formal strategy may in practice be abandoned or discreetly set

aside. The gradual nature of change at McQuillan Young Communications and the rapid integration of recommendations from the workshop into every day life at Carousel reduced any potential dislocation.

In summary, processes of *separation* and the pressure to conform and the dissolution and fusion of the embedded enactment are concurrent. The interaction of *separation* and *absorption* shapes the embedded enactment, and it turn the influence the intervention has on processes of strategic change. The interplay and tensions between *separation* and *absorption* are illustrated in Figure 5.

Figure 5: Interplay and Tensions



7.5 DISCUSSION

The PhD research has sought to generate greater awareness and understanding of the influence and effects of management consultants' interventions in organisations, in particular as they help senior managers in developing strategic direction and effecting strategic change. Specifically, the central question of the research is:

How do management consultants' interventions influence processes of strategic change within organisations?

The research suggests that management consultants seek to create a distinct enactment, through various processes of crystallisation/ reification, the imposition of an alternative paradigm, and the altering of existing patterns of interaction or discourse. *Separation* is necessary to facilitate a shift in the understanding and frame of reference of those directly involved in an intervention, at an individual and group level, and a re-conception of the organisation and its environment, and so provide new paradigms. These new conceptions, promoted and reinforced by specific changes, actions and new routines, permeate and diffuse through the organisation. This enactment, though, is embedded within the wider organisational enactment and subject to insidious pressures drawing or *absorbing* the intervention into the political

and cultural maelstrom of organisational life. The extent and nature of the influence that consultants have is dependent on:

- how the intervention is embedded;
- how the interplay and tensions between the enactments are managed by consultants and key organisational actors; and
- how the ideas, concepts and insights dissolve and fuse with on-going patterns of thought and action, changing or transforming the organisational enactment.

The concept of an embedded enactment providing the catalyst and vehicle for change is echoed by other research and theoretical perspectives. Barr, Stimpert and Huff (1992), Barr and Huff (1997), Poole, Gioia and Gray (1989), and Louis and Sutton (1991) stress the link between cognitive changes and changes in strategic action leading to organisational transformation. Consulting interventions can be seen as an example of what Gioia (1985) describes as prospective sensemaking, in which a set of expectations, images or simulated experiences are created of what might be an alternative, desired social reality. A separation of, or tension between, concepts and experience of reality is emphasised by other writers. Cameron and Quinn (1988) focus on paradox as a motive force behind organisational change, and Westenholtz (1993) describes how the experiencing of a paradoxical situation can enable individuals to pursue new ways of understanding the environment and to act accordingly. Sewell (1992) building on Giddens (1976, 1984) among others, shows how a juxtaposition of structures, as defined by a combination of schemas and resources, fosters agency and change. Berger and Luckmann (1966) suggest that for new conceptions of reality to form, past socialisation needs to be dismantled and the plausibility of the new conceptions sustained and made real through social interaction. The existence of an enclave or segregated community is critically important in the early stages of conversion, if the individual is not to lapse. Argyris (1993) makes this point in describing his best strategy for interventions designed to transform behaviour patterns:

“always to begin with the top organisational level... Moving from Model 1 to Model 2... leads to significant changes in the ways individuals deal with each other. It is important, therefore, that the people at the top develop the internal commitment that will support the program for change, sustain them through the reeducation experiences necessary for the changes to succeed and to persist...” (1993:74)

7.5.0.1 On Objectivity, Expertise and Methodologies

The research also provides some insights into the benefits afforded by consultants' objectivity, expertise and methodologies within an enacted world. Management consultants provide plausible, alternative views that trigger reflection, sensemaking and experimentation. The technical, rational world strategy consultants typically present their clients simultaneously reduces and accentuates complexity. The social, political and emotional elements are suspended to focus attention on the rational analytical elements. Consultants can bring some form of relative rather than absolute objectivity and expertise by offering a novel insight into prevailing, potentially competing, social constructions that affect the organisation. They reveal how others might, or do, see the world, and the potential consequences in terms of threats and

opportunities for the organisation. As Abrahamson (1996) points out, the latest offerings of consultants may be regarded as fads but their adoption or otherwise has consequences for organisations and the people in them. Methodologies might be better seen and used, less as restrictive orthodoxies or pre-determined patterns of thought and action, and more as temporary pedagogical aids to be applied flexibly and intuitively once mastered. In a sense, methodologies and approaches can add to the repertoire of schemas and scripts available to senior managers when facing novelty, anomalies or discontinuities and seeking to make sense of them. Recommendations and analyses might better be seen as reasonable conjectures rather than definitive expositions of an external reality. In line with the concepts of sensemaking (Weick 1990, 1995, Gioia 1985), only a plausible map or a script is needed to start the process of acting, and therein, of transforming social reality. Once the process has started the map becomes redundant.

7.5.0.2 On Habituated Thought and Action Patterns

The research adds to best practice texts on consulting grounded in the rational analytical school of consulting (Block 1981, Weinberg 1985, Margerison 1988, Kubr 1996, Markham 1997) or the OD school (Margulies and Raia 1978, Burke 1994), by locating and exploring interventions firmly within the context of the organisation. The case study research sheds some new and interesting light on how interventions are set within, and create tensions with, the patterns of thought and action, which inform and constrain individual frames of reference and organisational paradigms. In particular, the research design complements consultant reported cases and experiences (e.g. Reddin 1977, Kahn 1993, Argyris 1993, Harrison 1995b, Beer and Eisenstat 1996, James and Jarrett 1997) by adding other perspectives and insights. The research has explored how interventions are affected by on-going attempts to participate in, position and influence, through the lobbying and briefing of key managers, the intervention. These processes are largely opaque to the consultant, though the need to obtain wider commitment to desired changes has long been recognised (e.g. Argyris 1970).

The processes of *separation* distilled from the research: crystallisation/ reification, the imposition of an alternative paradigm, and the altering of existing patterns of interaction or discourse, are to a greater or lesser extent common practices among management consultants. The definition and scoping of a client's problem, the application of a set methodology and tools and the management of the process are at the heart of consulting and are described in various ways by almost all texts on consulting.

Moreover, the ways in which the various processes affect individuals and organisations have theoretical and empirical support and underpinning from a number of sources. The symbolism associated with the introduction of a consultancy as a signal for need and desire to change has parallels in the analysis of strategic change by authors such as Gioia and Chittipeddi (1991), Johnson (1987, 1990), and Pfeffer (1981). The bounding of certain issues at the organisation level is akin to the bracketing of a stream of consciousness or events at the individual cognitive level, as described by Weick (1979, 1995), and the basis for sensemaking cues for re-examining the situation (Weick 1979, 1995). The symbolic importance and latent motive force of a consultancy report have direct parallels with the concept of a map

(Weick 1990, Barr and Huff 1997), which gives individuals the courage and comfort to embark on new ventures or patterns of action. The imposition of an alternative paradigm has been given an epistemological basis by Phillips (1996b) in terms of “generic analytical activities”. The management and facilitation of the interaction between managers and the active direction and involvement of the consultant is central to interventions grounded in process consultation (Schein 1999), psychodynamic (James and Jarrett 1997) and family therapy perspectives (Minuchin 1974). The role of the consultant in creating a “holding environment” which helps to create a sense of security and to break down group barriers and feelings of having to represent and promote the interests of a group (Alderfer and Smith 1982) is described in detail by Kahn (1993). Minuchin (1974) describes how consultants, by becoming actively involved and seeking to alter routine dialogues and interactions within family groups, can help to change and promote new, more desirable interpersonal relations. Harrison (1985a) talks about depth of organisational interventions to capture the emotional ability and readiness to address deep-rooted beliefs and ways of working.

What is given less explicit attention in most conceptualisations of consultancy is the complementarity and mutual dependence of these processes. The research suggests that the creation of an embedded enactment, given the pervasiveness and power of the organisational enactment, is difficult. The more inclusive the intervention, comprising processes aimed at changing schemas, frames of reference, patterns of interaction and actions, the greater the latent potential for transforming the lived reality of those involved, and subsequently, through diffusion, the reality experienced more widely through the organisation. In the case of McQuillan Young Communications / Transitions, the concurrent implementation of decisions emanating from the strategy meetings provided a powerful feedback mechanism which sustained the process of transformation. The research suggests that management consultants who ignore or under-utilise processes of *separation* may limit their influence on strategic change within organisations. OD consultants who focus on process, in terms of the research’s conceptual framework on altering of existing patterns of interaction or discourse, may fail to provide an alternative view on the external world. In essence, individuals are encouraged to address their organisational world in a different way, though its substance and implicit limitations remain constant. As a force for change, a new conception of the organisation and its environment may be untapped, unless it already resides, unexpressed, within one or more individuals in the organisation. Past and current patterns of interactions or positioning in respect of entities in the environment may be deemed suitable for the future. Analytical consultants who operate at arms-length from the members of the organisation may find that the discussion and interpretation of their recommendations are set within the prevailing political and hierarchical structures. The opportunity to transcend, or at least reduce the prominence of, vested interests, pre-defined patterns of debate and decision-making, and past commitment may be lost. The potential pitfalls, similar to the ones suggested above, of strategy workshop processes have also been analysed and documented by Bowman (1995). Bowman (1995) describes the situation where the quality of the strategy is low but has high management team commitment as a “blinker strategy”, and where the outcome of the workshop process is of high quality but has low management team commitment as the “consultant’s strategy”. Neither situation is desirable or likely to lead to significant change. The research suggests that such shortcomings may reflect a relative lack of attention to certain

processes of *separation*; in the former case inadequate *separation* and in the latter case excessive *separation*.

7.5.0.3 On the Influence of the ‘Organisation’ on Interventions

The aspects of *absorption* in terms of the pressure to conform to, or to operate within, the constructs of the organisational enactment and the dissolution and fusion of the intervention-facilitated enactment, are only partially discussed in texts on consulting. The client – consultant relationship has received formal practitioner and academic attention, and has to some extent provided a label for examining the interplay and tensions between enactments and other aspects of *absorption* specifically identified by this research. The research provides a deeper and richer conceptualisation and insight into how context affects a consulting intervention and processes of reciprocal influence.

The importance of organisational paradigms in conditioning how managers think and the political processes of influence have been acknowledged by many writers in the field of strategic management (e.g. Johnson 1987, 1990, Pettigrew 1985a, 1985b, Quinn 1980). Argyris (1977, 1985, 1999) describes defensive routines designed to avoid threat or embarrassment and implicit assumptions become out of bounds for discussion. Bartunek (1993) shows how change agents’ attempts to alter organisational members’ shared schemata provide the stage for the development of multiple schemata as well as for conflict among holders of the different schemata. However, the potential personal conflict or tension felt by an individual seeking to operate simultaneously within two enactments is not widely recognised and explored by current conceptualisations of consulting interventions. As Weick (1995) comments, sensemaking is essentially a social process grounded in identity construction, and is therefore influenced by affinities, loyalties and commitments as well as data and rational analyses. Interventions may strain personal identity by questioning competencies and beliefs, and expose tacit loyalties and presumed congruence of interests.

The research also throws into relief the tensions and interplay between the intervention-facilitated enactment and the organisational enactment. Bartunek (1993) suggests that conflict resolution or synthesis of competing schemata requires powerful organisational members and/or consultants to hold both sides of the conflict. In particular, this research describes a subtle process of mutual accommodation and influence, involving partial alignment, negotiations, the moving of boundaries, the sharing of frames of reference and the delicate but insistent raising of issues. Most views and texts on consultancy stress how consultants offer distinctive competencies, not the way in which, intuitively, they align themselves to the culture and views of the organisation, appearing additional or complementary, rather than detached or oppositional. Consultants’ approach to and entry into an organisation are dealt in classical marketing terms, and project definition and scoping are treated as technical or subject specific issues, not a negotiation or even a courtship. The amount a consultant assimilates of the client organisation’s enactment is rarely discussed formally. Ironically, consultants sell and clients buy experience gained on previous assignments, yet such a process of learning and assimilation is not an explicit part of the consulting process. Assimilation tends to be discussed informally and pejoratively in terms of the consultant ‘going native’ or losing objectivity. Argyris’ (1961)

exposition and analysis of the process of tacit compromise of their principles by consultants is a notable exception. Most experienced consultants have learnt mainly through intuition and trial and error when to press home an issue, when to let go and when to re-introduce it (Schon 1983). The consulting methodologies, though, provide little effective guidance to the novice, focusing rather on a generic model of the consulting process or the mechanics of setting up a consulting business (Elvy 1993).

The client – consultant relationship is explored and discussed by various authors in terms of trust and credibility (Phills 1996a), anxiety (Sturdy 1995, 1997), the use of political levers (Greiner and Schein 1987, Moore 1984), influencing strategies and defensive routines (Argyris 1961, 1977, 1985, Phills 1997), persuasion (Clarke 1995, Clark and Salaman 1995a, 1995b) and on-going dialogue (Beer and Eisenstat 1996). The research, though, does suggest that the consultant's consistent projection of objectivity, and more specifically of their neutrality, or unimpeachable humanist values play an important part in sustaining the embedded enactment. As others have pointed out, covert (Phills 1997) or collusive (Argyris 1961, 1985) forms of influence tend to reinforce prevailing patterns of behaviour rather than allow a more fundamental examination of how behaviour might be changed.

The research also highlights the potential dislocation in terms of perception, views and concepts as the intervention unfolds and eventually dissolves. The link between cognitive sensemaking activity and political activity designed to promote personal and group views is described by Schwenk (1989). The process of fusing or merging enactments is also insightfully explored by Balogun (1998), who describes how middle managers relate new strategic initiatives, ideas and ways of working, passed down to them from senior management, to their existing frames of reference and scripts. The familiar aspects of the formal strategy and organisational changes are accepted and incorporated into existing schemas and routines easily, while the unfamiliar change requirements have to be consciously and socially mediated, through stories, symbols, vicarious learning and dialogue. Such mediation transforms the change process and eventual outcomes in unforeseeable ways.

This research suggests that radical re-conceptualisations of the organisation and its environment requires a significant degree of *separation*. The inevitable exclusion of some managers can lead to efforts to counteract any significant *separation* and to resistance towards the outcome of the intervention in parts of the organisation. Westley (1990) also finds that the exclusion of middle managers, although to some extent inevitable, creates dissatisfaction and can de-energise them. This research suggests that, beyond passive dissatisfaction and resentment, middle managers can become proactive in their attempts to participate in and influence the strategy deliberations, especially where some element of threat is perceived.

The on-going, retrospective nature of sensemaking, in which individuals act and make sense of those actions (Weick 1995), is a key feature of the research. The way in which the understanding of managers in respect of the intervention changes over time is evident in all the case studies. Isabella (1990) also describes how managers' interpretations evolve as change unfolds and key events are re-interpreted from different perspectives. Interestingly, the understanding of the specific intervention typically does not evolve for consultants: they may learn from the experience in a

generic sense, but its role and significance in the development of the organisation seem frozen. Only through his prolonged engagement did Simon Pratten feel a change in how his intervention was affecting and influencing McQuillan Young Communications. The research suggests that consulting interventions may have unseen yet profound influence, unrelated to whether the recommendations are implemented or the way in which individuals relate to one another becomes markedly different. To some extent those involved in an intervention experience and act out a slightly different organisational world, which can bring about a slow but nonetheless substantial change.

The research also highlights the enveloping nature of organisational enactments, and how individuals can adapt to, internalise and take for granted what might initially be seen as external intrusions. To the extent that interventions become routine they no longer generate surprise, novelty, ambiguity or attention and may then not trigger active sensemaking activity (Louis 1980, Louis and Sutton 1991). As such, this would suggest that frequency and duration tend to reduce the effects of interventions on processes of strategic change within organisations. The consultancy overload hinted at by O'Shea and Madigan (1997) in one of their case examples fits well within the theoretical framework developed.

7.5.0.4 Summary

Overall, the research suggests that consulting interventions are inextricably bound up in the organisational enactments they seek to alter, and not a set of self contained management processes. The concepts of embedded enactment and *separation* and *absorption* provide a distinctive and rounded way of understanding, approaching and explaining strategic consulting interventions.

8. CONTRIBUTION AND IMPLICATIONS

8.1 INTRODUCTION

The research builds on and makes contributions to three areas of academic interest. The research primarily adds to our understanding of management consulting, and to a lesser extent to strategic management and the enactment perspective. The research also provides thoughts and suggestions for practitioners, both management consultants and senior managers within organisations.

The concept of embedded enactment and two overarching dimensions of *separation* and *absorption* provide a theoretical framework for understanding and explaining consultants' strategy interventions within organisations. This theoretical framework adds to the existing conceptualisations of the consulting process, focusing attention on complex, reciprocal influences between consultants and their clients that characterise strategy interventions. The implicit view of an organisation as unitary in purpose, rational and essentially passive, which underpins most formal consulting approaches, is replaced by a more socially grounded conception. Active attempts to influence, make sense of, position and/or politically steer interventions are seen as intrinsic to the interaction between consultants and members of an organisation. The importance of new views of the organisation and its environment in supporting and encouraging different values, attitudes and patterns of interaction are highlighted. Consultants' performances appear central to the creation of new frames of reference and perspectives, as well as the demonstration of value. The repeated use of consultants by managers, despite the anxiety and dissatisfaction experienced, is seen as reflecting the need to continually take on board new ideas and concepts to reduce the risk exposing the organisation to competitive arbitrage as their world is re-ordered.

The research also sheds some light on processes of deliberate strategic change, in particular how new strategies are diffused and fused within existing patterns of thought and action, and the importance of action in the transformation process. In examining consulting interventions, the research adds to the enactment and sensemaking literature in terms of substantive theory (Glaser and Strauss 1967) and as an empirical study.

There is also some value to and implications for practitioners. The theoretical perspective developed provides a more holistic and inclusive way of thinking about, understanding and planning interventions. The case studies themselves offer insights into the subtleties and nuances of interventions, and opportunities for consultants and managers to reflect on personal experiences.

The theoretical framework generated by this case study research is shaped, and at the same time limited, by the perspective and the methods adopted. Additional research into other interventions will undoubtedly elaborate and amplify our knowledge of consulting interventions and their influence on strategic change within organisations. The research though does provide a springboard for advancing knowledge in a field of growing importance.

The remainder of this chapter highlights the contributions of the research and the implications for consultants, senior managers and future researchers.

8.2 CONTRIBUTION

The research is located at the intersection of two substantive fields of academic interest: strategic management and organisational change, and consulting interventions, and is guided and framed by the fundamental idea that we live in an enacted social world. This has shaped the research and determined the contribution made.

The research has reviewed and drawn upon differing conceptions of strategic management and their underpinning assumptions, and a number of disparate schools of thought on consulting. The empirical case study research itself has generated some insights into and understanding of how management consultants' interventions influence organisational processes as they help senior managers to develop strategic direction and realise strategic change. It has added to the body of knowledge on consulting interventions. In particular the research has increased our understanding of the pressures and forces shaping the nature and conduct of the intervention. It has also added to our knowledge of strategic management and organisational change and the sensemaking literature.

8.2.1 Contribution to Conceptions of Strategy Consulting

The theoretical framework based on the concept of embedded enactment and two overarching dimensions of *separation* and *absorption* provides a rich and inclusive insight into and analysis of strategy consulting intervention. It both adds to the prevailing conceptions of consulting and suggests how they might be extended.

An important contribution of the research is a framework placing consulting within an organisational setting, which sheds light on how interventions influence and are influenced by on-going enactment processes. The research highlights how consulting interventions are, in part, circumscribed and shaped by subtle pressures to conform to prevailing norms and paradigms. The research has given us an insight into the ripple effect interventions can have through an organisation, both immediately and long after they have ended. Other research and theoretical positions allude to pressures to conform (e.g. Argyris 1961, 1985), the dissolution and fusion (e.g. Weick 1990, Barr and Huff 1997) of the consultant-facilitated enactment, and the interplay and tensions between enactments (e.g. Bartunek 1993). This research has sought to bring them together into a coherent, integrated framework, addressing explicitly the relationship between the consulting activity and social setting of the organisation (Layder 1993). As such it gives an insight into the considerations, deliberations and lobbying experienced by managers but usually unobserved by consultants. The research dispels the common but implicit notion that consultancy interventions can be regarded as a set of self-contained management processes. Consultants should no longer be completely baffled by the apparent irrationality and unreasonableness of managers, nor have any excuse for merely paying lip service to the need to understand and adapt to organisational stresses.

Through the concept of *separation*, the research synthesises the core of the consulting process in relation to the organisational context in which it occurs. The view that consulting assignments facilitate the crystallisation/ reification of issues and the application of an alternative paradigm is shared by the rational analytical conceptions of consulting, whether captured by best practice texts (Block 1981, Weinberg 1985,

Margerison 1988, Kubr 1996, Markham 1997, Sadler 1998) or the notion of generic analytical activities (Phills1996b). However, the way in which the context, and more specifically the organisational enactment, affects a consulting intervention and processes of reciprocal influence are relatively under-emphasised. The research draws formal attention to patterns of social interaction which are fundamental to the creation and maintenance of a social reality comprising the organisation and its environment. The research shows that these social processes affect not only the content of the strategy intervention, but also in a fundamental way the process of changing following the intervention, especially how ideas are absorbed and undergo a metamorphosis within the organisation. As Balogun (1998) points out, implementation is not a rational linear process and is therefore not completely programmable.

The research describes how the processes of *separation* are mutually supportive. Most consultants within the OD tradition, as exemplified by Bennis (1969), Margulies and Raia (1972, 1978), Bell and Nadler (1979), Schein (1987), Burke (1994), focus on altering the social relationships within the organisation and pattern of discourse. They recognise and address explicitly the cognitive and symbolic aspects of change, and conceive organisational transformation as a process requiring change at the individual level before it can occur at the organisational level. They tend not to challenge actively the existing constructions of the external world, which are presumed given, even if subject to perceptual filtration. Even Schein (1999) advises consultants to “go with the flow” and only confront clients at opportune moments. The research suggests that the absence of compelling new images, maps and scripts may limit a consultant’s ability both to trigger and to sustain a change in routines. In accepting prevailing constructs of what constitutes the organisation and its environment, OD consultants may miss out on a powerful driver for change, as perceived environmental stability tends to entrench the existing paradigm (Johnson 1987, 1988, Barr and Huff 1997). Analytically oriented consultants tend to regard the consulting process and relationship with members of the organisation as necessary in reaching a solution or set of recommendations. The discourse or patterns of interaction, which enable or sustain conceptions of the social world, are relatively neglected, making it more difficult for past socialisation needs to be dismantled and the plausibility of the new conceptions sustained and made real. As Berger and Luckmann (1966) suggest the existence of an enclave or segregated community is critically important in the early stages of conversion, if the individual is not to lapse.

The research shows how theatre, positioning and claims to knowledge are central in creating and sustaining the credibility and confidence required for managers to believe and to act. The research also gives new meaning and importance to the drama or performance inherent in consulting interventions. Supporting the work of Clark and Salaman (1995a, 1995b) and Clark (1995) that performance is important in demonstrating value, the research points to performance also being central to the delivery of value. Just as good theatre facilitates a temporary journey into another world, the consultants carrying out the intervention need to suspend the prevailing schemas, frames and paradigms to achieve some degree of *separation*. Drama, or stage management of events, in terms of settings, energy, revelations and suspense is vital in maintaining attention and putting things into stark relief or contrast. The consultants have to emphasise differences, create new images and capture the

imagination if they are to facilitate a distinct enactment. It is this very forming and filling of a conceptual void which makes re-conceptions of social reality possible.

As Kakabadse (1986) argues, the external consultant has an aura of credibility and mystique compared to the internal consultant. Clark and Salaman (1996) claim that the success of management gurus depends upon the magic and mystery of the performance, and not on the substance of their message. Credibility of the consultant emerges from the research as an essential factor for the suspension, even if only partial and temporary, of the prevailing enactment. The mystique may be short lived, but it provides the initial belief, curiosity and willingness to listen. As Barr and Huff (1997) suggest, managers need to know something and to have confidence in that knowledge before they act, in effect before they take a leap of faith. Consultants through their rhetoric of knowledge, methods and processes, their stance of objectivity and neutrality, and their asserted proximity to the market may provide the necessary confidence.

The research draws out subtle process of mutual influence between consultants and members of their client organisations, and suggests that the relationship between consultants and their clients is a double-edged sword. The consulting literature (Block 1981, Weinberg 1985, Margerison 1988, Kubr 1996, Markham 1997, Sadler 1998) tends to describe processes of tailoring assignments, managing client relationships and learning from clients and interventions in a neutral or consultant-centred way. The processes through which the scope, content, and conduct of an intervention are shaped, both before and during its course, by organisational pressures and forces are rarely touched upon. Little formal attention is paid to how a consultant's own conception of reality is subtly influenced. The research builds on the notion of a consultant being subtly manipulated and co-opted by factions within an organisation, described in detail by Kahn (1993) and by Schein (1987, 1999).

The research also adds a new dimension to our understanding of the nature of the relationship between consultants and their clients, specifically the individuals commissioning and sponsoring the assignment. The "Commander Model" (Bourgeois and Brodwin 1984), in which the Chief Executive has significant and undisputed power, is implicitly used by many consultants as the basis for establishing a client relationship. The benefits of active client involvement, on-going communications, and the development of a good rapport between the consultant(s) and client in effecting successful interventions is stressed by authors such as McGivern (1983) and McKinney Kellogg (1984). This proximity though can be counterproductive. It represents a pressure to conform, and to some extent co-opts the consultant. It can also, ostensibly, make the intervention less objective or neutral.

8.2.2 Contribution to Conceptions of Strategic Management and Organisational Change

Three case studies represent deliberate attempts to formulate and subsequently implement a strategy, while the last case studied is more akin to an evolutionary, incremental (Quinn 1980) approach to strategic change. As such, the research provides some new insights into the roles management consultants might play in helping to bring about deliberate strategic change.

The research points to consultants acting as “instruments of change”. The research supports existing findings that management consultants are good at helping to break the conventional thinking and opening the way for new strategic possibilities (Ginsberg and Abrahamson 1991). It also suggests that the recourse to consultants, the conduct of the assignment and the tangible output from a consulting intervention assignment can have a strong symbolic impact within the organisation. Moreover, consultants’ continued presence post formulation of a strategy and beyond implementation planning allows action to feed back into the deliberation process and tangible results to sustain the nascent enactment. Consequently, the intervention can become “a major instrument of change” (McQuillan Young Director), providing the momentum and discipline for carrying out actions. Organisations may increasingly be insisting that consultants assist with implementation as well as formulation not just to focus consultants’ minds on the feasibility of the strategy they are developing but to create as seamless a transition as possible between thinking and acting, between apprehending and achieving.

The research points to strategy consultants being ‘map makers’. The cartographic metaphor used by Weick (1990, 1995) and Huff (1990) is an apt way of examining the work of consultants. The consulting process, to some extent, transforms the organisational world for those directly involved and creates expectations in respect of possible future actions. Consultants can be seen as producing maps of the organisation’s world and the organisation’s position within it, which are encapsulated in reports or in the form of consensual understanding through syntheses and summaries. Without actions, these maps remain symbolic representations. As members of the organisation take actions, in particular different actions, and interpret the feedback from modified schemas and frames of reference, they begin to transform their organisational world. Where consultants support the process of implementing the chosen strategy, they also contribute to the development of new scripts and daily routines. In a sense, ‘implementation’ is the process of turning the map into the territory, through sharing, negotiating and, most fundamentally, acting within and outside the organisation.

The research suggests that consultants might act as ‘weather-cocks’, ‘endorsers’ and ‘security blankets’. The enactment perspective, and particularly the notion of competing enactments, suggests that organisations are perpetually open to arbitrage as wider social constructions change and new ideas, methods or concepts provide some form of relative advantage. Consultants in their role as fashion carriers and fashion creators (Abrahamson 1996) are weather-cocks or early warning systems, which should be valued by managers. The continual recourse to consultants may be fruitless and ultimately self-defeating, as suggested by Sturdy (1995, 1997), if managers are in search of ultimate truths. However, if managers seek ideas and employ consultants in continual process of scanning and renewal, there may be benefits. Strategy consultants may be more useful to managers in gauging what others think and how they might act, rather than in exposing an objective picture of the external world or in prescribing definitive action for the organisation. The lack of knowledge and insight into the organisation, compared to insiders (Kakabadse 1986), or the different value sets they bring to bear (Case, Vandenberg and Meredith 1990), are therefore distinct advantages.

The opinions and recommendations of consultants, generally assumed to be or claimed to be informed by numerous consulting experiences, may act as a surrogate for an objective reality in a socially constructed world. In their efforts to offer something novel and distinctive consultants tend to operate at the boundaries of prevailing social enactments. In their efforts to confer advantage on their clients, consultants create a more level playing field. With relativism comes anxiety (Sturdy 1995, 1997), since managers cannot be sure that the latest fad is an improvement rather than a distraction. Failure by senior managers to take on board new ideas and concepts may risk exposing the organisation to competitive arbitrage as their world is re-shaped around the organisation. But the tensions and stresses from introducing new concepts and ideas, which inevitably disrupt the prevailing routines and commitments, are almost certain. The tension between consultants and their clients described by Sturdy (1995, 1997) is seen as a fundamental aspect of interventions within the theoretical framework proposed by this research.

The research adds to the discourse on strategy formulation and implementation. The research also suggests that radical or second order change (Bartunek and Moch 1987), outside the bounds of the organisation's paradigm, requires some degree of *separation* which forms the conceptual space within which new visions and ideas can take shape. This development of ideas and direction need not, though, be in the form of a major or single strategy formulation exercise, as shown by the McQuillan Young Communications / Transitions case. One could easily describe the work done by Simon Pratten and the McQuillan Young Directors as crafting a strategy and the communications with staff and the introduction of new systems and processes as sensegiving (Gioia and Chittipeddi 1991). Equally, formulation is not independent of implementation. The map, to continue the metaphor above, is a representation of a possible, future, inter-subjectively negotiated social order. It should be a great surprise if it were to match exactly the world experienced by managers. Action, through some form of implementation, is fundamental to shaping the organisation's reality and direction.

Perhaps a conception of formulation as prospective expectation setting and retrospective sensemaking interlaced with action (or implementation), might be more appropriate and helpful to managers. Formulation and implementation may be better conceived as distinct, reciprocal and concurrent, and so neither sequential, as understood within the rational linear model of strategy (Chaffee 1985), nor simultaneous, as understood with an adaptive perspective (Quinn 1980, Mintzberg 1978, 1987). Such a conception also characterises strategic change as simultaneously deliberate and emergent, challenging the notion of a continuum between deliberate and emergent strategies (Mintzberg and Waters 1985). Implied criticisms of managers who either fail to realise some formal strategies, or aspects of a strategy, or who appear to exercise little or no control on emergent strategies, are misguided.

The notion of competing enactments in a socially negotiated world casts implementation in a new light. The implementation is not simply the alignment of internal structures, systems and processes (Galbraith and Kazanjian 1986, Hrebiniak and Joyce 1984, Judson 1990) but includes the diffusion of ideas and fusion of enactments. The role of symbolism (Johnson 1987, 1988), politics (Pettigrew 1985a, 1985b) and mediation (Balogun 1998) are shown to be fundamental to the realisation of strategic change. It also does away with the negativity and recalcitrance implied by terms such

as resistance to change (Kotter and Schlesinger 1979) or to innovation (Kanter 1983), and with the unethical manipulation sometimes associated with back-stage activity (Buchanan and Boddy 1992). As touched upon above, the fundamental premise of an objective world accessible and knowable through rational means seems simultaneously to enable and to hamper strategic development.

8.2.3 Contribution to Enactment and Sensemaking

With everyday life presenting itself as a self-evident and compelling fact (Berger and Luckmann 1966), individuals' roles and centrality in its enactment are obscured. It is where this taken for granted continuity breaks down that enactment processes can most easily be studied. Weick (1988) describes enacted sensemaking in crisis situations, where individuals in taking action to understand a crisis often intensify it. In many ways consulting interventions can be seen as both responding to and creating crises, discontinuities and the questioning of taken for granted assumptions. The study of strategy consulting interventions from an enactment perspective has generated a theoretical framework and insights discussed in this and preceding chapters. While not an objective nor a central contribution of the research, it also enriches our thinking and understanding of enactment and sensemaking.

An intervention reflects a "committed interpretation" (Weick 1993) that something is wrong, and the complexity and ambivalence facing individuals and organisations provides ample opportunities for new insights and action routines. Thus the search for a solution becomes a self fulfilling prophecy (Jones 1986). The new insights and actions create new possibilities, which on reflection are seen as having existed all along. The Carousel Directors came to appreciate that their firm had something to offer a major international freight forwarder, a fact confirmed at their first meeting. The McQuillan Young Directors came to appreciate their potential and desire to grow as they introduced new systems and processes. The consulting process itself can be similarly characterised. The initial commitment to an objective and scope of the intervention and reinforced by a specific conceptual or analytical framework shapes what is seen and how it is seen. As the framework is applied and the consulting process unfolds, the new insights generated justify (Shaw 1980) the scope of the assignment and the consulting methodology. In turn, these 'discoveries', as they are reflected upon, promote greater confidence and use of the framework or consulting advice. Use and familiarity bring new discoveries, creating a self-sustaining and self-propelling process or "deviation amplifying causal structure" (Weick 1979:157). The insights generated justify the intervention itself and the initial commitment to address the organisation's strategy

The Post Office case, though, shows how precarious newly forming committed interpretations can be. The espoused view that The Post Office needed a group strategy competed with the tacit view that the Kepner Tregoe intervention was motivated by a political agenda on the part of the Chief Executive. Thus some POEC members appeared to be looking for signs of collusion or manipulation, and found some. This brings us back to fundamental notions of indeterminacy and retrospect. Individuals see and act on the basis of expectations, and in acting realise (i.e. construct and appreciate) their lived social world. In acting, through words and deeds, they share their constructions, forming committed interpretations and binding actions, which further reinforce these constructions. These constructions compete, and which

constructions take hold and flourish can only be known retrospectively. As The Post Office case shows, while power may confer advantages in the creation or imposition of social reality, it does not guarantee dominance.

Consulting interventions tend not only create a discontinuity in the relatively predictable and taken for granted routine of organisational life, they also tend to create or accentuate a rift between those involved and those excluded. The seamless fabric of organisational life is torn, triggering active sensemaking primarily from those excluded to repair the tear. The discontinuity may be seen as artificial and imposed, but the potential consequences of an intervention are seen as real. Those involved seem to experience this discontinuity more slowly and subtly as the intervention shapes new schemata and scripts, and where they are confronted with the contradictory of conflicting interpretations of those excluded in the form of lobbying, expressed concerns, resentment, resistance and disinterest.

The research, and in particular the concept of embedded enactment where discontinuity and tension is deliberately sustained, is a distinct contribution to the thinking in the field. Unlike other conceptualisations in which alternative well-formed schemata compete and the conflict is resolved by in the imposition of a dominant schemata or a dialectic synthesis (Bartunek 1993), the research explores and describes the subtle processes in which new schemata and scripts form. These emergent schemata and scripts are simultaneously protected from and shaped by the prevailing enactment. The research also indicates how difficult it is for managers to live out simultaneously two social realities, one familiar and the other emergent, tentative and partial. The permeability of enactments suggests that reconciliation is on-going, through thinking and acting, involves some degree of fusion or synthesis and is never complete.

In his work on sensemaking, Weick (1995) says that:

“sensemaking, as a focus of inquiry, is only as significant and useful as are its most recent exemplar. The way those exemplars are framed, discussed, and investigated is what sensemaking is about and can contribute” (1995: 64-65).

This research overall, and the individual case studies are examples of organisational sensemaking, which illustrates the seven properties of sensemaking described by Weick (1995). The importance of personal identity construction in understanding and reacting to an intervention emerges clearly from the research. In The Post Office, some of the POEC members' affinity and felt sense of responsibility for the operating Divisions made them more guarded and suspicious. For the Carousel Directors, the security afforded by family bonds made them more open and receptive to ideas and criticism. The presence of consultants, their analyses, reports and various props, creates a sensible environment for sensemaking. The views, insights and ideas exchanged during interventions act as cues. The segregation and selection of participants, the off-site meetings and workshops and the new modes of conduct form the defined social context for sharing and sustaining the new enactment. The intervention itself is a prompt for sensemaking within the organisation on the part of those involved, using previous experience, reputation, and concepts advocated by the consultants as cues. The on-going and retrospective characteristics of sensemaking in organisations is illustrated well by the McQuillan Young / Transitions case.

Appreciation of the actions taken and the role of the intervention changed over time, and that appreciation was still changing subtly at the time of the research. For Directors of the Bristol and West Building Society the Kepner Tregoe methodology was deemed a plausible way of structuring a discussion rather than the best way of formulating a strategy in some objective sense.

Exemplars of sensemaking describe the establishment of a social order, for instance the case of Scottish Knitwear Manufacturers (Porac, Thomas and Baden-Fuller 1989), as a slow process facilitated by proximity and shared points of reference. Others describing the recognition and appreciation of a social phenomenon, for instance Battered Child Syndrome (Weick 1995), suggest it is a gradual process, triggered by anomalies and dissonant cues. In contrast, consulting interventions appears to be characterised by greater abruptness, tension, imposition and artificiality.

The case studies themselves embellish the theoretical constructs with texture and colour, and hint at the subtleties and nuances of interventions. Given the reluctance to discuss specific assignments on the grounds of client confidentiality or desire to protect proprietary consulting approaches noted by researchers and commentators (Rassam and Oates 1991, O'Shea and Madigan 1997), the case studies are valuable empirical narratives. For academics the case studies are points of reference, both to sensitise researchers entering the field and against which to examine their findings. For many consultants and managers, such case studies are opportunities to reflect on personal experiences and to draw their own conclusions. It is they who will be called upon to make fine judgements on the conduct of interventions.

8.3 IMPLICATIONS

Schon (1983, 1987) describes the process used by professionals in complex, ill-defined and unique situations as thinking-in-action and the associated learning and development as reflection-in-action. Dunphy and Stace (1988, 1993) challenge the empirical validity and universal applicability of the OD model founded on participation and incremental change and argue for a contingency based approach. Helping senior managers to develop a strategic direction and to realise strategic change is a clear example of a complex, ill-defined and unique situation, a point amply illustrated by the diversity of the cases studies as part of this research.

Unlike many texts or manuals on consulting practices, the theoretical framework developed through this research does not, and is not intended to, prescribe a specific consulting process or actions. Rather, the research offers a way of thinking about and understanding interventions. As such, the comments which follow are designed to stimulate thought, reflection and debate on the assumptions and behaviour of both consultants and managers. The activities of management consultants are only one part of an intervention, and no amount of good intentions and wisdom can unilaterally guarantee success. As Bingham (1992) eloquently points out, it takes two to tango.

8.3.1 Intervention Design and Conduct

A central finding of the research is that consultants and managers need to balance *separation* and *absorption* through the course of an intervention. Intervention design

tends to focus on familiar aspects of *separation*, over which consultants have the most control. Consultants may need to step out of their comfort zones if they are to influence and contribute to the strategic thinking and subsequent actions of their clients. This imbalance needs to be redressed, but the research suggests that there is no Aristotlean “golden mean” (Russell 1961) independent of the situation or course of the intervention itself. Insufficient *separation* risks simply confirming the status quo, while too strong a *separation* risks rejection or dislocation.

In principle, consultants should push for *separation*, while being very attentive to the strains and tensions that their actions might be creating. The notion of “depth of organizational intervention” (Harrison 1995a) set within the OD school of consulting has a direct parallel in the idea of a maximum tolerable *separation*. Both ideas are intimately linked to organisational setting and rely on subtle, qualitative judgements on the part of consultants.

As a starting point, consultants might wish to take a fresh look at how to create and sustain *separation*, as indicated by the theoretical framework. Solving a problem or addressing interpersonal relations are a constituent part of this process, but are likely to have a limited effect if other aspects of an intervention are not at least considered. If practical, assignments might be extended to include facilitating or supporting new patterns of action in the form of pilots or experiments, detached from the rest of the organisation, a practice advocated by Beer, Eisenstat and Spector (1990). Thus, consultants could help managers to initiate tangible action and to master unfamiliar scripts. As Donnellon, Gray and Bougon (1986) point out, organised action can occur in the absence of shared meaning as long as there is agreement on a desired outcome. It is the feedback from action that begins to reshape schemas and paradigms (Weick 1995). As a way of promoting new actions, consultants might also consider the use of a series of brief, action-oriented interventions instead of the grand, all encompassing analytical strategy project, which heightens tensions and delays action.

The development of detailed methodologies by management consultancies is driven by the need to stand out in a competitive market and to capture intellectual capital. The disciplined application of methodologies also enables consultancies to employ relatively inexperienced consultants, thereby leveraging the time and expertise of senior staff (Maister 1993). From being a store of knowledge and a guide to action, a methodology can become an indispensable crutch or rigid format. Methodologies can thus inhibit thought and creativity, and can even take on the aura of an unassailable panacea. Although uncomfortable or disconcerting, consultants might try to make the scope, approach and execution of their work more malleable, open to question, and permeable. Malleability relates to carving out and bounding the enactment they wish to sustain, and to responding to pressure to conform and make the intervention understandable, believable and acceptable. An adequate strategy, which stimulates action and experimentation, is better than an excellent strategy which is so alien that it is ignored. Openness to question can ease tensions and help to accommodate differing views as part of the process of generating inter-subjective constructions of the organisation and its environment. Permeability can help the processes of dissolution and fusion of the consultant facilitated enactment within the wider organisational enactment and fabric of organisational life.

As Phillips (1996b, 1997) suggests, analytically oriented consultants have no formal mechanism for surfacing deeply held beliefs, covert political agendas or differing values or assessments of the environment. They tend to deal with resistance or disagreement with more data and more analyses. Strategy consultants who presume the superiority of their paradigm and then insist on proving that they are right are at best winning Pyrrhic victories. Consultants might benefit from focusing more attention on how their ideas are being made sense of by listening to managers' articulations of the situation and their views on the appropriate course of action. Consultants might also try to be more attentive to and adept at diagnosing the tensions their presence provokes. Feedback on the intervention should not only help consultants to check whether the members of the organisation are satisfied and understand the process and what is being put forward, but also how the intervention is being interpreted. Nuances of articulation, expression and action are vital clues in piecing together schemas, paradigms and processes, which are otherwise obscure. Approaches advocated by proponents of human inquiry (Heron 1981a, 1981b, Reason 1994) offer useful insights and ideas. In particular, they suggest ways to create active collaboration and to share ideas and methods of inquiry.

A centre-piece of the intervention, namely the relationship with the client, warrants critical scrutiny. Burke (1994) discusses the issue of the client or beneficiary of the intervention, and indicates that there is no straightforward answer and that the consultant must make a choice. Schein (1987,1999) suggests that consultants have different types of clients, and that they must know whom they are helping at any point in time. The research adds a layer of complexity to the choice of client in that the nature of the relationship with key senior managers needs to be gauged in the context of the organisation's norms and culture, pressures and politics. A close relationship is not necessarily a good relationship, unless satisfying the requirements and aims of the individual(s) are the consultants' primary goal.

Despite the potential loss of follow-on business, consultants might be more proactive in looking for the appropriate moment to exit. As the research shows, an intervention is *absorbed* into the fabric of organisational life and strategy consultants can lose their ability to create new schemas and shift frames of reference. Consultants can become part of 'the problem' rather than 'the solution', as shown by O'Shea and Madigan (1997). Perhaps consultants should be more willing to redefine the nature of the relationship, from consultant to interim manager (Golzen 1992) or seconded resources, if their on-going involvement is beneficial.

As the research overall and the comments above indicate, strategy consultants are faced by a huge personal challenge. If they are to influence members of an organisation they need to project an aura of credibility, distinctive expertise, confidence and mystique, while having the humility to listen, be criticised and influenced, and then fade into the background. Yet there are few sources of support for these latter virtues. The felt need to perform, to assert and to demonstrate competence and control of the situation, something expected and valued by clients, diminishes consultants' sensitivity. The lavish attention and starting salaries paid to new recruits to the major consulting firms tend to foster a sense of superiority rather than humility. The drive for commercial success encourages the development of unique knowledge, methods and insight, which tend to be packaged in the form of consulting offerings emphasising distinctiveness and exclusivity. Attention and value

are inevitably reduced in respect of the mostly tacit knowledge and understanding of members of an organisation. Schein (1999) similarly laments that as consultancy becomes a business it de-emphasises “relationship-building that would permit clients to own their problems and make sensible decisions about”(1999:248) specific interventions.

Perhaps a fundamental review of what being a strategy consultant entails, and how that is promoted to clients and the public, might be in order. The image of consultants is important to an intervention, and the current, popular views of consultants as witch-doctors (Economist 1988), or dangerous company (O’Shea and Madigan 1997) are likely to predispose or condition individuals in organisations against consultants. The repositioning of the industry as a whole might enable a better delivery of value not just additional business. The current attempts by the Institute for Management Consultancy in the UK to establish professional qualifications may not be as important as a clear basis and conceptual underpinning for the profession. The current dominant bases, namely rational analytical problem solving or the application of (social) psychological concepts to interpersonal and group relationships within organisations, are partial and cannot adequately cope with the complexity of organisations. These very bases are challenged. Clark (1995) suggests that we should think of management consultants as performers rather than helpers. Sturdy (1995, 1997) implies that consultants offer palliatives not lasting solutions. Bloomfield and Best (1992) and Bloomfield and Danieli (1995) suggest that consultants act as both advocates and judges. Knights and Morgan (1991) suggest that consultants are exponents of a strategy discourse that defends the privilege, power, status and control of senior managers over others in an organisation.

The theoretical framework developed through this research offers a more holistic way of thinking about, carrying out and explaining consulting interventions. Strategy consultants, though notionally focused on the external environment, operate within and influence change of an organisation’s enactment. Perhaps the dominant yet implicit metaphor of strategy consultant as surgeon might give way to the metaphor of consultant as anti-biotic, which appears much richer and more insightful.

8.3.2 Senior Managers and Consulting Interventions

An important feature of the research is the concept of interplay and tension between the enactment facilitated by an intervention and the wider organisational paradigm and routines. Managing interplay and dealing with inherent tensions shapes the intervention and its potential influence, and falls upon both consultants and managers. Senior managers might consider the nature and significance of their own roles in an intervention, both in terms of its commissioning and their involvement in its execution.

Ashford (1998) furnishes a long list of bad reasons for using management consultants and a much shorter one for using them. Using consultants as scapegoats, political footfalls or ferrets, among other covert roles, is ultimately self-defeating for the organisation. Managers will increasingly be unable to draw upon and utilise effectively the alternative perspectives, skills and expertise of external parties, since they, as a group, become tainted with political intrigue. As shown by the research, once collusion or political manipulation is perceived or even suspected the embedded

enactment collapses and the prevailing enactment is reinforced. Phills (1997) makes a similar point when discussing covert versus overt modes of influence.

Even without covert intentions, management consultants' influence on processes of strategic change diminishes with frequency of use and/or duration of interventions. Once the novelty and mystique wears off, interventions may have the same influence as reading the latest management book or attending a lecture by a management guru. Consultants become taken for granted, their ideas and projects compete for attention with daily routines and emergencies, and they begin to be treated and to take on the aura of managers within the organisation. The research by Gattiker and Larwood (1985) indicates that the simple substitution of consultants for in-house management is not a desirable situation.

Bingham (1992) describes incompetent clients as closed and protective, intolerant of questioning, unwilling to give feedback, apt to change objectives and to treat a consultant as a tool or object of control. The existence of such clients usually results in sterile, unsatisfactory and unproductive assignments. The pivotal role of living out both enactments and mediating between them, described by Bartunek (1993) and brought out by the research, suggests that a subtle, active involvement is called for. In many respects the work of senior managers starts when the formal intervention is over. They have a huge influence over how the new ideas and concepts fuse with the prevailing organisational reality.

8.3.3 Further Research

This PhD is essentially exploratory research into a relatively little studied subject area. The theoretical framework generated by this grounded case study research is clearly open to question and further research to refine and elaborate the key concepts and constructs. The influence of the organisational context on interventions, and particularly the concept and aspects of *absorption*, warrants further investigation.

Additional cases conducted by other researchers with different perspectives should increase the credibility, robustness and definition of the theoretical framework. Further research should aim to clarify the extent of transferability of the concepts and make the framework more dependable and helpful to practitioners. For example, research into strategy consulting interventions that are characterised by significant research and analysis, a large consulting team and that culminate in a set of highly prescriptive recommendations might also help to elaborate and refine the theoretical framework. Consulting interventions that support the systematic implementation of an already formulated strategy also warrant study. Does the theoretical framework provide a good way of understanding such change management exercises?

Beyond a deeper study of strategy interventions by consultants, the research prompts investigation of other types of interventions. For instance, the relevance and usefulness of the concepts in examining consultants' interventions in respect of non-strategic issues warrants study. Are *separation* and *absorption* present and/or as important in understanding consultants' work on non-strategic issues? Does the organisational enactment, informed and constrained by wider social enactments, generate the regularities exploited by consultants and observed by other researchers? If organisational boundaries and outputs are agreed, issues are rendered more tractable

and capable of rational analysis and proof. Are functionalist (Burrell and Morgan 1979) perspectives and theories better at explaining consultants' activities in relation to functional strategies or the alignment of processes towards an agreed goal or market positioning?

Hartley, Nenington and Binns (1997) imply in their accounts of organisational and cultural change in a UK local authority that the internal change agent is subject to and has to work within the political context. How does the role and status of the consultant affect the intervention and ability of the consultant to realise some degree of *separation*? The internal consultant or change agent appears to lack the objectivity, credibility and aura of an external consultant and the power of a senior manager. How do internal consultants influence strategic change?

The concept of embedded enactment appears to be a useful starting point for research into related fields of management. Formal, off-site training, which provides managers with ideas and concepts and seeks to influence their behaviour, can be seen as a form of consulting intervention. Could such training be conceived as an embedded enactment? If so how does the concept of *absorption* help to explore and explain how participants on training programme react to new ideas, take them on board and make them part of their working practices? Does this research point to ways of designing and executing training programmes to facilitate acceptance, diffusion and fusion of ideas within prevailing organisational enactments?

The appointment of new senior managers helps to "legitimize and facilitate extreme changes in strategic orientation" (Ginsberg and Abrahamson 1991). To what extent do they represent an embodiment of an embedded enactment? Are new senior managers under similar pressure as consultants to conform and become part of the prevailing enactment? Should new senior managers actively create some degree of *separation*, or should they rely on their positions of power and authority to transform the organisation 'from within'?

As with any research, this PhD thesis is but a stepping stone to asking and answering other questions. The research process has given me a better understanding of what is meant by rigorous research and a contribution to knowledge, and provided the opportunity for me to reflect on my own work as a management consultant. I now have a far greater appreciation of the stresses and strains experienced by managers as they grapple to reconcile the cool logic of my recommendations with the reality of their organisations. The research is intended to speak to practitioners and to help them reflect on their work and experiences. There are some positive signs. On reviewing an earlier draft of the thesis a couple of the sponsors specifically commented that "it made fascinating reading, particularly the insights into other companies' experiences", and that it was "very interesting". My hope is that the research should also inspire and inform other researchers in their own quests for knowledge, and stimulate practitioners to reflect on their experiences. As the ideas and concepts contained in this thesis are considered, reflected upon, developed, expanded upon and diffused, the research makes its contribution to the academic and practitioner communities.

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APPENDIX

Case: The Bristol and West Building Society/ Kepner Tregoe

Case: The Post Office Group/ Kepner Tregoe

Case: Carousel/ Triangle Management Services

Case: McQuillan Young Communications/ Transitions

THE BRISTOL AND WEST BUILDING SOCIETY

KEPNER TREGOE'S INTERVENTION

CASE STUDY

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PhD Programme

Preface

This case study is part of a PhD research project looking at the contribution of management consultants to processes of strategic change within organisations. The case material has come from in-depth interviews of a selection of individuals within the Bristol and West and Kepner Tregoe and documentary information developed at the time of the intervention. The account below is a distillation and partial analysis by the researcher of the information available, and therefore is, by definition, incomplete and influenced by the research agenda. The purpose of the account is to set out the context and logic of the intervention and to elaborate a “first order” analysis of the key contributions, congruent with the experience and understanding of those involved. The drafting of this case provides a springboard for further analysis and theory development, in line with the overall research methodology.

The co-operation of all those involved in the research is greatly appreciated. The researcher asks that no part of this case study be reproduced without his prior agreement.

Background

In early 1994, the Bristol and West Building Society commissioned Kepner Tregoe, a firm of management consultants, to help the Executive Team develop a business strategy for the Society.

At the time, the Bristol and West was a mutual organisation whose main business was retail deposit taking and mortgage lending, though it offered a wider range of retail financial services, such as travellers cheques, and had bought a chain of estate agents, Hamptons. While not one of the biggest Building Societies, the Bristol and West was one of the top 10 and had a strong regional franchise and wide geographic coverage of retail branches.

Kepner Tregoe had worked for the Bristol and West some time prior to their involvement in the strategy formulation. They had been introduced to the Society by Kevin Flanagan, Group Services Director, who had some experience of Kepner Tregoe when he worked for Littlewoods. Kepner Tregoe had an analytical process or technique for problem solving and decision making (PSDM) and a number of PSDM training modules had been run for Bristol and West managers.

Initial Contact

Kevin Flanagan was reviewing the results of some PSDM modules with a Kepner Tregoe consultant, Nick Mobley, when he mentioned that the Society was having difficulties developing a strategy. Nick Mobley briefly outlined the Kepner Tregoe process for formulating strategy and suggested that Kevin Flanagan should meet Mike Freedman, a senior person within Kepner Tregoe's strategy practice. Kevin Flanagan agreed and a meeting was arranged at which Mike Freedman outlined the process. Kevin Flanagan was very comfortable with the Kepner Tregoe approach since it was very systematic and structured, a style and approach which he believed suited the Bristol and West. Furthermore, Kepner Tregoe were offering a purely process approach, without content; Kepner Tregoe would provide the tools and the steps in the analysis and the Bristol and West managers would generate the content and shape of the strategy. Kevin Flanagan perceived a pent up desire within the Bristol and West to develop a strategy, but to date he and his colleagues had not found a way to do it. Kevin Flanagan attributed this to different conceptions of strategy amongst the Executive Team and the absence of a specific process or individual responsible for strategy formulation. There was no history of formulating strategy nor discipline, and so day to day business took precedence.

As soon as the meeting with Mike Freedman was over, Kevin Flanagan went initially to see Ian Kennedy, Group Operations Manager, and Jeff Warren, Deputy Chief Executive and Finance Director, and then to John Burke, Chief Executive, to secure support for the consulting intervention, and received it. Mike Freedman was then asked to present to the Executive Team. Kevin Flanagan felt that it was important that Mike Freedman should establish his personal credibility with his colleagues and convince them of the viability of the process. Kevin Flanagan was conscious that his colleagues were less familiar and less comfortable than he was with a process approach. Kepner Tregoe had to secure commitment from the full Executive Team. Kevin Flanagan was also keen to transfer the client responsibility to John Burke so that he could lead and champion the process. This transfer of responsibility had the added benefit of allowing Kevin Flanagan to participate fully as a team member in any subsequent strategy review. While Kevin Flanagan felt that it might have happened if he had cliented the intervention, he believed that the Chief Executive was key to making it work well.

The Commissioning of Kepner Tregoe

Kevin Flanagan arranged for Mike Freedman to present to the Executive Team at one of the Team's meetings. Mike Freedman took the Executive Team through the Kepner Tregoe process and what was involved. He explained that the process was six months long, split into a series of two day workshops during which the Executive Team would go through a systematic analysis of the environment, the key business drivers and determine the appropriate strategy. The members of the Executive Team were more concerned with the personality and credibility of the facilitator than the details of the process itself. Both Ian Kennedy and Jeff Warren felt confident that Mike Freedman, who was to lead the intervention on behalf of Kepner Tregoe, could operate at sufficiently high a level and add to the process by knowing from experience what had happened elsewhere. Personal chemistry was seen as critical since they were expected to spend significant periods of time together in a room and, without good interpersonal relations, the process could have been more stressful than it needed to be.

Mike Freedman then had a number of discussions with John Burke agreeing the precise details of the intervention. Mike Freedman perceived a certain hesitation on the part of John Burke in awarding the assignment, which he later discovered had to do with the fact that Bristol and West was using another consultant to facilitate team building among the Executive Team. Mike Freedman discovered after Kepner Tregoe was commissioned that John Burke was hoping that this other consultant could facilitate the strategy development work, but subsequently decided to commission Kepner Tregoe. The final decision to use Kepner Tregoe was not discussed at length by the Executive Team.

The Structure and Logic of the Strategy Formulation Intervention

The intervention was made up of 6 workshops, each lasting two days, with approximately one month between each workshop. In outline, the structure of the Kepner Tregoe process was one of identifying the factors in the environment affecting an organisation, understanding the organisation's relative strengths, choosing a key driver from a list drawn up by Kepner Tregoe, and then developing the exact details of the strategy. Kepner Tregoe provided the analytical framework; in essence the questions that needed to be answered and the logical sequence for answering those questions to develop a strategy. They introduced and explained a range of decision making and analytical techniques to support the answering of those questions and the consultants acted as facilitators during the discussions.

Kepner Tregoe based its approach on a strongly held belief that senior managers should carry out the analyses themselves since this generates greater understanding of the issues surrounding strategy formulation and greater ownership of the chosen strategy. If managers carry out the analyses they are more likely to implement the strategy and are better placed to develop strategy in the future. An objective of the intervention, from Kepner Tregoe's perspective, was to educate senior managers in the processes involved in formulating a business strategy.

Kepner Tregoe did not claim to have any particular insight into Building Societies, nor the retail financial services market, but focused on facilitating the process through which the Bristol and West would determine its strategy. This neutrality was valued by the Executive Team who were keen not to be told what strategy they should follow, but develop it for themselves.

Participation in the workshops was restricted to the members of the Executive Team (see Attachment) and Mark Abbot who was responsible for Treasury operations, though the Team did ask others within the Bristol and West for specific information. Again, the restriction of the deliberations to the most senior managers reflected a firmly held belief within Kepner Tregoe that strategy formulation was the prerogative and responsibility of senior management. The process was designed to embed all the information and logic for specific decisions within the Executive Team. On practical grounds too, the number of people attending the workshops had to be limited to facilitate open discussion and debate.

Mike Freedman led the intervention, supported by Ann Orton, another experienced Kepner Tregoe consultant, and a more junior person, Patrick Harper-Smith. Mike Freedman and Ann Orton led the various workshop sessions and facilitated the debates and analyses by the Executive Team, while Patrick Harper-Smith captured the discussions and subsequently

produced full reports of the workshop deliberations. These reports were circulated to members of the Executive Team a few days after each of the workshops for their comments.

The Contribution of the Intervention

Kepner Tregoe's intervention influenced and contributed to the processes of strategic change within the Bristol and West in three distinct, but inter-related, ways.

First, the intervention itself supported the crystallisation of issues that the Bristol and West's management had to deal with, their scope and the resulting deliberations and consensus. Specifically, the intervention provided the catalyst, the focus and the means of marshalling the commitment of the Executive Team for developing a formal strategy. The intervention defined and bounded the issues to be discussed and led to the tangible expression of a strategy shared by the Executive Team.

Secondly, the intervention enabled the Executive Team to address certain strategic issues in a different way and thereby gain a new perspective. The Kepner Tregoe approach addressed strategy in a more systematic and formal fashion and used different conceptual frameworks and techniques. In addition, the presence of Mike Freedman and Ann Orton provided a challenge to the way the Executive Team were looking at issues, from outsiders' perspectives.

Thirdly, the setting and external facilitation generated different patterns of interactions between the members of the Executive Team. This allowed the Executive Team members to step outside their customary roles and routine dialogues, and to raise and respond to concerns and feelings beyond the conventional rational arguments.

Crystallisation

The process of approaching and subsequent decision to commission Kepner Tregoe separated and raised the profile of strategy issues and deliberation from day to day business. The intervention process and presence of the consultants acted as a tangible manifestation of a need to address strategy formulation, and in a different way.

Initially, some members of the Executive Team were sceptical that they needed as much time to develop a strategy as Kepner Tregoe insisted upon, and that they needed to go through each of the steps to the same degree of detail. Nonetheless the Executive Team was committed to the process from the outset, though some members did not believe the timescales, nor wanted to do some parts:

“I recognise that, as a group, we need a process to make things work... I find it an aggravation and it irritates the hell out of me, and I know we could not short circuit it... I am not sure if we can do anything other than follow this process, and we won't get massively side-tracked with other problems.”

There was a belief that, by following the process, they would end up with a strategy, and, from the process, the commitment appeared to grow:

“...as results began to emerge and we began to see some real progress, and I repeat, committed progress, everyone pretty much saw whilst it might have been tiresome, a bit pedantic, a bit pedestrian, they could actually see the value of the process.”

The intervention also disconnected a pre-defined set of questions and issues from the myriad current and emergent issues the Executive Team had to deal with. For instance, the Kepner Tregoe process for strategy formulation did not specifically deal with the issue of corporate ownership, which was becoming prominent in the Building Society movement at the time of the intervention. It was during the strategy formulation process that the Cheltenham and Gloucester Building Society announced that it was to become part of Lloyds Bank, and that Halifax Building Society indicated its intention to become a public limited company. Specifically, the issue which arose and was being dealt with outside the strategy process by the Chairman, the Chief Executive and the Finance Director was should the Bristol and West remain a mutual organisation, or should it become a limited company with greater access to funds to expand or acquire other organisations?

When Kepner Tregoe started the process it was not thought necessary nor appropriate to discuss ownership. The argument put forward by Mike Freedman, once the issue was raised, was that irrespective of ownership the Bristol and West needed a business strategy:

“... this was a very unusual case of strategy because there were in effect two levels of decision being taken... whatever happened... they still needed to sort out the range of products... targeted customers, what competencies they needed... I think they also recognised that the charge towards discussing the higher level issue was one which was not necessarily going to involve them all, so the separation, I thought, was well handled by John (Burke).”

The argument was generally accepted. However, the issue of ownership was included as part of the strategy deliberations, but appended towards the end of the main strategy formulation process, once the key business strategy decisions had been made. Mike Freedman’s strong position on the subject and the commitment to the intervention helped create and sustain this boundary between business and ownership strategy which, from within the context of the Kepner Tregoe intervention, excluded extraneous and potentially confusing factors and considerations.

The intervention itself generated a tangible expression of the Executive Team’s analyses and discussion, giving them a sense of rigour, completeness and robustness. Kepner Tregoe documented the development of the final strategy and the analyses and discussions undertaken at each stage of the formulation process, and helped to synthesise the agreed strategy in the form of a clearly articulated set of statements:

“The absolutely crucial thing from my perspective was that we got to the end and we had a corporate strategy, a document we could say - this is our corporate strategy.”

“In retrospect, what was important was that we had something that we could call a strategy, and that it could bear some examination by, for example, non-Executive Directors, that it would have face validity with the organisation but not perfect... something on the ground that we could then go ahead and refine and hone...”

something on the ground to say - the organisation has a strategy and this is credible...”

“... the greatest thing we got out of it was great clarity of thought... It's very valuable to put a circle around our business and to know that we are not going to even look at opportunities X, Y and Z because they are outside the circle.”

In essence, the intervention helped the Bristol and West's Executive Team to solidify what otherwise might have been more ethereal, vague and fleeting. The intervention helped them to come together with a unity and commitment of purpose, to focus on a bounded set of issues and to crystallise the resulting deliberations and consensus in a tangible and credible form.

Different Conceptual Framework and Perspective

The bounding of the issues to be discussed as part of the strategy formulation exercise facilitated the application of a well established approach. The strategy formulation process used by Kepner Tregoe was structured, logical and sequential. Moreover, the Kepner Tregoe consultants had great confidence in the process and analytical techniques, having used them successfully in other interventions.

The initial sessions revolved around the environment and Bristol and West's strengths and weaknesses, opportunities and threats. Members of the Executive Team had been asked to fill in questionnaires which Kepner Tregoe had collated. The results of the questionnaires and subsequent workshop debates:

".... didn't throw up an awful lot that was new.... but what it did establish was a consensus view. I don't think that consensus view was radically different from anything that individually we might have had, but we knew that we all shared that view, which perhaps is the important thing."

The process itself proposed a number of “Driving Forces” (see Attachment) which Kepner Tregoe contended spanned and characterised the different strategy options available. Analytical and decision making techniques were used to rank the driving forces against the Bristol and West's relative strengths and the values of the organisation, and then to choose one driving force around which to develop the specific details of the strategy. Neither the list of driving forces nor the process design which funnelled the Executive Team towards a decision in a pre-determined way was seen as a constraint, and the choice of driving force was found to be relatively easy.

The Bristol and West Executive Team appeared less concerned with the specific merits of the process as long as it had some credibility and appeared viable:

“We would have been fairly relaxed about using anybody as long as we felt they did have some sort of process formula...”

“I am not sure it matters what the process is. I am not sure it matters who it is so long as they have a decent process... they had a framework and probably one of the main things about KT is that they had a view that there are eight key drivers in any business and you had to pick the one which is appropriate for you. It may or may

not be rubbish, but I found the process was useful and actually brought out quite a bit and therefore they developed a framework around which you can have discussions...”

The process itself was seen, by one Executive Team member, as more than a way of starting a debate on issues and as a way of drawing out the Executive Team's own knowledge rather than a prescribed set of steps:

“The structure forced us not to think of a particular strategy but to get clear our own consensus view of a number of important underlying issues and once we had that priority then it started to drive out a clear sense of what our strategy should be.”

Even if some members of the Executive Team were not convinced that the Kepner Tregoe approach to strategy formulation was not the best in some objective sense, the process did create a framework which appeared not to exist within the organisation. It required thought and analyses of issues not routinely addressed within the Bristol and West. The process covered a range of issues in a systematic fashion, which facilitated the creation of a more complete, more coherent understanding and appreciation of the “strategic” issues facing the organisation. As one Executive Team member expressed it:

“The process was much more than simply a set of steps; it was actually marshalling people’s thoughts, marshalling commitment, tasking people to do things.”

The analytical tools and techniques were only one part of the “process”. The capability and experience of the facilitators, Mike Freedman and Ann Orton, were seen as a major contribution to the success of the intervention:

“... the quality of their facilitation was as important as the process... Mike and Ann were personally credible not just in terms of the content and knowledge of the process and personally credible in with whom else they had worked, but were self evidently good facilitators.”

The intervention philosophy and approach of Kepner Tregoe is to remain completely “in process” and not be drawn into the content of the debates; posing questions without giving any clues as to what the answer might be. Mike Freedman was not prepared to short circuit the process because of his experience. Some Executive Team members found this annoying. Nonetheless, the external perspective and experience of similar strategy formulation efforts came through indirectly:

“(Mike Freedman) would just keep the discussion going and ask the right questions, or what he felt were the right questions, to shift the debate in a different direction... he had a number of exercises that he could pull out of his bag to throw a different light on it, explore a different aspect.”

The perceived value of the experience within a purely process approach came from knowing which analyses and debates are important and need more effort:

“... they actually need to make a qualitative judgement about our input which is - look this is not good enough, you actually need more here, I don’t think you are addressing these issues with enough weight and seriousness and enough quality.”

There was a sense, though, that the highly structured approach inclined both consultants and Executive Team members towards going through the motions or “ticking boxes” at certain stages, particularly as enthusiasm waned. But, the confidence the Kepner Tregoe consultants had in the process helped to maintain momentum and carry the strategy formulation exercise to its conclusions, despite any perceived concerns or tedium experienced by the Executive Team.

The Kepner Tregoe process and techniques, as applied by Mike Freedman and Ann Orton, enabled the Executive Team to look at the Bristol and West, its strategy and the competitive environment in a new way. This way of thinking became absorbed within the Executive Team:

“We actually have what I genuinely realise are really quite sophisticated conversations now about strategic issues, where frankly two years ago we could not even spell the words.”

The intervention provided new paradigms and “conceptual gems” (i.e. ways of looking at an issue) which became diffused within the Bristol and West, in part through their use by Executive Team members in more routine debates and decision making. These concepts and frameworks transcended their initial use in the strategy formulation process.

Different Pattern of Interactions

The intervention took the Executive Team outside the normal patterns of interaction both within the Team and between the Executive Team and other members of the organisation. The discussions were non-routine, both in terms of the subject matter and the contributions made by individuals, which were increasingly from a corporate-wide perspective rather than made as Directors with particular interests to defend and promote.

One of the key attractions in using an external consultant was that:

“... we recognised that we found it difficult to manage each other... we wanted someone to manage us through a process, otherwise it was going to take us four times as long frankly and it would be more painful...”

“... we are a group of people who are inclined, if we get a chance, to wander off along the byways and not stick to the main road...”

The Executive Team found the discipline and strictures imposed by the logic of the process uncomfortable at first since they were not used to the systematic approach to addressing strategic issues. They were more inclined towards a more intuitive, unstructured way of looking at issues. Nonetheless, the rigidity and discipline imposed by Kepner Tregoe, described by one Executive team member as being “prisoners of the process”, was seen as a vital element in achieving the understanding, clarity and consensus in respect of the Bristol and West’s strategy:

“Frankly, it occurred to me at the time that it was necessary (to be prisoners of the process), but looking back it was absolutely necessary...we were, a slightly indelicate term but nevertheless an accurate one, we were strategy virgins... we

were like the five year old - golly talking about strategy... if we hadn't had a tightly defined process, we could have gone walk about. ”

The presence of an outsider, with a mandate to facilitate the discussion and the overall strategy formulation process, had a significant impact on how the various Executive Team members contributed to the strategy debate:

“In the initial stages of the intervention Mike Freedman had to get strident and unpleasant from time to time when individuals were being too functional and had to remind people fairly publicly that they were there as executives of the whole organisation as opposed to head of this or head of that.”

The discussions were perceived as qualitatively different from those had by the Executive Team either as a Board or at other routine meetings:

“... given the nature of the subject being discussed, there was nothing routine about them... Your financial matters and regulatory matters are pretty much prescribed, pretty much standard procedures for following the thing, where decisions can be made on previous examples, previous practice.”

“Interactions are inevitably more constructive in corporate strategy work because to a fairly large degree you leave behind your functional hat... anyone can contribute on any aspect, and you all want the same; the primary driver actually is to have a clear corporate strategy... You might have secondary objective which is I want it to be a bit more like this...”

The Executive Team approached the subjects under discussion from a different perspective and the nature of the interactions evolved during the course of the intervention:

“... you get more emotional arguments in the face of developing a strategy than you would in the normal course of business... it is not a political discussion to do with my Division getting its way... In business we tend to operate much more with a functional hat on, and so your primary concern is for the organisation to meet its key performance pieces, but you have your personal objectives... so sometimes you will fight for your bits.”

“... initially people came to the table almost exclusively with functional hats on... it became obvious that yes when it was appropriate to make, if you like, a point from a functional perspective, supporting one's own function or interest, that sure it was legitimate to do that, but the nature of the beast was non-functional... I would say the balance shifted.”

The setting and the presence of the consultants, in their role of directing and facilitating the debates, also appeared to alter to some extent the interpersonal dynamics of the situation. Hierarchical power, while ever present, was reduced in importance, allowing a more open debate and sharing of views:

“I think (the Chief Executive) more plays the peer role, and actually largely played the peer role, but how can anyone in the room forget that the following day when

we walk out of this corporate strategy session, he is my boss and my career depends on him... it can never be truly an entirely peer group.”

Not only were the subjects and the processes and techniques for discussing them novel, but the intervention focused the thinking on strategic issues, separating them from the on-going management issues and operational decisions:

“We tended to leave the discussion of strategy and its stuff to when we were meeting with KT (Kepner Tregoe)... it seemed only natural that this stuff was being developed out here somewhere, it was being developed in a separate process. It was almost like the only place where you can talk strategy is over in Queens Square, you know, that is the strategy room.”

The intervention was designed in such a way that Kepner Tregoe had relatively little contact with Bristol and West managers who were not part of the group involved in the workshops. Most of the data collection and analyses were undertaken exclusively by the Executive Team and other managers were given relatively contained tasks and in a fairly circumscribed way:

“... do some research and just find out what the comparative stats looked like over a period, to do some projections... really we developed the outline for them to put real numbers, to give it real focus... so about 30% of the stuff involved other people but it was quite focused...”

The whole intervention was kept low key and revolved around the Executive Team:

“We didn’t set out to make it a secret thing, equally we didn’t go publicising it, simply because we actually wanted to have something of substance to say... We thought it better to get through something so we had material that we could then bounce off some people and then go firm.”

This detachment appeared to facilitate the process of consensus building within the Executive Team, sheltered from the pressures and issues arising from the day-to-day business.

The ways in which the Kepner Tregoe intervention influenced the thinking and subsequent actions of the Executive Team were mutually dependent and supportive. The initial commitment to the process and bounding of the issues to be discussed was supported by a tightly defined process and prescribed analytical models. The facilitation and external management of the Team kept the debate within the confines of the analytical steps which made up the process. The messiness, complications, pressures and baggage of the “outside world” were suspended temporarily while the Executive Team were “talking about strategy”.

Post Strategy Formulation

The strategy formulation process created clarity and a shared view in the minds of the Executive Team members in respect of the Bristol and West’s strategy. The final strategy, was perceived at the time not to be perfect, but:

“... stood the test of time and, I think in that sense, it has turned out, over time, to be much better, I think, than I thought it was at the end, because our desire to change it has not been great.”

The consensus, ownership and clarity achieved as a result of the intervention was in marked contrast to the Executive Team’s experience of other organisations and how they dealt with strategic issues:

“... it is clear when we get other people to tell us about their strategy that they haven’t gone through the same thought process and, in many cases, they are simply very woolly about what their strategy is and although they are doing things they don’t really know why and what their objective is and haven’t really thought through the underlying reasons for it.

The Executive Team then commissioned Kepner Tregoe to facilitate a group of Bristol and West Directors and senior managers to develop an implementation plan. The Executive Team was pleased with the results of the strategy formulation exercise and so the commissioning of Kepner Tregoe was an obvious next step:

“They had done such a good job in dragging us through this process and we have come up with what looks like a good end result... they must have something useful to say about helping us with implementation.”

Nick Mobley, who was Kepner Tregoe’s account manager for the Bristol and West and regarded within Kepner Tregoe as technically very competent, was asked by Mike Freedman if he would facilitate the implementation. Nick Mobley agreed and set about the implementation planning using Kepner Tregoe’s project management methodology.

Central

to the process was the use of a work breakdown technique to decompose the overall strategy into discrete tasks or activities and then to sequence them.

The implementation planning did not proceed smoothly. Most of the Bristol and West managers had not been party to the strategy deliberations and were unaware of the reasoning underlying, and nuances of, the final strategy. Some had strongly held views on how implementation should be planned and undertaken. Some of the senior managers involved were sceptical that strategy implementation could be looked at as one complex, defined project with a beginning and an end. They were also concerned about sufficient resources being available within the Bristol and West to carry forward the strategy and the organisation’s readiness to change, both of which were assumed by the methodology.

As the implementation team worked at decomposing the strategy, it became clear to some of them that the process was not producing the desired results, specifically that the planning process was not going to produce anything that was usable. They reported their concerns to their Directors. The attitude of Kepner Tregoe was seen as unhelpful as some of these concerns were aired:

“KT were totally dogmatic, which did not help. The workload was intense and much of it was done at the week-ends... We had a tight schedule with frequent meetings and the 20% full time equivalent allowed for the team members was

inadequate... Issues were discussed, but there was no movement, no display of understanding.”

Part of the problem was attributed by the Bristol and West team to Nick Mobley, who was perceived as lacking sensitivity to the situation and lacking facilitation skills. One Executive Team member believed that it was not the methodology itself which was flawed, but the way in which the methodology had been explained and applied. Despite the problems, the team completed the planning within the allotted nine weeks in accordance with the prescribed methodology and format. Kepner Tregoe consultants perceived that the lack of ownership and appreciation of the overall picture had generated a “not invented here” syndrome which combined with strong personalities to hinder the implementation planning.

The output from the Kepner Tregoe led implementation planning exercise was received by the Executive Team, then discreetly discarded. Jennie Barton, a senior manager within the Bristol and West, and part of the implementation planning team, was then asked to take over and begin to put the strategy into action.

Jennie Barton had been responsible for a business process re-engineering (BPR) initiative running in parallel with the strategy formulation exercise and she had regular meetings with the Executive Team to report on progress and discuss issues which had emerged:

“The Executive had finished the formulation and had the will and the drive to launch the strategy. At the same time I was talking about BPR and saying that there was no point in delivering proposals until the implementation details had been finalised; BPR was an enabler. This coincided with a growing unease with KT and triggered a request for options at the next BPR workshop.”

Jennie Barton was given a formal role and a small in-house team to institutionalise the strategy, and she proceeded to develop and validate a set of plans over the following nine months. In 1996, Jennie had an on-going role and staff group to support the realisation of the strategy.

As part of the overall strategy formulation process, Kepner Tregoe trained two members of the Executive Team, Kevin Flanagan and Ken Scott, in a programme called “Managing Strategic Responsibilities” which was designed to help the Bristol and West to communicate the strategy throughout the organisation and ensure individuals understood their role in implementing it. In early 1995, 20 two day workshops were held at which the process and content of the strategy were presented to members of the organisation. The workshops were given by all the members of the Executive Team and were opened by John Burke, the Chief Executive, thereby demonstrating the importance of and commitment to the strategy. This was followed by a two day review of the strategy by the Executive Team, facilitated by Kepner Tregoe, in late 1995.

In 1996, the Executive Team, without the help of any external consultancy, began to update and refine the strategy, and decided to involve the next tier of management in the review process. The initial results were promising to the extent that the analyses were much richer, more focused and more pragmatic than would have been achieved by the

Executive Team on its own. The feeling within the Executive Team was that the output was better and it warranted involving more people in the future. However, about half the senior managers involved initially “didn’t do their homework”, which came as a surprise to the Executive Team and was something they intended to explore with the senior managers concerned.

Attachment

Bristol and West Strategy Formulation Team

Mark Abbot*, Head of Treasury

Peter Beeke, Director of Management Services

John Burke, Chief Executive

Kevin Flanagan, Group Services Director

Ian Kennedy, Group Operations Director

Ken Scott, Managing Director of Hamptons

Jeff Warren, Deputy Chief Executive and Finance Director

(* not a member of the Executive Team)

Driving Forces

Products Offered

Low-Cost Production Capability

Markets Served

Return/ Profit

Technology

Operations Capability

Method of Distribution/ Sale

Natural Resources

(Description of the driving forces and guideline for their use are provided in “Vision in Action” published by Kepner Tregoe; “Driving Forces” is protected by copyright)

THE POST OFFICE
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Preface

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The co-operation of all those involved in the research is greatly appreciated. The researcher asks that no part of this case study be reproduced without his prior agreement.

Background

In early 1994, The Post Office commissioned Kepner Tregoe, a firm of management consultants, to help the Post Office Executive Committee (POEC) develop a business strategy for The Post Office Group.

About a decade earlier, The Post Office had broken up the overall business into four core operating Divisions, Royal Mail, Parcelforce, Post Office Counters and SSL, the smallest organisation, which dealt with TV licenses. The logic for the creation of relatively autonomous Divisions was to create a greater understanding of the individual businesses and the markets they served, and of the cost economics of serving those markets. As time passed, these Divisions began to assume their own identities and cultures, and a sense of internal cohesion.

At the time of the Kepner Tregoe intervention, The Post Office had recently undergone a re-organisation in which the roles of Chairman and Chief Executive had been split. Sir Michael Heron had been appointed as part time Chairman, and Bill Cockburn had been appointed Chief Executive. Bill Cockburn had been the Managing Director of Royal Mail, by far the largest of the operating Divisions of The Post Office. Royal Mail had a monopoly on the collection and distribution of letters and small packets, where the charge was less than a threshold level set by legislation and well above the costs of distribution.

Royal Mail had experienced strong financial performance over the previous few years. Parcelforce, on the other hand, was in direct competition with some of the national and international organisations which specialised in documents distribution, mainly in the guaranteed overnight delivery segment of the market. The Parcelforce experience had been one of sustained losses, as the operating costs, once pooled with those of Royal Mail, were separated and allocated to Parcelforce. Post Office Counters too had experienced poor performance and was heavily dependent on financial transactions emanating from Government Departments, such as the payment of retirement pensions to the public. Post Office Counters was generally seen as being quite distinct, in terms of markets and operations, from Royal Mail and Parcelforce, with only about one quarter of its business coming from other Divisions within The Post Office.

The challenges faced by The Post Office in respect to its market environment were complicated by being part of the public sector and therefore subject to Government policy, and particularly the need to reduce the public sector borrowing requirement. A significant proportion of the profits generated by The Post Office went directly to the Treasury. Historically, The Post Office had not been allowed, in the view of many insiders, to invest as much of its operating profits as it might have done had it been a private sector company. Moreover, the prevailing philosophy throughout the late 1980's and early 1990's in respect of "public sector businesses", such as The Post Office and British Rail, favoured their privatisation, in part or whole. This created uncertainty within The Post Office and a tendency to "second guess" Government policy rather than focusing single-mindedly on market and operating demands.

The Commissioning of Kepner Tregoe

While Managing Director of Royal Mail, Bill Cockburn had employed Kepner Tregoe to help the Royal Mail Board to develop its strategy. Mike Freedman had been the lead consultant for the Royal Mail intervention and had formed a close working relationship with Bill Cockburn.

Bill Cockburn was very comfortable with the Kepner Tregoe approach and considered it an advantage that Kepner Tregoe were offering a purely process approach, without content. Having gone through the Kepner Tregoe process for formulating strategy at Royal Mail, he had a feel for how the process would unfold and what it entailed. Bill Cockburn also respected Mike Freedman and thought he was competent and able to provide the assistance he was looking for. Bill Cockburn approached Mike Freedman with a view to Kepner Tregoe helping the Group Executive Committee, as he had done for the Royal Mail Board:

"When Bill (Cockburn) was promoted to be Chief Executive at The Post Office, one of the first things he did was call me - Mike, we need to do for The Post Office what we have done for Royal Mail. The job is different and bigger and going to be more difficult, would you like to do it?"

Bill Cockburn wanted a methodology which enabled the Post Office Executive Committee (POEC) to go through a process of self examination. Kepner Tregoe would provide the analytical structure, concepts and tools and would facilitate the process, while The Post Office's top managers would generate the content and shape of the strategy. Bill Cockburn wanted the POEC, as a team, to create its own vision and set of aspirations.

Bill Cockburn was keen to involve external consultants to ensure that the analyses were not too inward focused, and to challenge and act as a catalyst in respect of the POEC deliberations. He perceived a real and substantial threat of long term substitution through technology, which offered far lower cost methods of data transmission compared to the Royal Mail's high fixed cost infrastructure. The Royal Mail's monopoly had enabled prices to be increased without significant reductions in volume, leading to sustained profits growth. But Bill Cockburn believed that such a trend could not continue indefinitely since customers, offered new possibilities, would no longer tolerate price rises. He was concerned that, in the absence of some external stimulus, the thinking and the resulting strategy would be too incremental, and the POEC would not set itself sufficiently high aspirations in terms of financial targets and scale of change:

“The customer market is changing, competition is changing, and really the danger in a stable, public sector business like The Post Office, which is very successful, very resilient, and very profitable, the real danger is complacency.”

Bill Cockburn was determined that The Post Office should carve for itself a dominant role in its future markets by instigating the necessary changes early, while it was still successful and had the time and the resources on its side. He felt that it would have been much harder to make changes once competition had begun to erode The Post Office's traditional markets.

Bill Cockburn arranged for the POEC to meet Mike Freedman. Mike Freedman presented to the POEC at one of the regular meetings and described how Kepner Tregoe operated and what was involved in the strategy formulation process. Mike Freedman made a point of stressing that if The Post Office took on Kepner Tregoe it took on the process in its entirety, and the POEC would be taken through the process. It was clear to the members of the POEC that Bill Cockburn wanted to use Kepner Tregoe. In general, they thought that the methodology and chemistry were right. The POEC members were also reassured by the fact that Kepner Tregoe had worked with Royal Mail, and apart from Bill Cockburn, two of their number appeared comfortable with and supportive of having Kepner Tregoe carry out a similar intervention. Jerry Cope, Managing Director, Strategy and Personnel, and Kevin Williams, Managing Director of Parcelforce, had both been involved in formulating Royal Mail's strategy.

The Structure and Logic of the Strategy Formulation Intervention

The intervention was made up of 6 workshops, each lasting two days, with approximately one month between each workshop. In outline, the structure of the Kepner Tregoe process was one of identifying the factors in the environment affecting an organisation, understanding the organisation's relative strengths, choosing a key driver from a list drawn up by Kepner Tregoe, and then developing the exact details of the strategy. Kepner Tregoe provided the analytical framework; in essence the questions that needed to be answered and the logical sequence for answering those questions to develop a strategy. They introduced and explained a range of decision making and analytical techniques to support the answering of those questions and the consultants acted as facilitators during the discussions.

Kepner Tregoe based its approach on a strongly held belief within the firm that senior managers should carry out the analyses themselves since this generates greater understanding of the issues surrounding strategy formulation and greater ownership of the chosen strategy. If managers carry out the analyses they are more likely to implement the strategy and are better placed to develop strategy in the future. An objective of the intervention, from Kepner Tregoe's perspective, was to educate senior managers in the processes involved in formulating a business strategy.

Kepner Tregoe did not claim to have any particular insight into The Post Office as a business, into logistics and distribution, nor into retail financial services. Their stated core expertise was in facilitating the process through which The Post Office would determine its own strategy.

Participation in the workshops was restricted (see Attachment) to the members of the POEC plus Duncan Hine, who had particular technology expertise, and Richard Adams, Group Planning Director. The process required the POEC members to ask others within The Post Office for specific information. Again, the restriction of the deliberations to the most senior managers reflected a firmly held belief within Kepner Tregoe that strategy formulation was the prerogative and responsibility of senior management. The process was designed to embed all the information and logic for specific decisions within the POEC. On practical grounds too, the number of people attending the workshops had to be limited to facilitate open discussion and debate.

Mike Freedman led the intervention, supported by Ann Orton, another experienced Kepner Tregoe consultant, and a more junior person, Charlotte Alston. Mike Freedman and Ann Orton led the various workshop sessions and facilitated the debates and analyses by the (extended) POEC team, while Charlotte Alston captured the discussions and subsequently produced full reports of the workshop deliberations. These reports were circulated to members of the POEC a few days after each of the workshops for their comments.

Processes of Separation and Absorption

The Kepner Tregoe intervention and its effects on the strategic direction of The Post Office can be understood in terms of the interplay and tension between the efforts to separate strategy formulation from other activities and influences, and the insidious pressures drawing or absorbing the intervention into the political and cultural maelstrom of organisational life.

Kepner Tregoe's intervention was intended to and did achieve some degree of separation and thereby influence and contribute to the thinking and subsequent actions of the POEC in three distinct, but inter-related, ways.

First, the intervention itself supported the crystallisation of issues that The Post Office's management had to deal with, their scope and the resulting deliberations. Specifically, the intervention provided the focus for and the means of marshalling the commitment of POEC to develop a formal group strategy. The intervention sought to define and bound the issues to be discussed in developing a strategy for The Post Office, and to capture the logic and a synthesis of the resulting strategy.

Secondly, the intervention enabled the POEC to address certain strategic issues in a different way and thereby gain a new perspective and insight. The Kepner Tregoe approach addressed strategy in a more systematic and formal fashion and used different conceptual frameworks and techniques. In addition, the presence of Mike Freedman and Ann Orton provided a challenge to the way the POEC were looking at issues, from the perspectives of two outsiders.

Thirdly, the setting and external facilitation generated different patterns of interactions between the members of the POEC, allowing members to step outside, at least partially, their customary roles and routine dialogues.

However, the intervention was not impervious to the history, politics, culture and business environment of The Post Office and its Divisions, which acted like a gravitational force, resisting the attempt to address group strategy in isolation and on its own terms. These factors shaped the understanding and influenced the reactions of members of POEC who were involved in the strategy formulation process itself, and of senior managers within The Post Office, who knew of the intervention but were not party to the discussions.

A political undercurrent, in terms of change agendas and Divisional interest, permeated the debates of the POEC. Individual members of the POEC acknowledged and agreed with the stated, objective purpose of the intervention, but could not help also interpreting the aims and the stream of activities and outcomes which made up the intervention in terms of the politics of the situation. This interpretation tended to emphasise, rather than play down or help set aside, divergence of interests and the existing power structure. In addition, external events, or more specifically the organisational implications attributed to external events or potential developments, insinuated themselves into and clouded the business strategy deliberations.

The senior managers within the Divisions, who were not directly involved in the strategy formulation, talked about and positioned the intervention in relation to their understanding of what was happening and why. The separation of strategy formulation from other organisational processes created uncertainty and raised concerns, which in some cases were shared with colleagues. Some of them positioned what was happening as marginal while others proactively sought to influence the course of the intervention itself. The intervention was woven into the way senior managers made sense of the organisation and their roles.

In essence, the Kepner Tregoe intervention sought to separate certain processes, activities and decisions from the complexity and multi-dimensional nature of the organisation, while other processes and interpretations of events were re-absorbing it.

Processes of Separation

Crystallisation

The commissioning of Kepner Tregoe separated and raised the profile of group strategy issues and the need to define the business rationale for being a group. The re-organisation had created two roles, Chairman and Chief Executive, which were previously combined, and had moved senior and highly influential managers from the individual businesses to the group centre. There was a felt need, shared to differing extents by the members of the

POEC, to review the direction The Post Office was taking and to understand what benefits and synergies could be extracted from being a group, as opposed to a number of disparate businesses with trading relationships. As one POEC member expressed it:

“I think when we started there were number of us who were probably... well, we were committed to the idea that we ought to go through this kind of exercise, we were prepared to take it on trust from those who had been through it.... I think if anything there was a constructive bit of cynicism.”

The intervention provided the medium to address the issue of a group strategy and, as it proceeded, the cynicism in respect to the process and its objective reduced. The discussions surfaced a recognition that the issues of group strategy were important and relevant:

“... it really did make you think hard and we felt we were doing something that was right, we were trying to create a strategy for The Post Office. It was important that we did it, and that was supposedly what our role was... As we saw the logic of the process unfolding, a lot of that logic helped, and therefore we became slightly less cynical about the process.”

POEC member

“(The intervention) did force us to confront a number of key issues like: Which markets do you want to be in? How are you going to tackle some of these issues? How are you going to deal with technology?....”

POEC member

The intervention also formally disconnected the issue of business strategy from other issues within The Post Office, especially the issue of privatisation. There was a general awareness within the Post Office of the need to develop a strategy and Kepner Tregoe facilitated and enhanced the process by maintaining a separation between the issue of status, specifically whether The Post Office remained in the public sector, from strategy issues, specifically the markets served and products offered. The views of the Government in deciding whether or not to grant The Post Office “powers” to undertake new activities were seen as critical, if the resulting strategy were to be realistic. The separation during the strategy review helped to clarify the issues that could and needed to be addressed independent of ownership:

“And of course during it all we had the privatisation debate. But my position was very strong, and they accepted that, and that was - you need a strategy regardless of who owns you, and privatisation will have an impact in terms of affordability and how adventurous you can be and the scope of things, but fundamentally you need to do this work anyway, and that was accepted.”

Kepner Tregoe consultant

“We had this issue: Are we going to be privatised? What degree of commercial freedom are we going to get?, and a lot of externalising the problem, it’s all Government’s fault. Now actually, KT tried very hard to say no, it’s not Government’s fault, everybody has these sort of problems and your job is to manage Government, which is absolutely right.”

POEC member

Kepner Tregoe documented the development of the final strategy and the analyses and discussions undertaken at each stage of the formulation process, and prompted the POEC members to synthesise the agreed strategy in the form of a clearly articulated set of statements:

“They did produce a bible of what we had done, so even now I can track, a little bit, about how we got from A to B to C to D to E in logic terms...”

POEC member

“We had to write the strategy in a couple of pages and that is quite an interesting and hard technique, because you start to make every word mean something at that point in time. It gets a bit like word-smithing, but it is more than that for the people who owned it.”

POEC member

In essence, the intervention helped the POEC to crystallise and solidify what otherwise might have been more vague and fleeting. The intervention helped them to come together, outside their routine meetings, and to participate in a process with a clearly defined purpose, structure and schedule. The Kepner Tregoe process focused them on a bounded set of issues and captured the resulting deliberations and consensus in a tangible form.

Different Conceptual Framework and Perspective

The bounding of the issues to be discussed as part of the strategy formulation exercise facilitated the application of a well established analytical methodology and style of facilitation. The strategy formulation process used by Kepner Tregoe was structured, logical and sequential, and provided the intellectual challenge and rigor which would not otherwise have been applied by the POEC to strategy deliberations:

“I think we were perfectly capable of developing a strategy. I don’t think we were necessarily very good at critiquing that strategy. I don’t think we would have had a very good methodology to arrive at that strategy, in a sense it would have been less rigorous in its approach... (Consultants) add a lot of value in terms of rigor of approach, facilitation, challenge, models and methodology.”

POEC member

The demonstrable rigor of the process was seen, by one POEC member, as critical in developing a credible and meaningful strategy:

“It’s necessary... to really think deeply about what you do with the business, and really the credibility of the analyses and the aspirations, and really the robustness and internal consistency of what you are saying.... imagine from the process emerged hard targets, unless you can position them within the organisation persuasively, then the risk is that they will be seen to be a bit of consultancy gimmickry and they won’t command respect, authority and credibility.”

The structure imposed a framework and discipline which was not common practice within the POEC and tended, in the view of another POEC member, to:

“drive out individual perceptions and individual flair and, if you like, the sort of instinctive stuff which is very difficult to fit either into an EFQM model or a KT model, or any other bloody model.”

The intervention was helpful in getting the POEC to see the market served by The Post Office, and Royal Mail in particular, in new ways. Historically, the Royal Mail monopoly had encouraged managers to focus on the supply side since the demand side was presumed given. The process created a framework or ways of looking at strategy which did not exist before within the organisation, by introducing novel perspectives, thought processes and analyses:

“The KT thing did help to show us that there is another side to the coin; understanding the markets and how they are changing, understanding the competitive pressures, understanding the substitutional pressure, barriers to entry in different markets and all Porter’s stuff.”

POEC member

At the heart of the Kepner Tregoe strategy formulation process were a number of “Driving Forces” (see Attachment) which Kepner Tregoe believed spanned and characterised the different strategy options available. Analytical and decision making techniques were used to rank the driving forces against The Post Office’s relative strengths and the values of the organisation, and then to choose one driving force around which to develop the specific details of the strategy. The process design funnelled the POEC towards the choice of a single driving force.

The pressure to develop a strategy around a single driving force was considered by many POEC members to be too restrictive, and they formed the impression that everything was made to fit the process. In particular, the choice of “method of distribution” driving force was seen as appropriate for Royal Mail and Parcelforce, but far less appropriate for the Post Office Counters business which was essentially involved in performing retail financial transactions. While Post Office Counters branches were a source of business for Royal Mail’s distribution infrastructure, this was a relatively small part of the overall Counters’ business. The result was a perceived lack of cohesion in the final strategy statement.

The analytical tools and techniques were only one part of the “process”. The capability and experience of the facilitators, especially Mike Freedman, were seen as a major contribution to the success of the intervention, in the eyes of the POEC members, particularly in their ability to draw out and synthesise issues:

“... the structure and content came out of the debate, and I think Mike played an important part, like a poultice, if you like, drawing out issues and views.”

“In terms of their direct interventions, to come up with the shaft of light, seeing us spinning, because inevitably in the team occasionally you sort of hover... I think that is the test of a good facilitator and a good bright consultant, who can take all the murmurings and mutterings and see and articulate what people are trying to do, I think there were occasions from memory when they did do that.”

The intervention philosophy and approach of Kepner Tregoe is to remain completely “in process” and not be drawn into the content of the debates; posing questions without giving

any clues as to what the answers might be. The role was seen as one of catalyst for the debates and devil's advocate, ensuring that due consideration had been given to specific issues before moving on. Nonetheless, the external perspective and experience of similar strategy formulation efforts came through indirectly in the questions asked and challenges made:

“Well, they weren't meant to, they did of course because any rational, any intelligent people, and they were intelligent people, have got opinions on things. So they brought content, certainly in the sense of challenge, and challenge sometimes was their own views...”

POEC member

“In all strategy projects we get to the point where we think the client is heading in a direction that is wrong, and that is where our tools and techniques and our facilitation skills come in. So we would test very, very, hard, where we know either from an intellectual or intuitive or whatever source that they may be heading for something which was not appropriate.”

Kepner Tregoe consultant

The perceived value of the experience within a purely process approach came from knowing which issues needed to be covered and which analyses and debates were particularly important and required more thought and effort:

“Doing it on your own, you run the risk of not bringing in the external, we have done it in other companies stuff... the other risk is that you could miss something important, you could miss something important without knowing it, because at least the consultancy are treading a well trodden path for them... they can bring you back in a way which maybe internally you will say - OK, we have done that bit we will move on.”

POEC member

The Kepner Tregoe process and techniques, as applied by Mike Freedman and Ann Orton, enabled the Executive Team to look at The Post Office, its strategy and the competitive environment in a new way.

Different Patterns of Interactions

The intervention took the POEC outside the normal patterns of interaction both within the POEC and between the Executive and other members of the organisation. The discussions were non-routine, both in terms of the subject matter and the contributions made by individuals.

Among the key benefits from using external consultants was a view that they facilitated the POEC in developing its own strategy while at the same time preventing the POEC from being distracted and from losing sight of the strategy issues:

“Whenever the conversation started veering off at some tangent, he (Mike Freedman) would try to bring us back to the process.”

POEC member

POEC member: “Mike did not let us give up, he kept on challenging, livening the process.”

Researcher: “He sounds like a drill sergeant.”

POEC member: “Maybe that’s what we needed.”

The Kepner Tregoe consultants had great confidence in the process and analytical techniques, having used them successfully in other interventions, and carried the process through to its conclusion. Some POEC members found the discipline and strictures imposed by the process frustrating:

“It was very rigid, too rigid, if you want a criticism of it. You know, it was clearly a product that they were well versed and very expert at using, and we went in one end of the tunnel and we were not allowed to come out other than at the other end of the tunnel, and that was frustrating at times.”

The rigidity and discipline imposed by Kepner Tregoe was described by one POEC member as vital in achieving the depth and clarity of thought:

“The process stuff, what we got, was actually a great sense like working with terrorists; you start off hating them, then after a while you start liking them, in spite of all the hating, but it’s necessary to go through this pain to really think deeply...”

The intervention also provided an opportunity for the POEC members to work together, which did not happen frequently since the individual Divisions were relatively autonomous and had their own operating Boards. As one POEC member commented, the intervention:

“... got the top Executive together, for quite long periods of time as a team, thinking hard about where they wanted to try and take the business. Now, no matter how good or bad all that was, of itself it was a very good issue, very good point.”

The presence of the consultants, in their role of directing and facilitating the debates, also appeared to alter to some extent the interpersonal dynamics of the situation. The consultants were perceived, by some POEC members, to be able to say things and make certain challenges which they themselves would not have been comfortable in doing. Hierarchical power, while ever present, was tempered, allowing a more open debate and a sharing of views, and this was seen as a central role played by the facilitators:

“On one occasion I actually said - If you (Bill Cockburn) don’t shut up, I will thump you. I mean I really said that because he was trying to run the process, but that would have happened anyway because he is such a forceful personality.”

Kepner Tregoe consultant

The intervention was designed in such a way that Kepner Tregoe had relatively little contact with Post Office managers who were not involved in the workshops. Most of the data collection and analyses were undertaken exclusively by the POEC. Other managers were given relatively minor tasks and asked to undertake them in fairly circumscribed ways, such as filling in standard questionnaires. The whole intervention was kept low key, with relatively few people formally knowing about it, and the activities revolved around the POEC. The POEC was in a sense detached, for the purposes of formulating the group

strategy, from the senior managers within the businesses and the centre who were kept at arms length. In the words of one POEC member and Divisional Managing Director :

“Well I tried to protect them (Divisional Board members) from it mostly... I wanted to play my part of the POEC discussions, but in a way that didn’t disrupt them or make them too anxious. And I really kept them apart from it. I mean I had to ask them for information and I kept them broadly in touch with what was happening, but without giving them a blow by blow account of how this was all going.”

The ways in which the Kepner Tregoe intervention influenced the thinking and subsequent actions of the Executive Team were mutually dependent and supportive. The initial commitment to the process and the bounding of the issues to be discussed was supported by a tightly defined process and prescribed analytical models. The facilitation and external management of the Team kept the debate within the confines of the analytical steps which made up the process. The detachment and presence of the consultants appeared to facilitate the process of dialogue within the POEC. The messiness, complications, pressures and baggage of the “outside world” were suspended, in part and temporarily, while the POEC was formulating a group strategy.

Processes of Absorption

Existing Power Structures and Agendas

The intended or potential impact that the intervention could have had on strategic change in The Post Office was limited by the strength of the processes which operated to “politicise” what was happening. Specifically, the hierarchy and power structures of The Post Office exerted a strong influence on the decision making processes, introducing the tensions and issues which the intervention was seeking to set aside in formulating the group strategy.

The stated purpose of the intervention was to develop a group strategy. The intervention, though, was seen as instigated and led by Bill Cockburn as a way of shaking up The Post Office, and, by some members of the POEC, as a way of defining his new role. There was a perception, at the outset of the intervention, that there may have been a hidden agenda:

“I think one of the issues for me was: Was this a serious exercise, were we going into this with an open mind, was it a genuine attempt to bring the experience and expertise and brain power of the Executive Committee to bear on the strategic issues facing the Corporation on the one hand, or was it on the other hand a means by which Bill intended to have his way?”

POEC member

“...we have a (separate) Post Office Chief Executive for the first time... this is a signal that we are actually going to re-integrate and see the re-emergence of the GPO, if you like one great edifice. I think that was a low level concern.... But I think it was made fairly clear that we would follow the process and see where it led.”

POEC member

This uncertainty and element of suspicion was one source of the “constructive bit of cynicism” and generated, in part, the “creative tension” which permeated the discussions. It was also transmitted to senior managers outside the POEC:

“I always got the impression from being on the edge of the KT process that it was one the group felt - well, Bill wants to do this, he has brought the consultants in, we had better go along with it - and them all hoping that once they came out of the meetings they could just go back to business as usual.”

As the intervention proceeded, the strong influence of Bill Cockburn on the process, perceived by some of the other members of the POEC, tended to detract from its stated aims of neutrality and objectivity:

“Bill seemed to lead the process this time far more strongly, as if he had a view on what the outcome would be, and creating a far stronger role for the centre.... So I think there was not an air of manipulation, but a sense of - well, of course we have to go in that direction.”

It was recognised by those POEC members who had been party to the Royal Mail strategy formulation that the process could be steered towards choosing a specific driving force by careful selection and weighting of relative strengths attributed to The Post Office and the core values of the organisation. The output from the steps and techniques used in the process were no longer regarded as purely the results of objective analyses. Once this perception or even suspicion was formed, personal and Divisional interests became legitimate bases for supporting or otherwise the strategic direction emerging from the process. Thus the Kepner Tregoe intervention was, in part, absorbed into the political processes at work within the Post Office:

“Bill had his own view about what would happen, and strategy was something for him to do. And he had to deal with us because we were running the businesses... It had the effect of bringing me and ..(researcher omitted)..closer together...”

Divisional Managing Director

Bill Cockburn did have regular discussions with Mike Freedman to take stock of what had happened in the workshops and to look at ways of making the process more effective. They discussed when certain issues should be introduced in order to make the next step more meaningful and relevant. This dialogue between the client and the lead consultant was a common practice for Kepner Tregoe, and provided a way of raising issues which neither party wanted to discuss in public. Bill Cockburn felt that this exchange was important, but was also conscious that the neutrality and integrity of the Kepner Tregoe consultants should not be compromised:

“Having a sycophantic consultant in charge destroys the challenge, to have credibility as it were. If the team thinks that the consultant is your creature, it won't have the same effect. And that is the skill of the consultant, to make sure that he doesn't intrude himself and be sensitive to it... He has got to win their confidence, which he did.”

Despite Mike Freedman's efforts to assert and demonstrate his neutrality and objectivity, there was a perception among some of the POEC members that Kepner Tregoe were not

immune from the power structures within The Post Office and the political agendas. There was a belief that a degree of collusion existed between Mike Freedman and Bill Cockburn:

“I would say that there was more collusion between Bill and Mike (than during the Royal Mail strategy formulation), and it was obvious.... Clearly we didn’t discuss those sort of things.”

POEC member

Some POEC members felt that Bill Cockburn was taking too active a role in running the process and tended to close down the debate on some issues, reflecting a pre-determined view of what was the appropriate strategy. For many of the POEC members, the targets set as a result of the strategy formulation process were a clear manifestation of Bill Cockburn’s influence, and represented a point at which they began to disassociate themselves from the process and its outcomes:

“It (the strategy formulation process) began to lose coherence towards the end. There was a point at which we had to decide on the strategic ambitions, in terms of growth, in terms of cost reduction, and we had this three legged stool idea that Bill had. And he had the numbers in his head which had been cooked up before.”

POEC member

“I’m sure if you talk to one or two of my colleagues they will say - well, I never felt committed to those numbers.”

POEC member

The influence and strong personality of Bill Cockburn played a part in creating a dichotomy between what some of the POEC members said and agreed in public and what they thought personally. One POEC member, on reflection, wished he had been more open about his concerns during the process:

“Well, looking back, perhaps I should have been a bit more honest, a bit stronger in my view.”

This perceived “politicisation” of the intervention raised questions over the objectivity and neutrality of the consultants and their process and led to the emergence of political game playing and interactions based on vested interests. The overt aim of formulating a rationally based Group strategy became, for some POEC members, part of a wider debate.

External Context

The POEC members were influenced by factors outside the organisation and their immediate control. These tended to reinforce the existing pattern of thinking and acting, making it more difficult to take a step back and address the strategy from a different perspective. The privatisation issue was a major factor which encroached significantly on the boundaries or scope set out as part of the strategy discussions:

“We were in the middle of the privatisation debate, or was just heading towards us, and that tended to blow us away a bit in terms of management capacity to deal with strategic direction whilst we were in this sort of governance issue.... very strong element of change which did actually cloud some of the discussions.”

POEC member

The issue of privatisation represented, in the eyes of one POEC member, an unspoken “sub-text” which ran through the deliberations. It was also divisive to the extent that the Divisional Managing Directors appeared to keep an eye on the interests of their businesses when considering the group strategy. The concern was that, as a condition of privatisation, The Post Office as a group might have to be split up, with some Divisions remaining in the public sector. Some POEC members perceived Bill Cockburn to be very keen on privatisation, almost irrespective of the conditions. Consequently, there was a desire to ensure that at the end of the strategy formulation, the individual businesses had “reasonable ground to stand on” should only part of The Post Office have been privatised. The debate over privatisation also raised issues regarding the likelihood that the strategy would be implemented, and implicitly the level of commitment to the Kepner Tregoe process:

“It was almost as if there was an acceptance that if privatisation went down, the admiral would change, therefore the flotilla would disperse, so just sit tight guys and wait for the hurricane to blow itself out.”

POEC member

“It was not easy to commit oneself to an agenda which I knew and most people knew wasn’t a real one and would have changed at the blink of an eye if the politics changed.”

POEC member

Internal Context

Another contextual influence on the intervention came from within the organisation. The senior managers at the centre and in the Divisions were aware of the Kepner Tregoe intervention, but were relatively uninformed about the nature of the process and concerned over its potential outcomes:

“Whenever a group like this Board gets together it is a bit like being in a goldfish bowl. People know you are doing it and they are all looking - well, what is going to come out of it ? What is going to happen ?”

POEC member

“... bunch of consultants turn up and talk to the important people in the business, who then say your Managing Director disappears for a while. He is not very clear why he is being dragged down, certainly he hasn’t got a big picture... he is probably told not to communicate for a bit. So you get this silence when people start speculating as to what is going on.”

Senior Manager outside the POEC

Despite the attempts to keep the Kepner Tregoe intervention low profile, it was widely talked about within The Post Office. Senior managers outside the POEC tended to be indignant at not being involved, and believed that the detachment, and implicit elitism, imposed by the Kepner Tregoe process was inappropriate in terms of securing a widespread understanding of the thinking behind the strategy:

“It was partly the bolshi nature of most of the Post Office Directors - how dare the POEC go away and dream up this stuff without involving any of us, after all we are the people running the businesses.”

Senior Manager outside the POEC

“You can’t have a little group of six or seven, even the top team, working in a complete vacuum from everybody else’s thinking.”

Senior Manager outside the POEC

The intervention also generated resentment among some senior managers, who perceived that they had been tasked with the development of strategy and were better equipped and skilled to do so. They were not sure how the deliberations of the POEC were going to help them meet their targets nor why they should want to duplicate, without admitting it, the activities performed within the Divisions. The intervention triggered a number of defensive reactions within The Post Office:

“We had heard that KT were coming in so we did a bit of foraging around to find out who these foreign invaders were and what their process was. And I suppose like all consultancy exercises completely poo-pooed it because it didn’t actually fit with our view of life.”

Senior Manager outside the POEC

“We went out of our way to find out a bit more about it, so although this wasn’t pressed upon us, and indeed the communication was a bit haphazard, we invited a consultant from KT to come and brief our top team.”

Senior Manager outside the POEC

At one level, the Kepner Tregoe analytical framework and intervention process was positioned as “just a technique” and “a strategic planning methodology from the ‘70s”, which was being applied in a fairly standard way, and to some extent dismissed as irrelevant:

“We felt that the very structured methodology that Kepner Tregoe were taking them (POEC) through didn’t include enough on scenario planning... wasn’t going to come to anything”

Senior Manager outside the POEC

At another level, proactive initiatives were set in train to get a better understanding of the Kepner Tregoe process and so to influence the intervention:

“... get the book and read it, and to force the issue of being communicated to by the consultants, because (this was) the only way we were going to understand what the bloody hell was going on... We could work out what the politics of it were clearly... but the issue was to try and find out what the likely outcome was going to be, and of course to thereby influence the outcome.”

Senior Manager outside the POEC

The influence was exerted indirectly via questions posed of the POEC members as a way of raising issues and implicitly casting doubt over the validity of the framework and process. In some cases senior managers provided POEC members with “briefings” designed to

“minimise the damage the Group might do” on the grounds that “we know our business better than they do.” In other cases, senior managers tried to introduce frameworks, analyses and ideas, emanating from other studies, into the Kepner Tregoe process:

“So there is a bit of competition actually, if you like, between the two studies, and that partly was a quite human reaction to these people coming in from outside and not bothering to talk to anyone except the POEC... a bit of office politics I suppose in that sense...”

Senior Manager outside the POEC

The intervention generated uncertainty and attempts to reduce it:

“It was quite explicit, sit down and talk about - what the bloody hell was going on? What’s likely to come out here? What sort of nonsense are we going to get from Group?”

Senior Manager outside the POEC

“We were trying to understand what was going on because, by doing it in secret, clearly it creates uncertainty and then very many more outcomes are possible, and so what you are trying to do is to minimise the number of potential outcomes.... faced with a great deal of uncertainty one behaves differently that when faced with a known change, so the uncertainty of change is the issue not the change itself.”

Senior Manager outside the POEC

The strategy formulation process took on a life and meaning of its own within the minds of senior managers outside the POEC. These managers tried to influence it and position it in ways which might minimise the potential effects of, in their views, adverse outcomes.

Post Strategy Formulation

The strategy derived from the Kepner Tregoe intervention was communicated to senior managers within The Post Office. The strategy was alien to the senior managers who could not see how it formed a coherent whole nor how it might be realised:

“(A member of POEC) came along and presented the statement out of KT and the audience just couldn’t understand where they were coming from....it was for me the worst of all mission statements.... where you can’t really get agreement to what is incisive and clear so everyone bundles their bits in.... people just couldn’t see how on earth we were going to get there, so there was no sense of strategy.”

Senior Manager outside the POEC

“ What was interesting is that the two pages (which summarised the strategy), which was quite important in our ownership, was completely useless outside the room because nobody had been through the process of understanding why you put the ‘in’ rather than ‘a’, or ‘global’ rather than ‘world’ or whatever.”

POEC member

There was a sense among senior managers that the “rigid, behind closed doors approach to strategy which then burst forth on an unsuspecting world” was not “founded in reality”.

This was compounded by a perceived “lack of commonality” in the way that various members of the POEC talked about the strategy at formal presentations. Moreover, senior managers perceived that “they (POEC members) weren’t all committed to it”.

The POEC members had not been fully aware of the anxiety and resentment generated by the remoteness of the Kepner Tregoe process while they were formulating the strategy, but became aware of it when they started to communicate the results to the next tier of management:

“It wasn’t very good for the next level of most senior managers, who hadn’t been involved. They felt terribly cut off by this process, and, because it was a fairly concentrated process, you know there was something funny going on inside a magic box as far as the rest of the organisation was concerned.”

POEC member

The separation facilitated novel conceptions and understanding of The Post Office and its competitive situation, but the frameworks and models were at odds with the models embedded in the organisation:

“You got a lot of not invented here, you got a lot of clashes, and this comes back to the tunnel point, you got a lot of clashes with existing models and systems, being used by very big managers within the organisation, which we weren’t able to integrate into the process.”

POEC member

The central point of the strategy; ambitious targets for operational efficiency and cost reduction, organic growth and growth from new products and services, overlaid by a new organisational framework, became the subject of ridicule:

“... so the three legged stool emerged from all this. It was an unfortunate choice of word actually. It is something of a message in communication; you don’t call the corporate strategy a turd. So there was a lot of scope for fun and games about it.”

Senior Manager outside the POEC

As part of the process of implementation, working groups of senior managers were set up to develop the strategy further: “we were told we were going to fashion and shape this thing”. However, the senior managers perceived that their feedback was not understood, since it was founded on a different framework and conception of strategy, and that no-one was acting upon it. On reflection, one of the POEC members felt that the expectations and the understanding of managers within the organisation had not been managed well, and equally importantly, that momentum should have been sustained once the strategy had been communicated:

“I think that you have got to do it immediately otherwise the thing just withers and dies... you have got to move from doing it to communicating it to actually seeing something happen pretty fast otherwise everybody says - Oh, they have lost interest.”

“The numbers themselves I think almost gained a notoriety too early, and people were almost half expecting - well, how are they going to dispose of those numbers?”

It is like Government targets, when will it be that the politicians find a reason for not doing those?”

The formal process of implementing the strategy was slowed down primarily by the debate over privatisation, which was seen by most POEC members as overwhelming any other strategic issues, and by other factors:

“The thing got caught up in all the politics of privatisation and I think the implementation slowed up a bit.... Another development got in the way; the Government launched an Efficiency Review, so that took a lot of time.”

POEC member

While external factors were influential, the lack of commitment and sense of ownership also meant that progress was slow. In the view of POEC members:

“ I think none of us really on the POEC put our full weight behind it.”

“... and of course these guys (senior managers within The Post Office) are big players and they won't overtly, obviously stop it, frustrate it, but little things happen and don't happen, and you have got other things to do so you don't get on to it.”

The intervention was seen, by one POEC member, to have lacked the mechanisms to embed the outcome within the organisation in that:

“we didn't really embed it in the business... you have a sort of strategy floating around somewhere, not anchored down to the ground.... you have to embed it in the activities of the organisation, because if you don't it won't be delivered. So pinning it into the five year plan, underpinning it by specific actions that have got to take place is the only way you will generate the achievement of the strategy.”

In the view of one POEC member, the work done by the POEC as part of the Kepner Tregoe intervention appeared to “go into the sand” and “the words are no longer spoken”. As one senior managers in a Division put it: “there has been some chaos and like all pebbles the water is closing over them”.

Following the resignation of Bill Cockburn in late 1995, John Roberts was appointed to the position of Chief Executive of The Post Office. He set out with his new team to create and implement a new vision for The Post Office. Even as this process was under way in mid-1996, some vestiges of the Kepner Tregoe work remained, according to various POEC members:

“I think the KT intervention, in a sort of dotted line way... you could probably see bits of it that have, sort of, gone through into the organisation.”

“I think that you could say that KT is sort of down here, as a foundation on which all this is built, but you can't.... It's like a house, once the house is built you know there are foundations there, but you can't see them any more, so it's hard to say what influence they are having. They are probably supporting it all, but you couldn't be sure... it could have fostered new ideas.”

The thinking of individuals within the POEC was influenced by the intervention, and some of the concepts, experiences and insights transcended their initial use and meaning within the strategy formulation process:

“It has probably influenced us more than perhaps we give it credit for. We quite often go back to (Kepner Tregoe intervention), amongst the Board group somebody will remember something that we did in that exercise and will use it as a piece of learning, it may be a positive piece, it may be negative... It stimulated the thoughts that are now on-going; we no longer think of ourselves as a niche UK player or a UK-centric player...”

Attachment

The Post Office Strategy Formulation Team

Richard Adams*, Group Planning Director
Bill Cockburn, Chief Executive
Richard Close, Managing Director Finance
Jerry Cope, Strategy & Business Development Director
Richard Dykes, Managing Director, Post Office Counters Ltd
Duncan Hine*, Engineering Director, Royal Mail
Peter Howarth, Managing Director, Royal Mail
Morag Macdonald, The Secretary
John Roberts, Managing Director, Group Services
Kevin Williams, Managing Director, Parcelforce

(* not a member of the POEC)

Driving Forces

Products Offered
Low-Cost Production Capability
Markets Served
Return/ Profit
Technology
Operations Capability
Method of Distribution/ Sale
Natural Resources

(Description of the driving forces and guideline for their use are provided in “Vision in Action” published by Kepner Tregoe; “Driving Forces” is protected by copyright)

CAROUSEL
TRIANGLE MANAGEMENT SERVICES' INTERVENTION
CASE STUDY

Sergio Pellegrinelli
Cranfield School of Management
PhD Programme

Preface

This case study is part of a PhD research project looking at the contribution of management consultants to processes of strategic change within organisations. The case material has come from in-depth interviews of a selection of individuals within Carousel and Triangle Management Services and documentary information developed at the time of the intervention. The account below is a distillation and partial analysis by the researcher of the information available, and therefore is, by definition, incomplete and influenced by the research agenda. The purpose of the account is to set out the context and logic of the intervention and to elaborate a “first order” analysis of the key contributions, congruent with the experience and understanding of those involved. The drafting of this case provides a springboard for further analysis and theory development, in line with the overall research methodology.

The co-operation of all those involved in the research is greatly appreciated. The researcher asks that no part of this case study be reproduced without his prior agreement.

Background

In July 1997, Carousel commissioned Triangle Management Services Ltd, a firm of specialist management consultants, to help the shareholders and Directors of Carousel determine a way forward for the company.

At the time of the intervention, Carousel was a family-owned transport broker based in Sittingbourne, Kent, which was founded by Maureen Martin in 1985. Carousel offered a full range of domestic and international services including UK parcel and courier services, UK road haulage, international document and parcel delivery, airfreight, seafreight and European haulage. Almost all of the international business was UK export oriented.

Maureen Martin brought her two sons into the business as it started to grow in the late 1980s. Both acquired an equity participation in the company. Michael Martin became Sales and Marketing Director, and Graham Martin became Finance Director. Carousel also had a Logistics Director, Andrew Ovenden, who was not a member of the Martin family and had no equity participation. Together, the four Directors formed the management team and personally supervised the activities of the

company's staff. In 1994, when Carousel moved into its current (1998) offices, the total number of staff and directors was less than a dozen. This number had grown to around thirty people by mid 1997 as a result of a sustained increase in revenue and volume of business.

Despite this growth in revenue, the profit, adjusted for Directors' remuneration and pension contributions, was forecast to be less in 1997 than in the previous year. This financial position was partly attributed by the Directors, to changes in the market, especially new entrants offering low rates. The Directors, and to an extent the staff, found themselves working increasingly long hours and at weekends without any corresponding growth in profits.

The Directors spent most of their time running the day to day operations and troubleshooting, and little time was dedicated to formal management meetings, which were squeezed in either before or after their twelve to fourteen hours working days. By Summer 1997, customers had started to complain that the service, a cornerstone of the Carousel offering, had deteriorated with telephones not being answered and little time being dedicated to their enquiries. At this point the Directors realised that something was wrong and decided, given their limited experience and formal management training, to get some external help. They were keen to get some advice from someone who knew the industry and could give them some direction. There was a feeling that they were too close to their business and did not have an overview of what was happening in the market.

The Commissioning of Triangle

Graham Martin was given the task of finding a management consultant. He was keen not to use a London based consultancy, feeling that Carousel would end up paying lots of money for a fairly standard approach and output. He initially approached a consultant based in Tunbridge Wells, but found that he did not know the industry:

“Well, from a financial point of view I didn't want to spend two days money in explaining what we did. I wanted somebody that understood what we did and understood the industry.”

After a little searching, Graham Martin found out from the Institute of Freight Forwarders that Triangle worked for numerous freight forwarders and approached Triangle via the firm's internet web site. This was followed by a couple of telephone conversations with Paul Jackson, the Managing Director and owner of Triangle Management Services.

At the time of the intervention, Triangle Management Services was, and planned to remain, an independent specialist services provider to the freight, express, postal and logistics industries. The firm prided itself on the depth of knowledge of the industries it served on a global basis, on the calibre and expertise of its professional staff and the coverage of its industry networks and market intelligence sources. Apart from management consultancy services, Triangle offered support in undertaking mergers and acquisitions, training, project and interim management, marketing and recruitment services.

Initially, Paul Jackson was not keen to take on the Carousel work. His experience of owner operators was that they rarely used consultants, and he was concerned that the size of assignment was too small. He had reduced the scope of an assignment a short while before in response to the client's cash limits, only to find that the client was disappointed by the results. The client had expected the same results as would have come from the original much larger scope of work. Paul Jackson was concerned that such a limited intervention might not generate significant value for Carousel, and that having a dissatisfied client might damage Triangle's reputation in the niche market in which it operated.

Despite this initial reluctance, Paul Jackson was impressed by Carousel's marketing literature, which was the best he had seen for the size of company, and by the strong financial position of the company. He was also reassured that Carousel was serious about and comfortable with obtaining professional advice. Paul Jackson agreed to work with the Carousel Directors to help them determine a way forward. He wrote a succinct proposal, covering an initial workshop and possible follow-on work, which was agreed and formed the contractual basis of the assignment.

The Structure and Logic of the Strategy Formulation Intervention

The intervention was made up of a single one-day workshop. The specific aim of the workshop was to undertake a SWOT (Strengths, Weaknesses, Opportunities, and Threats) analysis, examining the full range of Carousel's operations and structures. Although simple, Paul Jackson believed it to be an excellent framework for identifying and addressing the strategic and other issues facing an organisation.

Prior to the workshop itself, Triangle developed a questionnaire which was sent to Carousel for the Directors to complete. The questionnaire covered a wide range of subjects, including the background of the company, the markets served and services offered, competitors, the organisation structure, facilities and capabilities, and financial performance information. In addition, the Carousel Directors were asked to identify issues they wanted discussed during the workshop. The questionnaire was primarily intended to provide Triangle with information on Carousel, data for some preparatory analyses and a source of potential questions and issues around which to structure the day. Paul Jackson also used the questionnaire to sensitise and prepare the Directors for the subjects which were to be discussed and to put them into a frame of mind to deal with some potentially difficult issues.

Paul Jackson had facilitated a number of such workshops in the past. His practice was to go through the SWOT analysis raising issues and trying to get the workshop participants to appreciate the situation and the implications before suggesting or imposing his own views. The desired outcome from such a workshop was for the participants to come to four or five major conclusions, and Paul Jackson managed the process so that the key issues were discussed in sufficient depth. He also paced the day, seeking consensus and moving on the participants at a rate at which they felt comfortable, and where necessary parking unresolved issues for later discussion.

Ideally, Paul Jackson wanted to facilitate the process with feeling and sensitivity, yet not balk from raising controversial or emotionally charged issues. Paul Jackson planned to use his industry expertise to guide and inform the discussions, but to let the Carousel Directors determine their own way forward.

The questionnaire was sent to Carousel in July 1997, and the Directors took a day out of their normal routines to complete it. The completed questionnaire was analysed and a list of questions to ask at the workshop was developed. Given the restricted budget and size of the company, no additional research nor site visits were undertaken by Triangle prior to the workshop in mid-August.

The workshop was led by Paul Jackson, and he was supported by Jason Whiteley, a more junior consultant at Triangle. Jason Whiteley's primary role was to capture the discussions and document the emerging SWOT analysis, and subsequently to produce the draft report to be submitted to Carousel.

Although Paul Jackson had suggested that Andrew Ovenden should attend the workshop, only the Martin family members participated in the workshop itself:

“... because we needed the day to ourselves to start with.”

Carousel Director

On the evening prior to the workshop Paul Jackson and Jason Whiteley met the three Directors for the first time for dinner at the hotel. The intention was for Maureen, Michael and Graham Martin to become comfortable with Paul Jackson and Jason Whiteley before the workshop itself. Paul Jackson was also keen to get an insight into the relationship between the Directors, and where they, as individuals, wanted to take Carousel and what they wanted to discuss during the following day.

The Carousel Directors had agreed amongst themselves that they were going to be very open and honest during the day. As one Director reflected:

“You're not going to a conference...you're going there for a purpose, so you're there to listen to somebody who knows...they're there for a purpose...hopefully maximise the day... and let's see what comes out. I didn't know what he was going to pull out of the day.”

Processes of Separation and Absorption

The Triangle intervention and its effects on the strategic direction of Carousel can be understood in terms of the separation of strategy formulation from other day to day activities and influences, which impeded the Directors of Carousel from taking a more holistic and detached perspective on the business. The intervention was marked by a lack of political and organisational pressures, which made it easier for the Directors of Carousel to consider and subsequently implement some radical actions.

Triangle's intervention influenced and contributed to the thinking and subsequent actions of the Carousel Directors in three distinct, but inter-related, ways.

First, the intervention itself supported the crystallisation of issues Carousel had to deal with. Specifically, the intervention provided the focus for and the impetus to address formally the future direction of the company. The intervention defined and identified the range of issues to be discussed in developing a way forward for Carousel, and captured the logic and a synthesis of the resulting deliberations and conclusions.

Secondly, the intervention enabled the Directors to gain a new perspective and insight on their business through more rigorous analysis, challenge and expert input from Triangle consultants. The Triangle approach used a conceptual framework and analytical techniques not used routinely by Carousel. In addition, Paul Jackson, and to a lesser extent, Jason Whiteley challenged the way the Directors were looking at their business and the issues they faced. This external perspective was informed and supplemented by relevant industry experience, which also contributed insights and views to the debate.

Thirdly, the setting and external facilitation generated different patterns of interactions between the Directors, allowing members to step, at least partially, outside their customary familial and professional roles. Subjects were raised and sentiments expressed that would otherwise have remained tacit. The discussions and ideas were marshalled and channelled towards the specific goal of determining a way forward for Carousel.

The intervention was not completely impervious to the history, politics, culture and business environment of Carousel. These factors shaped the understanding and influenced the thinking and reactions of the Directors who were involved in the workshop itself, and of others within Carousel, who knew of the intervention but were not party to the discussions. These processes of absorption, while not marked immediately before or during the workshop, influenced the Directors as they reflected on the day and shaped and agreed the specific actions to be implemented.

While the three Directors' agendas permeated the debates, the interests of individual Directors were played down or set aside, facilitated by the high levels of trust and respect between all the Directors and commitment to the best interests of the company. Andrew Ovenden, the Director excluded from the workshop, was consulted extensively before and immediately after the day, allowing him to contribute, albeit indirectly, to the thinking during the workshop, and more directly to the resulting changes in Carousel's strategy and management structure.

The workshop, though a single event and kept low key within Carousel, was talked about and positioned by staff in relation to their understanding of what was happening and why. The workshop and subsequent hiatus before the changes were announced created uncertainty and raised concerns. The Carousel Directors actively managed this sense making process, reassuring staff that changes would be for the better and, implicitly, that they would relieve the operational pressures.

Processes of Separation

Crystallisation

The commissioning of Triangle separated and raised the profile of strategic issues in relation to day to day activities, and represented a tangible manifestation of the Directors' commitment to define the way forward for Carousel.

The long hours and declining profitability had made the existing situation intolerable. There was a felt need, shared by the Directors, to review the direction Carousel was taking and to get outside assistance. As one Carousel Director expressed it:

“We basically sat down and had a look at what we could do ourselves, and given that we have limited management experience, we decided that we couldn't do it, we couldn't sort ourselves out because we were sort of too close to the glass.”

Given the pressure of day to day work, the Carousel Directors rarely spent time on strategic issues: “we were constantly fire fighting, and I mean constantly fire fighting” (Carousel Director). Even when the Directors met, the meetings were seen as an add-on to the normal work, scheduled at the fringes of the working day and time constrained:

“We were perhaps then starting our meetings at 8 o'clock in the evening when the traffic had all gone, or coming in at 6 o'clock in the mornings...we weren't sharp enough at those two times of the day...meetings then got moved around, time-scales didn't always suit everybody, so you were always clock-watching.”

Carousel Director

The Triangle intervention focused attention on the strategic issues, and provided an impetus for action:

“And when we got (the questionnaire)...we did actually allocate time to sit down and actually answer (the questions).”

Carousel Director

“We certainly could have had those discussions. However, what it did achieve was that it made us have those discussions, it made us channel our thoughts into the various things that we discussed.”

Carousel Director

“They've made us do something...in a way that's been the best thing for us...to have a deadline of a relatively short time that's been imposed on us by somebody else, that has actually been a terrific driving force for us.”

Carousel Director

The Directors had three key subjects for discussion at the workshop: the fire fighting approach to running the business, the possibility of opening an office near Heathrow, and thoughts on the future of the market. However, the scope was opened up during

the workshop itself to address the management structure, in particular the roles of the three equity Directors:

“We didn’t say to him – ‘have we got our management structure right?’ We said – ‘why are we fire fighting?’ And he said – ‘because you haven’t got your management structure right.’...I suppose indirectly by saying that we were fire fighting we were really sort of saying – ‘have we got this right?’”

Carousel Director

Such issues were not initially seen as items for consideration and debate, and Paul Jackson was not briefed on them nor explicitly asked to incorporate them in the workshop agenda. But the issues did emerge during the day, and Paul Jackson recognised their importance. So they were addressed formally as part of the workshop. The subsequent changes to the management structure became a lynchpin of the overall change process.

The workshop deliberations were documented by Jason Whiteley and subsequently were turned into a draft report, which was reviewed by Paul Jackson. The final report was sent to Carousel about three weeks after the workshop. Paul Jackson wanted to mull over the conclusions and recommendations from the workshop and articulate them in a way that the Directors could use in communicating and explaining possible changes to staff within the company. This process of synthesis and creation of a tangible output was valuable:

“For me, the best thing out of it, actually, was to have somebody else to write that report at the end...to actually have somebody to create a document which makes you think even more, rather than just basically a list of you do this (as per normal Directors’ meetings)...we ended up with something a little bit more concrete, that we can actually say – ‘well, look this document, albeit a very brief document, is something we’ve paid money for’, and therefore it puts value on that document...I took it home over the weekend and probably read it 20 times all in all, and thinking about it, because it gives it some sort of value, because it’s not been produced by yourself.”

Carousel Director

In summary, the Triangle intervention focused attention on the strategic issues and helped the Carousel Directors to take a step back from the day to day operations. During the workshop itself, a wider range of issues than anticipated was addressed. The conclusions were captured and set down as tangible manifestations of the discussions and resolutions.

Different Conceptual Framework and Perspective

The focus on and definition of the core strategic issues were complemented by the use of an established analytical methodology, external perspective and expertise. The workshop process used by Triangle was structured, and it provided the framework, intellectual challenge and rigor, which would not otherwise have been applied by the Carousel Director to strategy deliberations.

The pre-workshop questionnaire started to make the Directors look at their business in another, more structured, way:

“When we got the questionnaire through it really started to bring to light that 22% of our business in turnover was with UK parcel work, but in real terms it was probably taking up 40% of our time...”

Carousel Director

The analyses conducted during the workshop also provided a fresh perspective and showed certain aspect of the business in stark relief:

“When we did an analysis that showed them that the small amount of work they did on the Continent was actually 20 times more profitable than the work they did for domestic parcels, it just became very clear, but they’d never done that...we did a matrix of what contributed what and how the overheads were allocated...they’d never looked at it that way.”

Triangle Consultant

The analyses and techniques used during the workshop provided a framework for the discussions and critiques, and gave the Director tools to promote and defend ideas. The results were supplemented and reinforced by the external perspectives brought to the business by the Triangle consultants:

“You have to be humble and you have to realise that consultancy is common sense. I know it’s a combination of experience as well, but it is common sense. And the people you’re dealing with know more about the business than you’ll ever know, so what you’re doing is you’re bringing objectivity and lateral thinking.”

Triangle Consultant

“I think we started to uncover things that they hadn’t considered before... You know, I think it really opened their eyes during the course of the day...being outside the business, we were coming in with fresh ideas and challenging things they’d been doing for ten years.”

Triangle Consultant

The techniques and challenge helped the Carousel Directors to step outside what one Director described as the “thought processes” they used, or “slot” as one staff member described it, and to gain a new perspective on the business:

“It reaffirmed what we probably already knew, but we needed somebody to stand there, because we’re inside the goldfish bowl, if you like, and he was outside, and he actually took us outside of that to make us look back in.”

Carousel Director

“Quite a few things that sort of came out were quite radical for us, which totally affects our thinking.”

Carousel Director

“It does make you wonder that the suggestions that were given, you think – ‘why didn’t we think of that’, you always do. But it’s such a complete change in some ways, getting rid of certain Divisions. I think it may have been too large a step for them to contemplate.”

Carousel staff

The achievement of this new perspective on and understanding of the business was enabled, in part, by a challenging style of facilitation:

“There were a couple of questions that made me, I felt came a little close...and I had to think about it...I can understand the reasons for the questions...I mean, why am I here, why have we asked him to come in? It’s for a reason, and, yes, who else is going to tell you.”

Carousel Director

As an external adviser, Paul Jackson was able to say things that the individual Directors could not raise directly with one another. He also tapped into his knowledge of the industry to make explicit suggestions and open up new possibilities for Carousel:

“We have a lot more to offer than we thought we had. One thing was air freight...Paul got quite excited about it, because obviously every single airfreight agent operates out of Heathrow, and nobody actually has the sort of client base or location that we do. And we’ve had discussions with (a major airfreight agent)...and it looks like we can do a reciprocal deal with them. Now, we never even thought we could do that.”

Carousel Director

Paul Jackson’s experience in the industry was generally found to be useful during the workshop. Directors felt that he knew what he was talking about, and the fact that he had personally worked with major organisations in their industry enhanced his credibility and their willingness to listen to him. In addition, the fact that Paul Jackson also ran a family business, and so understood the strains and tensions, helped to build a close affiliation between himself and the Carousel Directors.

In summary, both the analytical framework, and the consultants’ external challenge, perspective and industry knowledge enabled the Carousel Directors to gain a new outlook on and understanding of their situation.

Different Patterns of Interactions

The workshop took the Carousel Directors outside their normal patterns of interaction, between themselves as individuals and with Andrew Ovenden. The interactions and the discussions were non-routine, in terms of the subject matter, the exclusion of Andrew Ovenden, the off-site location and the fact that they were facilitated and managed by Triangle.

Prior to the workshop, the Directors, including Andrew Ovenden, took time out to respond to the questionnaire sent by Triangle and to identify, as a management team, the issues they thought needed to be addressed. This meeting was longer and more

structured and focused that the normal management meetings, and stimulated thinking and discussion on the various subjects.

The physical separation from the office and the pressures and potential interruptions of the day to day activities was important in helping the Directors to take a wider and more fundamental look at the business. The workshop was structured and Paul Jackson managed the process to probe deeply into the issues and to arrive at a number of conclusions by the end of the day:

“There was a lot of psychology there as well within the day, and if we put up physical or mental barriers, he was very good at getting rid of them, breaking them down and keeping us on track. So he was quite disciplined with us as well, and so it...made us be quite disciplined and quite honest with our answers.”

Carousel Director

“It was psychological or cleverly done, in being able to draw you from one area to the other and drop you back to an area where he obviously felt it needed more time spent on.”

Carousel Director

“The structure of the day was very good actually...it’s always good to have somebody there to keep you on track. I mean, our tendency is, because we’re all very keen to discuss things ad infinitum, to wander off and discuss something else.”

Carousel Director

The workshop provided the means of disentangling and examining some personal, familial and professional relationships and objectives:

“They do have two different objectives and we pulled out what their personal objectives were, which they’d never really discussed. They’d never felt as a family they could ask each other – ‘well, how long are you going to be here?’”

Triangle Consultant

The absence of Andrew Ovenden and the presence of a credible, external expert to facilitate the discussions allowed the Directors to discuss subjects and express sentiments that would not have been aired otherwise. Personal and sensitive issues were raised and discussed, such as the role of Maureen Martin. Both Graham and Michael wanted her to change her role, and the workshop provided the opportunity to discuss the fundamental question of leadership of Maureen Martin’s company:

“At one stage during the day, he (Paul Jackson) made me feel quite insecure by talking about – ‘well, let’s get Maureen out of the scenario, because, you know, she’s not going to be there forever, she’s coming up to retirement age’...Looking back what he actually did was retire me out of the position I was in...and said – ‘Maureen, you should be out there networking more’...And I must admit, there was one stage where I thought – ‘I haven’t got time for all that rubbish’, to be quite blunt.”

Maureen Martin

In summary, the facilitated workshop created a forum and mechanism for communicating and dealing with usually tacit concerns.

For the Carousel Directors, the intervention was a profound experience. They rarely addressed strategic issues in any sustained or systematic manner, nor were they versed in the analytical tools for strategy development. The Triangle consultants widened their perspectives, challenged their ideas and got them to face some difficult and sensitive issues, and to come up with some conclusions. In the words of one Director:

“He started to paint the picture and the framework went round it last of all...one of his final statements was – ‘well, you’ve shown yourselves what you should be doing or could be doing...it’s up to you whether you take this on board’...We’d painted the whole picture, we’d got the framework round it, it was up to us to come back and hang it properly, really.”

The ways in which the Triangle intervention influenced the thinking and subsequent actions of the Carousel Directors were mutually dependent and supportive. The initial commitment to the review process was translated into participation in a workshop and application of an analytical model. The facilitation, challenge and external management kept the debate from getting stuck, wandering off or avoiding sensitive issues. The detachment and presence of the consultants appeared to facilitate the process of intimate dialogue amongst the Directors present, at a professional and more crucially a family level. The messiness, complications, pressures and baggage of the “outside world” were suspended, in part and temporarily, while the Directors addressed how they should move Carousel forward.

Processes of Absorption

Existing Agendas

The intervention was influenced to some extent by the agendas of the three Directors. The pressing and perceived overarching issue was the role of Maureen Martin. Responsibilities and authorities had transferred in an uncoordinated and tacit fashion to Michael and Graham Martin. However Maureen Martin was not completely comfortable about the way she was losing her grip on the company. This had, to some extent, resulted in some frustration and confusion, and in the Directors doing each other’s jobs. The inclusion of this implicit tension in the workshop diffused any potential political activity and legitimised the discussion.

The Directors also had personal views regarding the way forward, and were looking for support from Triangle for their judgements, be they to exit the UK parcel market or to grow the business through marketing. However, the Directors were open to ideas and prepared to accept criticism:

“We’d bring up a point perhaps...and there would be an element of defensiveness, which you can expect always...but I think we gradually

brought them round to the idea that some things they weren't doing quite right and there were ways they could improve."

Triangle Consultant

The Triangle consultants perceived a strong family unity among the Directors and mutual respect for one another:

"They're all secure. That's the big plus that they have. The three shareholders didn't feel redundant. Most companies...half the management we're dealing with are feeling unsettled because we're involved."

Triangle Consultant

This sense of security helped them to put aside personal interests and to be prepared to dismantle personal empires for the sake of the company.

The importance of securing Andrew Ovenden's commitment to the chosen way forward was recognised and dealt with by the Martin family. Andrew Ovenden was included fully in the preparatory work and the deliberations following the workshop, allowing him to have a say in the final outcome and changes. This helped to allay any potential concerns he may have had.

Context

Staff at Carousel knew of the workshop, though the intervention was kept low key. Little information was given to the staff either before or immediately after the workshop. The Directors decided to hold off any announcements until they had determined the exact changes to be implemented.

The intervention did create a certain amount of anxiety, particularly in the light of difficulties experienced by other freight forwarding agents. In the absence of other information, some staff associated the use of consultants with redundancies:

"I think you're always a little bit wary about any changes...the natural fears you automatically have when somebody says radical change. You think – 'who's going out of the door first?' But, I mean, it didn't happen that way, to be fair. But then, because I didn't have that detail at the time, it was worrying."

Carousel staff

The uncertainty led to greater speculation and circulation of rumours of possible new offices and other initiatives. The operational pressure, though, was the biggest challenge facing the company. A possible resolution provided an assumed rationale for the involvement of consultants:

"People (in Customer Services) were literally tearing their hair out because of the fact they were under so much pressure. And I think that had to be relieved, the gasket had to go somewhere, basically."

Carousel staff

“The management here were all saying the changes are going to be positive, so you take them at their word as much as you can.”

Carousel staff

“They saw it as a problem solving exercise...I think they saw it as being that we’d come back and we’d wave a magic wand and all of a sudden everything would be 9 to 5 and wonderful...we hadn’t said specifically what we were going for, but they assumed it was for their benefit.”

Carousel Director

The possibility that the intervention might resolve a number of perceived problems within the company generated some identification of problem areas and lobbying:

“We had more visits from staff saying – ‘I’ve got a problem with this particular thing’...it encouraged people to say – ‘I don’t think we should be doing this’.”

Carousel Director

For some staff, the fact that the Directors were prepared to ask others’ advice was positive, and a sign that they might be more receptive to their ideas in future.

The concerns and interests of the staff, though recognised and taken into consideration, were not a pressing issue during the workshop and did not affect the Directors thinking or willingness to contemplate radical change.

Post Workshop

The Directors left the workshop enthused and determined to implement the ideas and suggested changes:

“The three of us, I think, all left thinking – this is terrific, you know, if we do this it’s going to be absolutely the ‘bees knees’.”

Carousel Director

“When the report came through, as a reaffirmation of the day really, we decided we would go ahead on all of them (recommendations) because they made a lot of sense. There was no point in cherry picking what he had suggested. If we were going to do and give it 100%, we should do it properly”

Carousel Director

Within a day or two of the workshop, Andrew Ovenden was give a blow by blow account of the day’s discussions and was “sold” the conclusions:

“once we knew for a fact it was quite positive stuff, we brought him in, sold him the concept of what we were doing”

Carousel Director

The Directors during the workshop were very enthusiastic and open to suggestions, and to a certain extent “talked themselves into” (Triangle Consultant) certain courses

of action. They did not question, explore and internalise fully the concepts and proposals during the workshop, but went through that process subsequently:

“He gave us a number of recommendations as a starting point. We came back, we discussed them in depth, we pulled them apart, we put them back together again, and it reaffirmed what he had been saying and we actually put that into practice.”

Carousel Director

“We didn’t doubt or question enough what we were being told or proposed ...it’s not until afterwards perhaps you think – ‘well, actually, it’s not quite as they make out’.”

Carousel Director

As the Directors then thought through the recommendations and their practical implications, their ideas began to evolve:

“We went from the initial recommendations saying – ‘yes, going to do all of that, no problem, we’re not going to question it’...we started to put it into some sort of order of priority, and then we started knocking things off and thinking – ‘no, actually, no, we don’t want to do that, and we don’t want to do that, or we want to do that slightly differently’.”

Carousel Director

The Directors were keen not make any announcements until they had received the report, which confirmed the discussions of the day, and until they had finalised the changes. This raised the anxiety levels within the company:

“When we came back and we were able to tell them very little, I think it worried them a little.”

Carousel Director

“I think people picked up little snippets here and there along the way, but never enough. I think it’s worse...everybody seems to hear something different, and they tend to exaggerate it anyway...that probably makes it worse than better.”

Carousel staff

With the detailed changes agreed, Michael Martin developed a presentation on all the changes and their implications for the company and for individual staff members. Every member of staff was taken through the presentation individually by two Directors and was given the opportunity to ask questions.

The role of Triangle was stressed and the staff were told that the work done by Triangle included market research and customer interviews. The aim was to give the recommendations more “kudos” and reduce potential problems in selling the changes to the staff. The involvement of consultants also provided the Directors with a safety net and scapegoat for possible staff resentment:

“The terrific thing about the staff knowing we’ve had this outside consultant to look at it is that we’ve got somebody to blame.”

Carousel Director

However, the staff recognised that the consultants had provided advice and that the ultimate decisions rested with Carousel’s management.

The changes were effected on 1 November 1997. Maureen Martin became Chief Executive Officer and Michael and Graham Martin became Joint Managing Directors. Maureen Martin’s role changed from the day to day running of the Customer Services Division to developing client relationships, which, in her own words, “energised” and gave her “a new lease of life”. A new tariff structure was introduced for the UK parcel business which effectively took Carousel out of that market. Four of the five sales consultants were transferred to Customer Services. The marketing efforts were directed towards cross-selling to existing clients, securing inward traffic from Continental Europe and developing alliances with major freight forwarders.

These changes were generally regarded within Carousel as radical but positive. The pressure on the Customer service staff was reduced significantly and people understood why Carousel did not want to focus on the unprofitable UK parcels business. One “casualty” of the changes was the Sales Manager who was made redundant.

In December 1997, the Directors were in the “honeymoon period” in respect of the changes and they and the staff were feeling their way forward:

“They’ve got quite a lot of work to do before we can actually say – ‘we’ve done what they’ve (Triangle) have suggested and it’s working.’”

Carousel staff

“(a former salesperson) leaving...has now made everyone else not unhappy but uneasy, because for so long we had too few people to cope with the phone calls, and then for two or three months we had enough people and now we’re back where we started. It’s like; here we go again. So that’s a shame...so doesn’t help...I think it’s still a little bit too new really to be able to say...we all think it’s working, but I think it’s going to take a little bit longer before people actually say – ‘I don’t like this, or this doesn’t work’.”

Carousel staff

Through experiencing for themselves how the changes were working in practice, the Directors were acquiring a deeper understanding of how Carousel might operate. They were, in certain instances, considering “taking Paul’s suggestion one stage further” and expected to “end up with our version of what they want us to do” within a few months.

The intervention had not only addressed the strategic issues facing Carousel, but had given the Directors an insight into their own styles and into other ways of managing a company. The Directors, on reflection, recognised that their personal management styles had changed following the intervention. In general, they were becoming less hands-on and giving their staff more scope to resolve issues for themselves and make

decisions. Their awareness of management structure had increased and they had a new perspective on the market in which they operated and their room for manoeuvre in that market.

The Directors were considering inviting Triangle back to look at defining precisely the roles of the Directors, and to help them put together a five-year plan. Having been through the process and experienced the results, they were comfortable in using Paul Jackson again since his advice had proved correct. However, they expected that they would, in future, be more questioning and would direct Paul Jackson towards specific issues:

“Now this is the situation and this is what we’ve done, now these are specifically the areas that we have problems with, that we want to address, rather than this sort of carpet thing.”

Carousel Director

Overall, the intention has led to the transformation of the strategy and management structure of Carousel, and has also reshaped the outlooks and thinking processes of its Directors. Four months after the workshop, the ideas, perspectives and suggestions which emerged were evolving and being integrated into the thinking of the individuals involved, the thinking and interactions of the management team, and the fabric of organisational life within Carousel.

McQUILLAN YOUNG COMMUNICATIONS

TRANSITIONS' INTERVENTION

CASE STUDY

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Preface

This case study is part of a PhD research project looking at the contribution of management consultants to processes of strategic change within organisations. The case material has come from in-depth interviews of a selection of individuals within McQuillan Young Communications and Transitions. The account below is a distillation and partial analysis by the researcher of the information available, and therefore is, by definition, incomplete and influenced by the research agenda. The purpose of the account is to set out the context and logic of the intervention and to elaborate a “first order” analysis of the key contributions, congruent with the experience and understanding of those involved. The drafting of this case provides a springboard for further analysis and theory development, in line with the overall research methodology.

The co-operation of all those involved in the research is greatly appreciated. The researcher asks that no part of this case study be reproduced without his prior agreement.

Background

In July 1997, Linda McQuillan and Tricia Young of McQuillan Young Communications started to use the services of Transitions, a specialist management consultancy, on a regular basis to help them to develop their business. The first six months of consulting support, amounting to approximately half a day per month, was provided free of charge. Then the arrangement was formalised into a fee based annual contract covering approximately one day per month. At the time of researching and writing up this case study, August to October 1998, Transitions was still supporting McQuillan Young Communications as part of this latter annual contract.

At the start of the intervention, McQuillan Young was a small communications consultancy which provided public relations, writing and editorial services, and which published a number of specialist journals. The clients were primarily large organisations in the Oil and Gas Industry, which tended to deal with McQuillan Young on a long term basis.

McQuillan Young Communications was formed in February 1995 when Linda McQuillan and Tricia Young decided to form a loose partnership. They had both

been freelance writers working for a small number of clients in the Oil and Gas Industry. Tricia Young also had editorial responsibility for a publication. They knew of one another. Both began to find that operating alone they could not credibly pitch for certain assignments, and they agreed to pool their resources should a suitable opportunity arise. An opportunity did present itself, and, although they did not win an assignment, the experience demonstrated that they could work effectively together. At the outset, they maintained their separate legal and fiscal status, but marketed themselves to clients as McQuillan Young Communications, took an office and employed Joanne Kuriyan as an editorial and administrative assistant. It was only later, in the Summer of 1997, that McQuillan Young Communications became a limited company and employed most of its contract staff on a full time basis.

The gut feeling shared by Linda McQuillan and Tricia Young that by joining forces they could create benefits proved correct. Clients started to see something more than a couple of freelance writers and began to take McQuillan Young Communications seriously and use it as an agency. The business grew through the promotional efforts of both Linda McQuillan and Tricia Young and the delivery of high quality services. By the beginning of 1997 the organisation was made up of its two founding Directors and two members of staff. However, Linda McQuillan and Tricia Young struggled to define the identity of the organisation. They didn't want to be seen exclusively as Public Relations, because they both had writing skills, and some design skills, and because they also retained editorial responsibility for publications. Business came in from referrals and personal contacts even though the marketing and presentation of McQuillan Young Communications was hazy.

In Spring 1997, Tricia Young attended a seminar on marketing strategies for small businesses at the Institute of Directors (IoD), where Simon Pratten and Shai Vyakarnam of Transitions were speaking. Tricia Young found that she could relate to some of the things that Simon Pratten in particular said, and made a point of talking to him over lunch. They agreed that Transitions might be able to help.

At the time, Transitions itself was a relatively small management consultancy specialising in the growing companies sector. It had been set up by Shai Vyakarnam and Robin Jacobs, both Cranfield PhDs, in the early 1990's to address the needs of small and medium sized enterprises. Simon Pratten joined Transitions in 1994. His background was in professional services rather than academia, having been a Partner and Director of a firm of consulting surveyors, responsible for marketing and client management. As a firm, Transitions offered a number of personal and management development services, including executive coaching, career analysis, and team building. One of their core products was a "Supergrowth Programme" which brought together diverse organisations with growth ambitions, and through a structured programme of half-day seminars, team-based assignments, consultancy support and counselling helped the top teams to gain internal commitment and cohesion and to develop a robust business plan. Underpinning the programme was a view, supported by empirical research, that for organisations to grow rapidly and significantly (supergrowth), a combination of team effectiveness and development, and sound business and financial planning was required.

Transitions' positioning, then and at the time of writing this case study, is summarised succinctly in one of the firm's brochures:

“Transitions is a growing consultancy firm focussing on the needs of ambitious ‘middle market’ businesses. Its guiding principle is that, in order to achieve their growth, its customers need to develop a clear vision for their business shared and developed by a viable top team. We provide an interdisciplinary group of leading experts in order to support our clients to develop and achieve their vision. These include:- business strategy, marketing, business psychology and so on.”

Initial Consulting Interventions

Following the initial contacts, Transitions submitted a proposal to run a team building workshop with the Directors and staff of McQuillan Young Communications. The aim was to “start forging this fledgling organisation”, which had formed almost by accident. In part, the proposal was attractive to Linda McQuillan and Tricia Young who had experienced some earlier difficulties and disappointments with recruitment: two staff members had joined, only to stay for about a month. Robin Jacobs provided the consulting support on behalf of Transitions. In preparation for the workshop, Robin Jacobs administered a number of psychometric tests, including the Myers Briggs test, and conducted individual interviews. He then analysed and structured the results of the tests into individual feedback sessions covering a morning, and an interactive workshop which he ran in the afternoon. Despite some initial reservations, both Linda McQuillan and Tricia Young found the feedback and workshop useful:

“So, that was all very useful because it helped us recognise why certain of us did things we did, and why we behaved the way we did. And that was quite a big turning point actually.”

McQuillan Young Director

In particular, Linda McQuillan and Tricia Young recognised that, while they had many and complementary strengths, neither was especially strong on control skills. Both preferred to be outward and client focused and regarded financial analysis and control as a necessary chore, and so spent as little time as possible on it. They also recognised that neither of them was comfortable dealing with conflict situations and tended to compromise too readily. The workshop also highlighted existing tensions between the Directors and staff, and suggested some reasons why the relationship was not working. For the two members of staff, the workshop, seen as a way of promoting open and honest communications, was not a complete success. Even with Robin Jacob's facilitation, some issues were left unspoken by staff. While Linda McQuillan and Tricia Young were both friendly and approachable, their close professional relationship, their personal delivery and control of the services provided, and their deep sense of ownership and identity with McQuillan Young Communications formed a barrier between them and the staff.

A little later, Simon Pratten ran a workshop on marketing planning in which he focused on processes for thinking about and developing marketing plans. This intervention too was seen as a success.

On-Going Consultancy Support

Transitions hoped that the two assignments would lead to more consulting work, and Simon Pratten talked about other possible areas of support. However, Linda McQuillan and Tricia Young were rather hesitant, having spent, in their terms, a considerable amount of money on Transitions over the previous months. Simon Pratten then suggested to them that he would give them approximately half a day a month for six months for no fees. He cited the need to have case studies as part of Transition's business development process, though the hope of securing further work was also on his mind:

“I was interested in what their experience was of growing a new professional services business, and felt that there would be useful experience for me, and hopefully they would get something out of it as well. But also, bluntly, I was using it as a marketing tool.”

Linda McQuillan and Tricia Young were suspicious of Transitions' motives, but spoke to Simon Pratten and it seemed a good idea:

“So we thought – ‘well, yes, it could be interesting’. So we embarked on a six month programme of monthly meetings, half days, which were free of charge. And at that time I guess we were building; there were only four in the company, with one of the four about to depart, and it was a question of where do we go from here?”

McQuillan Young Director

The process of setting the agendas for the various sessions was “gloriously informal”, and the consulting support evolved in line with the needs of the business as perceived by Simon Pratten, Linda McQuillan and Tricia Young. The intervention did not have the characteristic hallmarks of conventional consulting assignments, namely a defined scope, an approach or methodology, and agreed deliverables or outputs. At the individual meetings, Simon Pratten raised issues he considered relevant, identified issues brought forward from previous meetings and added items to the agenda raised by either Linda McQuillan or Tricia Young. These agenda items were then discussed in a very fluid, interactive way and action points were identified and summarised at the end of the meeting. In essence, Transitions provided an environment for thinking and agreeing the way forward:

“It's... semi-structured thinking time... One of the key benefits for them, I believe, I don't know how they see it, is that this (the meeting) is a few hours away from the office, with me prodding and poking and producing ideas and asking questions, giving them the environment to think about the key issues that they need to get to grips with and grapple with. And so, I think it's clarifying thoughts, it's agreeing ways forward. I see part of my role as making them think about things that perhaps otherwise they wouldn't have done, or make sure they come high on the agenda when otherwise they might not... if the process has helped them to clarify what they are going to be doing, then they will get on and do it.”

The initial meetings were focused on defining and putting into place systems and structures to support growth, especially financial control and reporting systems. These systems, though simple, proved very effective and gave Linda McQuillan and Tricia Young greater insight into and management information on the business and key financial trends.

At the end of the six months of free consulting, Simon Pratten suggested that Transitions should continue to support the development of McQuillan Young Communications. Simon Pratten successfully proposed an annual contract, covering approximately one day per month, along the same lines as the previous six months.

“By this time we had some very real and tangible benefits from our involvement with him, so we were more than happy to do that.”

McQuillan Young Director

In a little over a year, from Simon Pratten’s first involvement on a regular basis to the researching and writing of this case study, McQuillan Young Communications has changed significantly as a business, as has the thinking of Linda McQuillan and Tricia Young.

Processes of Separation and Absorption

Transitions’ intervention and its effects on the strategic development of McQuillan Young Communications can be understood in terms of the raising and separation of key issues from the pressing client service and day to day operational requirements of the business. The long duration, evolutionary and integrated approach to the consulting support facilitated the absorption of ideas and concepts into the action routines of the organisation and ways of thinking of the two Directors. To an extent, the consulting support has become part of the fabric of organisational life within McQuillan Young Communications.

Transitions’ intervention influenced and contributed to the thinking and subsequent actions of Linda McQuillan and Tricia Young in three distinct, but inter-related, ways.

First, the intervention itself helped to crystallise the issues which McQuillan Young Communications as an organisation had to deal with to achieve sustained growth. Specifically, the intervention provided the focus and impetus to address, in a formal and disciplined way, key strategic issues and take action. The intervention “has been a major instrument of change” (McQuillan Young Director). The monthly meetings and input from Simon Pratten defined the range and scope of issues to be discussed, crystallised ideas and facilitated subsequent action.

Secondly, the intervention enabled Linda McQuillan and Tricia Young to gain a new perspective and vision of their business by being challenged, questioned, informed and offered a different perspective by Simon Pratten.

Thirdly, the setting and external facilitation enabled different patterns of interaction between Linda McQuillan and Tricia Young, and allowed sensitive and potentially emotional subjects to be raised and discussed. The relationship between Linda

McQuillan and Tricia Young was facilitated, and so subjects were discussed that otherwise both would have instinctively shied away from. The discussion was channelled and kept on track, maintaining the focus on the key issues, implications and consequent actions.

While the intervention shaped the development and direction of McQuillan Young Communications, the ideas, suggestions and perspective offered by Simon Pratten were not accepted uncritically or unreservedly. At times the agenda and views of Linda McQuillan and Tricia Young ran counter to the proposals of Simon Pratten. Differences of opinion and on appropriate action were managed by a process of accommodation; an active and subtle managing of the tensions between the external view and proposed issues for discussion and attention, and the internal mind set and ways of working. The professionalism of Simon Pratten, and the introduction and application of ideas and suggestions, from which Linda McQuillan and Tricia Young experienced practical benefits, promoted receptivity, trust and confidence in the validity and efficacy of the consulting advice. Some of Transitions' beliefs and concepts were merged and absorbed into the fabric of organisational life within McQuillan Young Communications.

Transitions' influence on Linda McQuillan and Tricia Young was not accepted without a touch of suspicion and resentment on the part of the staff, particularly those that had been with McQuillan Young Communications for some time. Nonetheless, the intervention itself became taken for granted and was absorbed into the routines of the organisation. Meetings with Simon Pratten became a regular feature in the diary, and the location switched from the IoD to the company's offices. Simon Pratten, after a little over a year, no longer felt himself an outsider, started to identify with the company and began to see the nature of the relationship changing.

Processes of Separation

Crystallisation

Linda McQuillan and Tricia Young were, and remain, the major fee earners for McQuillan Young Communications. Time taken away from providing services to clients or gaining new assignments jeopardised the on-going viability of the business. They believed it vital to be close to their clients and externally oriented, and to deliver highly personalised, quality services for the business to succeed. In many cases, clients insisted on their personal attention and involvement in the service delivery. Consequently, Linda McQuillan and Tricia Young were preoccupied and drawn into the daily pressures of work and into dealing with immediate issues. The intervention helped to provide a focus for thinking about longer term and more strategic issues:

“...we're always busy and if we (Linda McQuillan and Tricia Young) agree to have an internal meeting, we quite often, say a job comes up, we say – ‘can we put it off till tomorrow because I've got to get this report done’. And then something else happens, and then what was going to be a whole morning becomes – ‘well, we'd better have a quick half hour’, and we don't focus in the way that you do when you've got a meeting with somebody... But we've been quite good about saying – ‘well, we've got a meeting with Simon and

however busy we are and however inconvenient it seems on the morning, we are going to do it'... He makes us have a morning or a day or an afternoon out of the office."

McQuillan Young Director

Linda McQuillan and Tricia Young wanted to grow and believed that they had the capabilities to grow. The presence and influence of Simon Pratten helped to "channel that in a much more focused way". Simon Pratten "provided that focus and he's given us a much more single minded approach to the business and more discipline".

Not only did the intervention provide a focus for addressing issues, but it also identified otherwise neglected issues and created a pressure for them to be looked at and resolved: "I think Simon makes us face some things that too, that again, you might just sweep under the carpet." The importance of establishing financial controls was raised and discussed at various meetings at the start of the intervention and its profile was heightened: "...we knew, but he helped us focus on it as an absolute priority, that we had to get that side of the business sorted." (McQuillan Young Director)

Simon Pratten had a significant contribution in setting the boundaries and scope for the issues to be addressed and resolved:

"I think only on one occasion have I actually produced a sort of discussion document or a formal written agenda. The rest I have gone armed with what I believe are carry forward things, the key things that still need to be looked at, and we begin each meeting by agreeing the parameters."

In some cases, the same or similar issues were raised repeatedly as: "he is very keen to build even more structure, give us more solid foundations than we have, and constantly tries to drag us back to that." (McQuillan Young Director).

The "list of things to cover" evolved over time as the direction of the company became clearer, with a particular emphasis on the implications and consequences of certain decisions. The decision to split the business into two divisions led to Simon Pratten raising the issue of who would take an overview of the business as a whole, in essence who would be the Managing Director of the company. This was not an issue that either Linda McQuillan or Tricia Young had considered in any depth:

"So Simon does throw in a thing like that, that he recognises is essential, just good business practice, that perhaps we would avoid or think wasn't necessary"

McQuillan Young Director

The tangible output from the meeting was usually a series of items for Linda McQuillan or Tricia Young to consider or action. Only occasionally did Simon Pratten produce written summaries or minutes of the meeting, though he retained his hand written notes.

The meetings nonetheless produced a synthesis, articulation and crystallisation of ideas and direction:

“It’s actually working out, talking out the way things are going, talking out the solutions, that’s right, flushing out the problems and talking about them, around them and developing the solutions, not going in saying – ‘we’ve got to find an answer to this’, because the problems aren’t that immediate and urgent.”

McQuillan Young Director

“It’s an opportunity to articulate probably what you’ve been thinking without even realising you’ve been thinking, and also to develop ideas, because you don’t get the time to do it.”

McQuillan Young Director

“...helpful in getting us to crystallise our ideas, well, again, forcing us to have a day to actually start putting some of it together.”

McQuillan Young Director

The intervention thus provided the focus and momentum to address issues of a strategic nature and to take action. The monthly meetings were also a primary and evolving medium for identifying the nature, scope and implications of options and decisions, and for coming to concrete actions to be undertaken.

Different Concepts and Perspective

The focus on and identification of strategic issues was complemented by the introduction of an external perspective and substantive expertise. While Simon Pratten did not use formal analytical models to any extent to address issues, his views and comments were, implicitly, informed by values and concepts developed and held strongly within Transitions. This perspective was supplemented by Simon Pratten’s personal experience as a Partner and Director of a professional service firm.

This external perspective brought with it challenge and a degree of rigour:

“Simon will challenge us if we don’t challenge each other. I think it raises a lot of things that perhaps individually we are uncomfortable with.”

McQuillan Young Director

“He does bring an objective view point to something... we might look at things more emotionally than he would. And he can be much more rational and ask a question or say something that just makes us take a step back and say – ‘well, yeah, we ought to think about that’.”

McQuillan Young Director

“He doesn’t find us short on ideas but sometimes it’s a question of saying – ‘right, you’ve got all these ideas, how do we translate them into something?’...And I think he’s quite good at... ‘how does that happen in reality?’.”

McQuillan Young Director

Simon Pratten also helped Linda McQuillan and Tricia Young to “look at things from a bigger perspective rather than a small perspective”, and “demystified the whole idea of being a small business and a medium sized business and a big business”.

Transitions as a firm was focused on helping small and medium sized businesses to grow and had developed a number of models. One was the Transitions Growth Model, which suggested that the top teams in businesses had to move from tactical to strategic to visionary thinking if they were going to grow their businesses quickly and successfully. In order to do that they had to break through two glass ceilings. This process, according to the model and empirical research, was facilitated by clarity of direction and team development. Structure and systems were seen to provide a fundamental underpinning for any sustained growth. A tenet of the Transitions’ approach was that a small firm needs to behave like a larger one to grow:

“That’s what we always say, that in a growing business you need to behave and act like a business that is a lot bigger, and then it will work quite effectively.”

Simon Pratten also drew on his own practical experience to show “why that is or how that could be”, and to draw attention to the aspects of running a business as opposed to just delivering services to clients:

“What Simon has brought to it, and what was badly needed, though we probably didn’t realise at the time, was the straight business side of it, which is the structure of the business, the control of the business, setting the direction, actually focusing on McQuillan Young as a business.”

McQuillan Young Director

Linda McQuillan and Tricia Young knew how to provide excellent services to their clients and so generate business growth. The external perspective and views created for them new insights on and understanding of running and growing a business, broadening their horizons yet at the same time linking ideas to achievable actions.

Different Patterns of Interactions

The process of Linda McQuillan and Tricia Young coming to different views and understanding of what was desirable and possible for McQuillan Young Communications was assisted by Simon Pratten’s management and facilitation of the monthly meetings.

Part of Simon Pratten’s role was to “take the lead” and while “not interfering too much” to keep the meetings focused on the strategic issues:

“If I think it’s, we’re, going down a blind avenue or the discussion has rambled on too long, I will chop it off and we’ll get back on the rails again.”

Simon Pratten

“We don’t chat about the minutiae of what’s going on. Well, we do sometimes, if something is really bothering us. But he’s not interested in that so he tends to get us round to talking about where we want the business to be going and what we want to achieve.”

McQuillan Young Director

Linda McQuillan and Tricia Young saw Simon Pratten acting “like the chairman of the meeting” to some extent, but more fundamentally as a facilitator, albeit with a tenacious streak:

“I think he draws out views. He doesn’t impose things. It’s much more of a facilitation exercise, or he elicits responses. And also, I think one of the very important functions that he fulfils is that he endorses our views and feelings.”

McQuillan Young Director

“But they (role of Managing Director) are things that have to be sorted, and Simon won’t let them lie.”

McQuillan Young Director

In facilitating Simon Pratten helped to clarify ideas, to arbitrate between views and positions and to see and distil the good points. His presence also made it easier for certain subjects to be discussed, and with more challenge:

“There are issues which occur occasionally, and it’s not very often, and sometimes they are not even very important, they are not terribly critical, which can be very emotional. And then you do need an external person to get some sort of handle on it, to bring some logic to it.”

McQuillan Young Director

“He sometimes raises things, which I think is good, that are what people might consider more delicate areas.”

McQuillan Young Director

“I think in this forum we are much more challenging, we take things on”

McQuillan Young Director

In part, being away from the office and remote from the staff made it easier to discuss personal and staff related issues. Beyond facilitating the discussion about the business, Simon Pratten also strengthened, without trying to influence, the relationship between Linda McQuillan and Tricia Young:

“(Simon Pratten) also helped facilitate the relationship between us, I think. And again, we probably didn’t realise that we needed that, but we do need it.”

McQuillan Young Director

“One of the things that struck me is that he hasn’t tried to have an influence on our relationship.... I presume that is because he feels he’s got to be absolutely neutral all the time.”

McQuillan Young Director

“I think their (Linda McQuillan and Tricia Young) relationship has developed over the last year. They are talking much more to each other than I can remember them doing before. I think they’ve both grown stronger as bosses, in a positive way.”

McQuillan Young Staff Member

In summary, Transitions’ intervention created the focus for addressing strategic issues, added a novel perspective and experience, and managed the process of deliberation and action planning. The aspects of the intervention, analytically distinguished above, in practice were fused and mutually supportive. The meetings created and confirmed the importance of addressing the direction of the company. The management of the meetings and facilitation by Simon Pratten, and his external input enabled non-routine discussions and deliberations. Ideas and action items were synthesised and crystallised, prompting action, which in turn highlighted the benefits of the process and value of addressing the wider, but less pressing, business issues.

Processes of Absorption

Shaping Agendas

The issues raised, the ideas put forward and the overall perspective offered by Simon Pratten were not accepted uncritically nor unreservedly. They challenged the way that Linda McQuillan and Tricia Young looked at and managed their business. The issue of the scale of the business was a central debate at the start of the intervention, but which was less so by the time of the research:

“Earlier on in the year, we said – ‘why do we need to be big?’ We can enjoy ourselves and neither (of us) are empire builders, nor are we people who want to spend all our time managing people... so that limits how big the company can ever get... And I think Simon has helped in that process because he kept saying – ‘why don’t you want to be bigger?’ and we resisted quite a lot.”

McQuillan Young Director

“When I first met them ...they didn’t think that they wanted to grow, they didn’t know what it really meant. But, boy oh boy, that changed quickly.”

Simon Pratten

“As we’ve gone through, we’ve decided we’ve got to stop saying we’re a small business and we have to stop thinking we’re a small business... and we’ve got to start talking about being a business of whatever size, and if the potential exists to grow to a much bigger size, then let’s look at it.”

McQuillan Young Director

Other issues have provoked a negative reaction. For instance, when Simon Pratten suggested that equity participation might be offered to attract the right calibre of consultant to help Linda McQuillan establish the consultancy side of the business, Linda McQuillan and Tricia Young both said no, “sort of instinctively and

immediately”. However, Simon Pratten has continued to raise the issue and attitudes were beginning to shift by the time of the research:

“Up until now it has been purely instinctive... and that’s where he keeps coming back... And probably six months ago we weren’t even ready to think about it, but because he has, now and again, revisited the idea, at least the idea is sort of creeping onto the agenda. I’m not sure it will happen but at least it’s on the agenda.”

McQuillan Young Director

The readiness to accept advice and ideas from Simon Pratten was affected by a number of factors. The “very real and tangible benefits” from applying some of the ideas helped to dispel lingering scepticism, and disposed Linda McQuillan and Tricia Young to considering seriously any suggestion. Linda McQuillan and Tricia Young had only recently started working together, and had established few precedents and working practices which might have created inertia or barriers to change. They also felt that they had limited skills in building up a company:

“When it came to building up a business in terms of staff and support, we actually had no experience because we had worked on our own.”

McQuillan Young Director

Over time, the relationship developed:

“...any relationship develops over time. You’ve got to develop a respect for the person’s professionalism, for their skills and for their integrity, and a lot of trust because you are opening up your business to this person, and also you are opening up yourself and your internal relationship.”

McQuillan Young Director

Personal affinity and empathy also played a part in making the consulting support relevant and in tune with the experiences of Linda McQuillan and Tricia Young:

“I think, because he is a working businessman himself in a similar sort of company to ours, he does understand some of our problems well. And maybe that’s why his approach is less, what would you call it, structured, academic or whatever, because he is living in the real world. So I think he can relate to us quite a lot and that’s why we can relate to him.”

McQuillan Young Director

“...as well as giving sound input, we feel that he’s got our best interests at heart.”

McQuillan Young Director

Linda McQuillan and Tricia Young felt that Simon Pratten accommodated their issues and priorities and way of looking at issues:

“OK you want to get there, now how are we going to get there, and so step one; do this, step two; do this. So he’s structured in that sense, but he’s not always drawing boxes and trying to put things in boxes, because he’s got a

more flexible approach to problems... I think that's partly why (we) get on with Simon, because he's not too blinkered and rigid and just looks at things from one way."

McQuillan Young Director

The implementation of ideas and decisions taken at the monthly meetings was made relatively straightforward by the small size of the company, the direct involvement of Linda McQuillan and Tricia Young in day to day activities and their management style. As owners and primary revenue earners, Linda McQuillan and Tricia Young felt they could discuss, agree and implement decisions without extensive consultation with members of staff:

"When we decided we were going to move office we didn't say to them – 'shall we move office?' (We) decided...then we said to them – 'we're going to be moving, and this is what we are going to be doing about it'."

McQuillan Young Director

"Over the last couple of years we've felt that Linda and Tricia have taken major decisions without any warning to us. They present us with a 'fait accompli'. I know that myself and one or two others have resented that at times."

McQuillan Young Staff Member

The monthly meetings marked a continual cycle of review, decisions and actions, which transformed McQuillan Young Communications.

Reactions within the Organisation

The intervention was kept low key. The role of Simon Pratten and the nature of the off-site discussions were not communicated in detail to the staff, even though there was a perception that the staff were curious and possibly concerned:

"Simon is sort of the shadowy figure who appears, and Tricia and Linda occasionally are out of the office for a day with Simon, doing whatever they are doing."

McQuillan Young Staff Member

"I don't think a really clear link has been made between Simon and the changes. Like Simon is just there helping to develop the business and it's like Tricia and Linda developing the business. And the impression I get is that they're running things past Simon and he's helping them, rather than he's coming in and changing things."

McQuillan Young Staff Member

"I think they were deeply suspicious at first. I'm not sure they're completely comfortable. They've got used to it... I think (one member of staff) was probably quite resentful, certainly in the beginning, partly because we were small and she wasn't part of the meetings, and partly because there was an external influence having an impact on her life without her say so."

McQuillan Young Director

Simon Pratten met with and advised various members of staff, and ran a workshop on marketing services and client management for the whole company in the Summer of 1998. The support of an external party in developing the business inspired some members of staff with a “degree of confidence about the business” and felt that the Directors needed and benefited from the guidance provided. No effort was made to influence what was discussed during the monthly meetings nor other aspects of the Transitions intervention:

“We haven’t been invited to share it, except in very specific circumstances... so, no, I don’t think we would presume to say before they went off that we think this.”

McQuillan Young Staff Member

Other concerns were allayed by the positive development of McQuillan Young Communications, such as the ambitions to grow and the relocation to new offices. Simon Pratten’s style, “smooth and charming”, and apparent relationship with the Directors also eased tensions:

“It’s very interesting actually that you should call him a management consultant because when I think of management consultants I think of Andersen Consulting, and I have a much more negative view of them... I sort of maybe thought he was somebody Tricia and Linda knew personally, who was helping them develop the business.”

McQuillan Young Staff Member

In part, the acceptance of the intervention and the introduction of the changes were facilitated by the growth in staff numbers. As new people joined, the existence of and support provided by Simon Pratten were taken as a routine part of organisational life at McQuillan Young Communications.

Intervention Absorbed

The meetings with Simon Pratten became a regular feature in the diary, and part of the fabric of on-going business life, but in a detached way. The meetings were held away from the office at the IoD until October 1998 when the meeting was held in the new offices. This, in itself, changed the atmosphere of the meeting for Simon Pratten:

“I think fundamentally the meeting hadn’t, the way the three of us worked together, hadn’t actually changed. But, boy oh boy, was it different from sitting in one of those public rooms or even one of those private rooms at the top of the IoD. It was their place and I felt better there.”

Simon Pratten used the visit to the offices as an opportunity to speak briefly to the staff, who already took his involvement in the affairs of the company for granted. The visit and the fact that the meeting was held at the offices made Simon Pratten feel less remote.

Over the course of the intervention Simon Pratten came to feel less and less of an outsider:

“I feel less and less an outsider. I feel quite proud of it actually, not proud from my point of view, but proud of the business, that I’m part of what they’ve been doing... I thoroughly enjoy it. I enjoy it hugely, being part of it. It’s exciting, it’s stimulating, it’s challenging.”

Simon Pratten also saw subtle changes in his relationship with McQuillan Young Communications, shifting from that of an external consultant towards that of a non-executive Director.

Changes at McQuillan Young Communications

“We have grown and I think we have been successful”

McQuillan Young Director

In a little over a year, from Simon Pratten’s first involvement on a regular basis to the researching and writing of this case study, McQuillan Young Communications grew significantly in terms of revenues and employed additional staff. Of the many issues discussed at the monthly meetings a number of tangible changes have been made. A Financial Controller has been appointed and has helped to install financial systems and to produce management information. This financial information has been shared with the staff, increasing awareness of the importance of billing time on assignments and the importance of securing a stable flow of business. Regular internal meetings for all staff and formal channels of communications have been set up. A new organisation structure was introduced, with two divisions: one focusing broadly on publishing and conferences, and the other broadly on consultancy work. Ambitious growth aspirations were announced and the company moved to new, much larger offices in September 1998, to accommodate better the two Directors and five staff. Efforts to recruit a consultant to work alongside Linda McQuillan were under way.

As well as the tangible aspects of McQuillan Young Communications, so has the thinking of Linda McQuillan and Tricia Young changed, since their first involvement with Transitions:

“At that time we weren’t where we are now in terms of our thinking on where we go from here. So in a year our thinking has changed.”

McQuillan Young Director

“...their learning curve over running the business has almost been vertical... but they have moved and changed hugely over this period of time in all aspects”

Simon Pratten

By the time of the research, McQuillan Young Communications was working as a “proper business”, and the Directors had become more confident:

“I don’t pretend that they wouldn’t have got anywhere without it. But I hope it’s probably achieved two things...they’ve got to where they are now faster...it’s stopped them re-inventing wheels unnecessarily...they realised how good they were and gained confidence through this process...confidence in themselves and in what they are doing, and the belief in themselves.”

Simon Pratten

Overall, the work of Transitions:

“has been a major instrument of change, if you like, which I didn’t expect to happen. It’s happened very subtly, they do it quite subtly. I think we would have had the ideas anyway, but I’m not sure we would have put them into practice, because we are just not disciplined enough within the business.”

McQuillan Young Director