Workshop on
“Innovative Capabilities and the Role of Consultants in the Information Economy”
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Meta-Consulting: Idea, Functions and Limitations of a New Business Model in the Consulting Market

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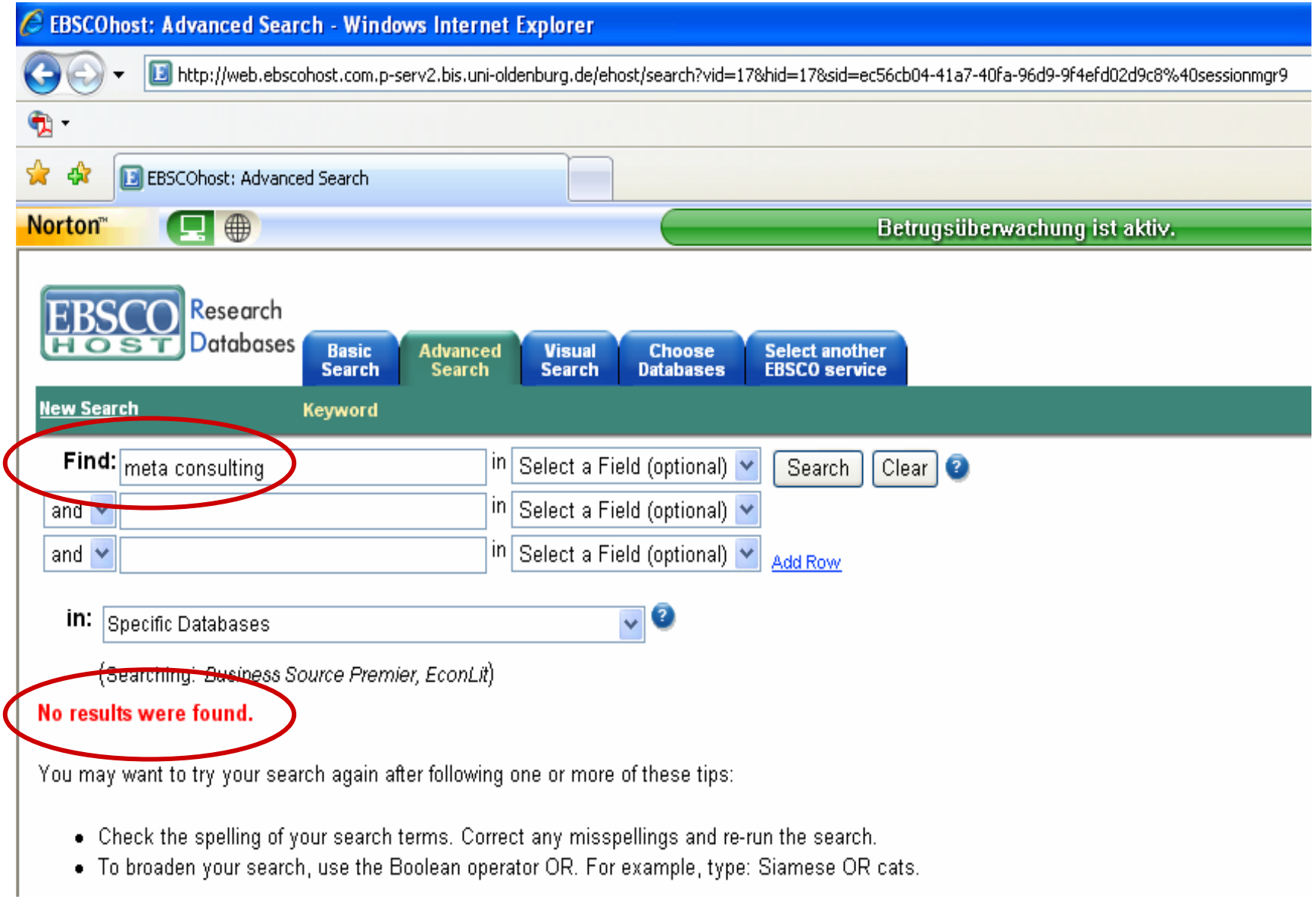
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You may want to try your search again after following one or more of these tips:
Check the spelling of your search terms. Correct any misspellings and re-run the search.
To broaden your search, use the Boolean operator OR. For example, type: Siamese OR cats.

Agenda

Does meta-consulting exist?

What is the overall idea of meta-consulting?

Why do meta-consultancies exist?

What do meta-consultancies do?

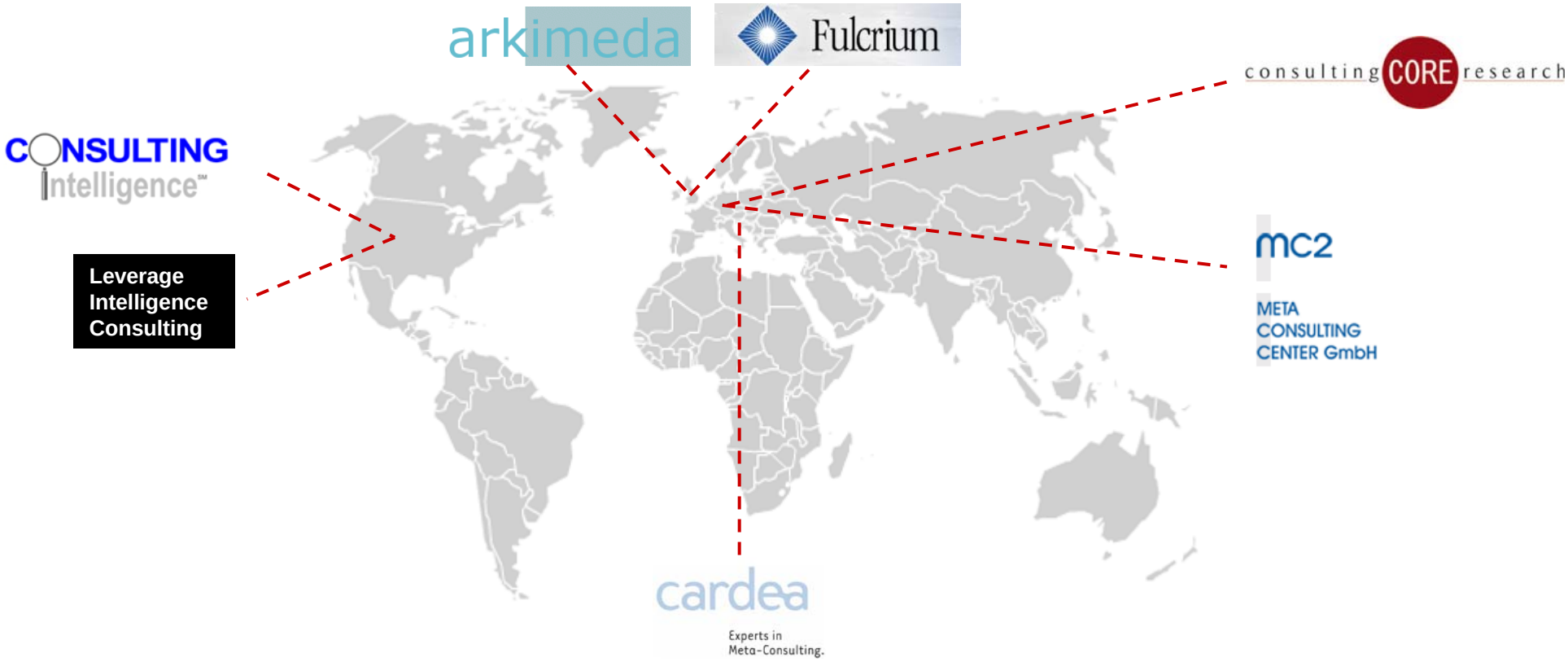
What are the limitations of meta-consultancies?

Is the model of meta-consulting able to survive?

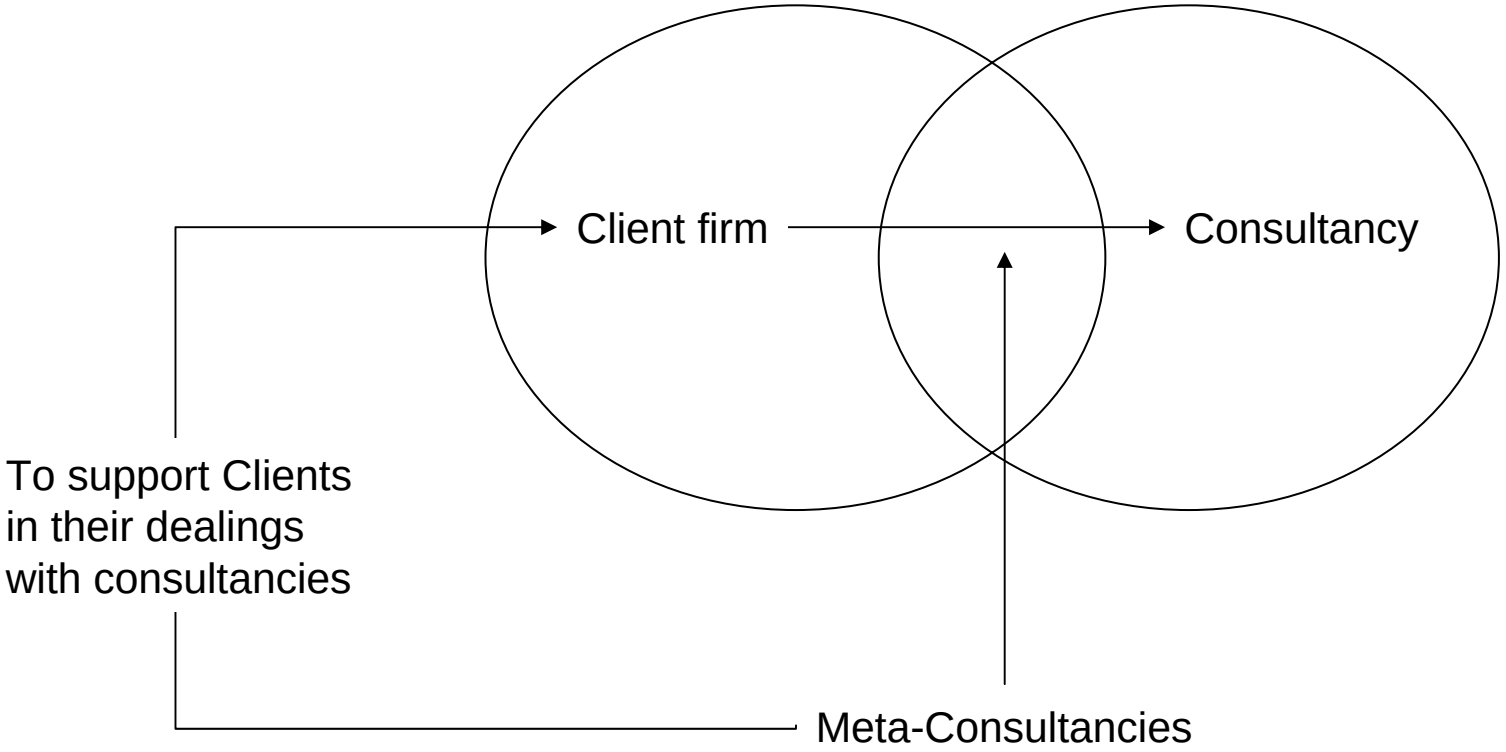
Does meta-consulting exist?

„There is even a market [...] regarding ‘how to handle consultants’ – meta-consultancy. Is this ever going to stop?”

(Sorge & van Witteloostuijn 2004, p. 1208)



What is the overall idea of meta-consulting?



Aims:

– to increase the transparency of a client firm's internal consulting landscape,

– to reduce their consulting expenses, and

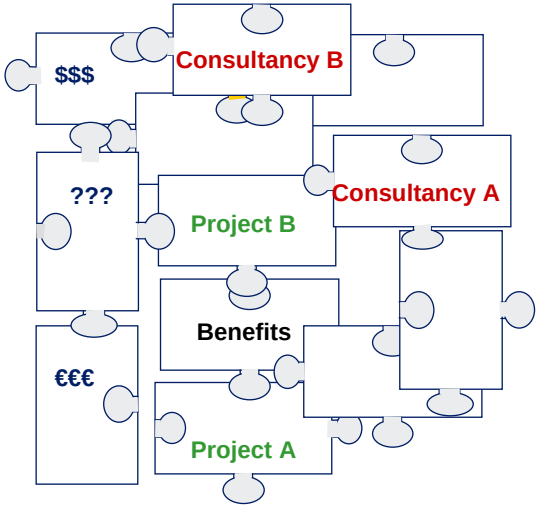
– to maximize the overall usefulness of consulting (Brown 2007; Gloger 2006; Mohe 2006)

Why do meta-consultancies exist? (1)

a) Intransparency of the consulting market

– „Uncertainty about the sustainability of the consulting firm, its professional background and status, and the qualification oft its staff leads to a reduction in market transparency" (Glückler & Armbrüster 2003)
– MC is not a profession in the classical sense (Fincham 2006; Gross & Kieser 2006); no standards, no reliable criteria for clients

b) Intransparency of the internal consulting landscape of client firms



– Consulting firms?
– Reasons for engaging consultancies?
– Consulting costs?
– Benefits of consulting projects?

– 75% of managers evaluate the internal consulting landscape of their company as intransparent
– "pell-mell," "chaotic," or a "consultants' nuisance" (Mohe & Höner 2006).

Why do meta-consultancies exist? (2)

c) Failed consulting projects

- 60 percent rated the project as quite unsuccessful or just moderately successful (Appelbaum & Steed 2005)
- Failure rate between 25 and 50 percent (Czander 2001)
- 80 percent of all consulting interventions fail (Zackrison & Freedman 2003)

- “Maximizing the benefits that consultants can bring is never going to be a one-sided process: it’s absolutely true that there are many areas where consultants can be criticized, but it’s equally true that the way clients sometimes behave makes the situation worse” (Czerniawska 2005, p. 4)

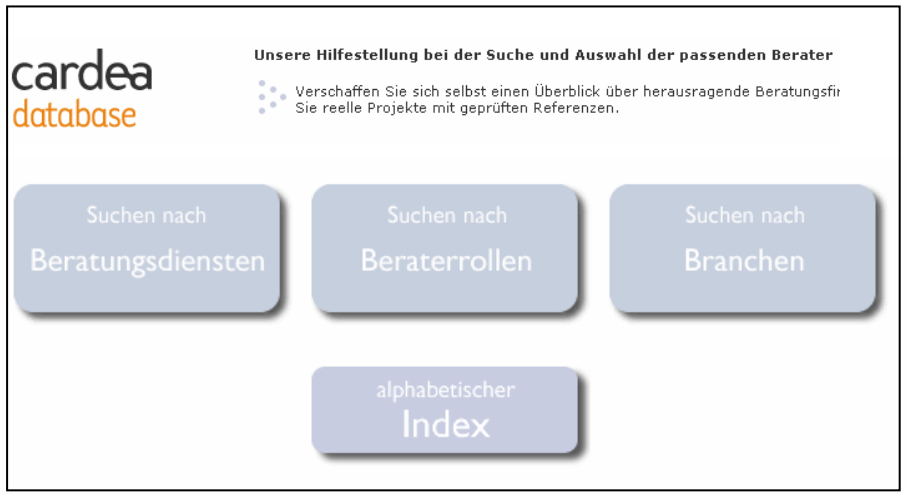
- “The way in which management consultants are purchased and managed is far from efficient” (Werr & Pemer 2005, p. B5; Czerniawska 2002; 2003; Mohe 2005).

- Pressure on management from (internal and external) stakeholders to demonstrate its “professional” conduct towards consultancy.

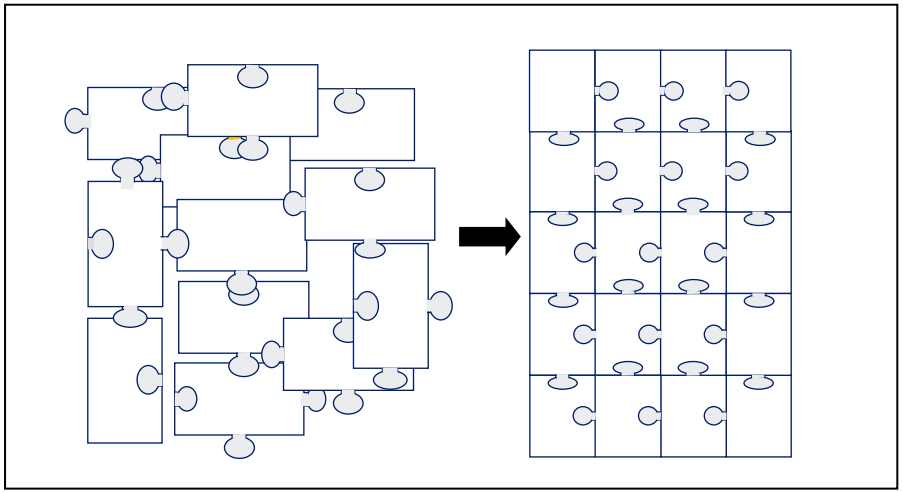
- Some client firms have already developed an awareness of dealing more professionally with consultancies (Bäcklund & Werr 2005; Haferkamp & Drescher 2006; Lindberg & Furusten 2005; Mohe & Höner 2006; Mohe 2005; Reifenscheidt 2007; Werr & Pemer 2005; 2007).

What do meta-consultancies do?

Providing orientation and acting as a broker

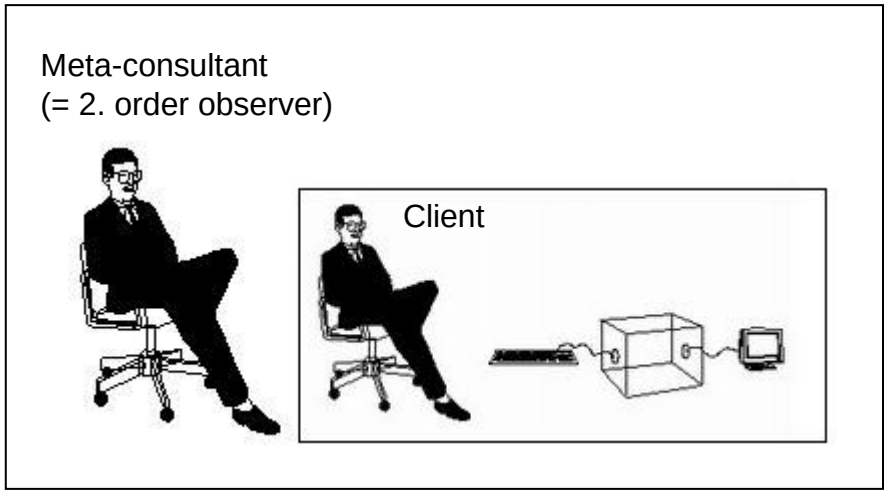


Controlling and clearing

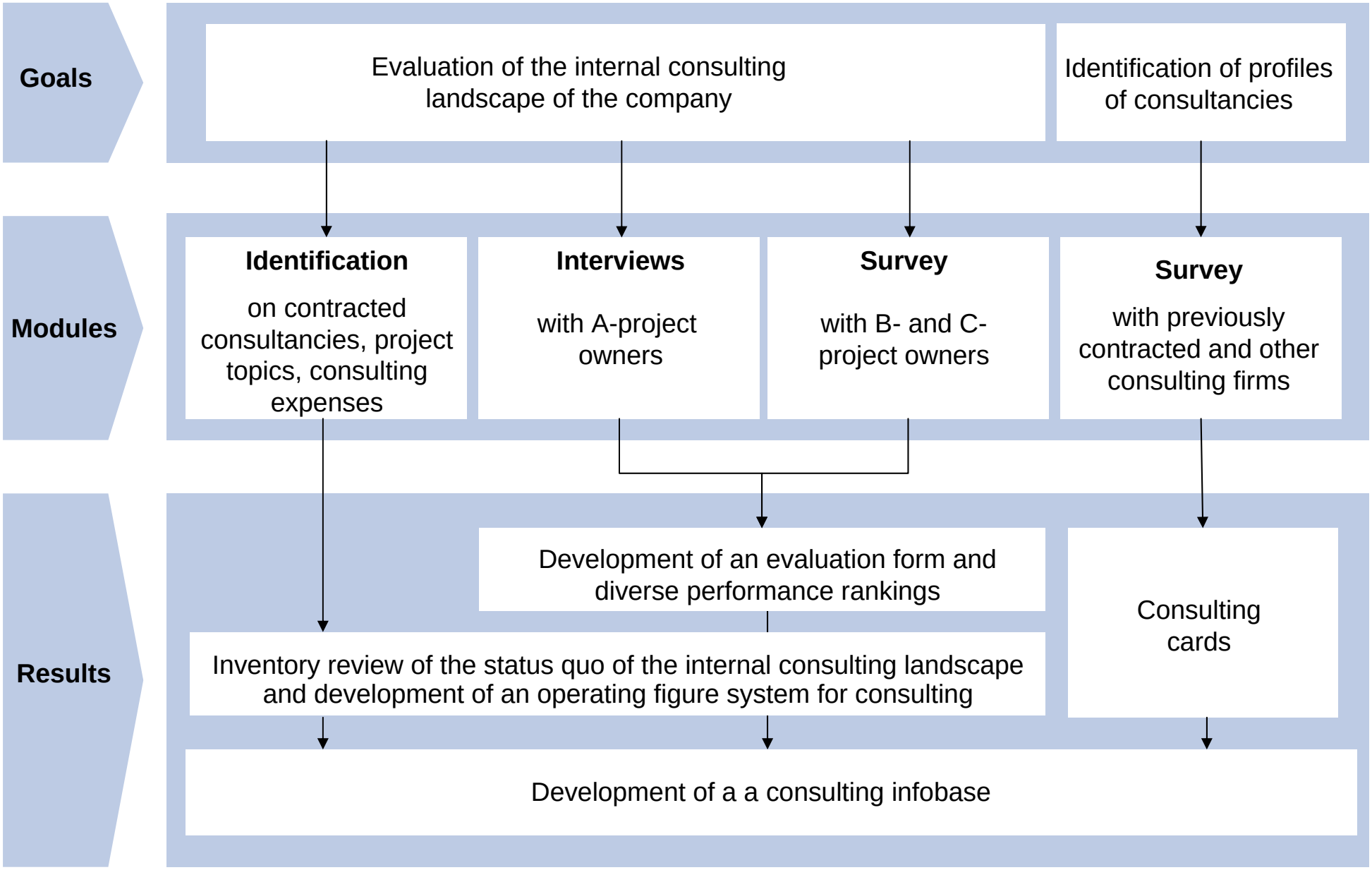


Coaching and moderating

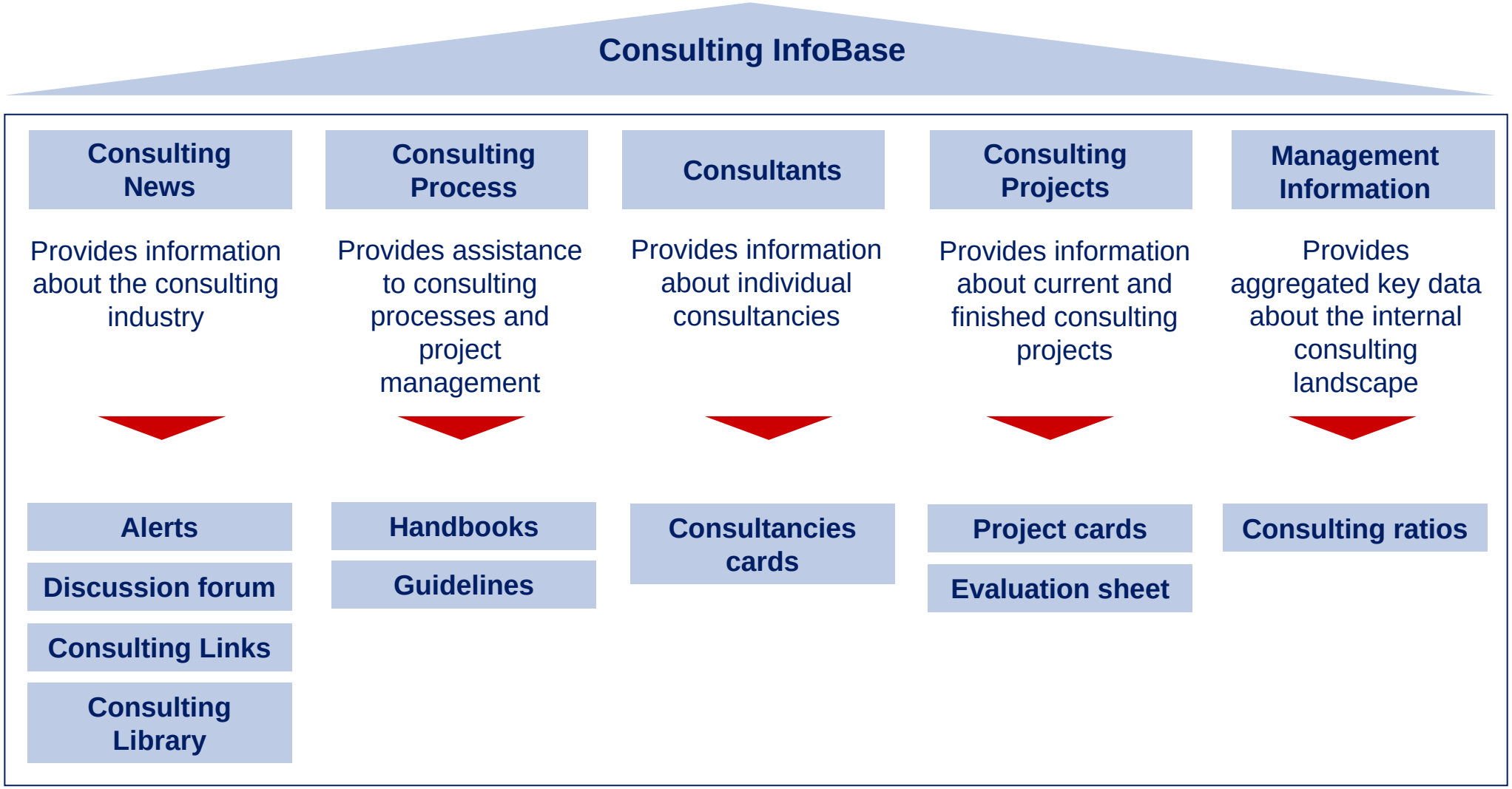
Observing and promoting reflection



Excursus: design of a concrete project

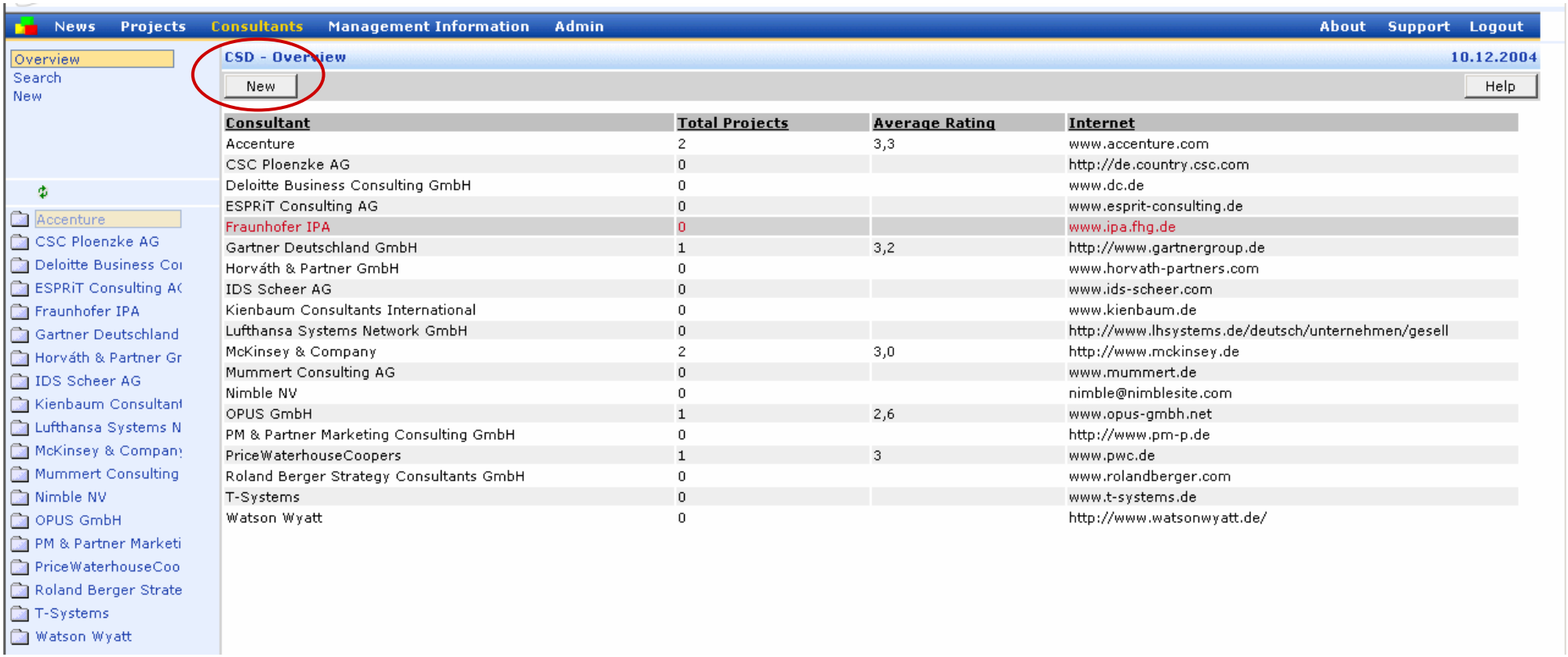


Excursus: DaimlerChysler‘s consulting infobase



(Mohe et al. 2006)

Excursus: Demo Version (Screenshot)*



Consultant	Total Projects	Average Rating	Internet
Accenture	2	3,3	www.accenture.com
CSC Ploenzke AG	0		http://de.country.csc.com
Deloitte Business Consulting GmbH	0		www.dc.de
ESPRiT Consulting AG	0		www.esprit-consulting.de
Fraunhofer IPA	0		www.ipa.fhg.de
Gartner Deutschland GmbH	1	3,2	http://www.gartnergroup.de
Horváth & Partner GmbH	0		www.horvath-partners.com
IDS Scheer AG	0		www.ids-scheer.com
Kienbaum Consultants International	0		www.kienbaum.de
Lufthansa Systems Network GmbH	0		http://www.lhsystems.de/deutsch/unternehmen/gesell
McKinsey & Company	2	3,0	http://www.mckinsey.de
Mummert Consulting AG	0		www.mummert.de
Nimble NV	0		nimble@nimblesite.com
OPUS GmbH	1	2,6	www.opus-gmbh.net
PM & Partner Marketing Consulting GmbH	0		http://www.pm-p.de
PriceWaterhouseCoopers	1	3	www.pwc.de
Roland Berger Strategy Consultants GmbH	0		www.rolandberger.com
T-Systems	0		www.t-systems.de
Watson Wyatt	0		http://www.watsonwyatt.de/

***Data are exemplarily**

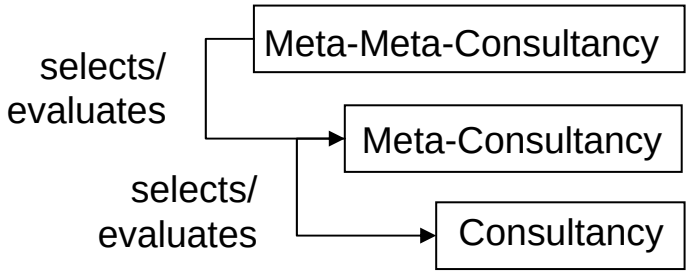
What are the limitations of meta-consultancies?

The Crux of meta-expertise

- Neither the client nor the meta-consultant can really know what the consultant knows
- Both clients and meta-consultants share the same problem as they cannot evaluate a priori the knowledge that the consultant claims to possess (cf. Kieser 2002; Starbuck 1992)

Infinite regress

„Even if another expert were employed to evaluate the consultant, who is to say that his evaluation is correct?“ (Mitchell 1984)



Illusion of Rationality

- Managers try to create the impression that their dealings with consultancies are based on rationality.
- The engagement of a meta-consultancy may help to build up “facades of rationality” (Nyström & Starbuck 1984).
- The pure claim of having engaged “objective and professional” meta-consultants helps to suppress any suspicions of careless use of consultants and to create a sense of immunity to criticism.

Counteracting the „real“ motives of the client

- Latent/unofficial functions can only be fulfilled if they remain hidden from the audience
- Questionable whether clients really want more transparency in their consulting activities.
- The meta-consultant’s aim of increasing the transparency of the internal consulting landscape could counteract the “real” motives of clients.

Is the model of meta-consulting able to survive?

Situation	Percentage
Build up expertise in dealing more professionally with consultancies	58 %
Post-process and evaluate consulting projects	51 %
Support the process of selection of consultants and contract negotiations	37%
Support in cases of problems arising during a consulting project	21%

(ManagerSeminare 2006)

Pro‘s

- client companies foster an awareness of the need to deal more “professionally” with consultancies, and make an effort towards that end
- the trend for rather anonymous, arm’s-length relationships (Richter 2004; Werr & Styhre 2003) continues
- client companies purchase more standardized consulting services (or: consulting services as a “commodity”, cf. Kipping 2002)

Con‘s

- managers prefer close relationships with certain consultants (“repeat business”, cf. Glückler & Armbrüster 2003)
- managers perceive meta-consulting as a controlling body for their consulting activities
- client companies develop their own meta-consultancies, and build the required capacities and competencies needed for these in house (Haferkamp & Drescher 2006; Robker 2004).