

# Client-consultant relations and the role of challenge

Karen Handley<sup>a</sup>  
Andrew Sturdy<sup>b</sup>  
Timothy Clark<sup>c</sup>  
Robin Fincham<sup>d</sup>

<sup>a</sup>Tanaka Business School  
Imperial College London, UK  
[karen.handley@imperial.ac.uk](mailto:karen.handley@imperial.ac.uk)

<sup>b</sup>Warwick Business School  
University of Warwick, UK  
[andrew.sturdy@wbs.ac.uk](mailto:andrew.sturdy@wbs.ac.uk)

<sup>c</sup>Durham Business School  
University of Durham, UK  
[timothy.clark@durham.ac.uk](mailto:timothy.clark@durham.ac.uk)

<sup>d</sup>Department of Management and Organisation  
University of Stirling, UK  
[robin.fincham@stir.ac.uk](mailto:robin.fincham@stir.ac.uk)

**Keywords:** Consultancy; challenge; identity; situated learning

**Suggested track:** L: The nature of knowledge work and knowledge workers

## Abstract

In the literature on individual and organisational learning, 'challenge' is widely presumed to be an important element in the learning process. This assumption is also evident in the field of management consultancy where consultants' 'outsider' status and knowledge base is seen as helpful in that new ideas promote innovation and knowledge exploration. The consultant is positioned as challenger; the client as the recipient who learns and changes on receiving the challenge.

This paper explores these assumptions in the context of a client-consultant strategy project. Analysis of the case draws attention to the complex dynamics of challenge interventions, and problematises the notion that the consultant is the primary challenger. The paper explores the context of challenge interventions using situated learning theory, and shows that conflicts of identity may inhibit consultants from delivering challenges in the way expected by the client. By contrast, sophisticated clients with considerable experience with consultants may challenge consultants to be *more* challenging.

### 1. Introduction

In the literatures on individual and organisational learning, 'challenge' is widely presumed to be an important element in the learning process. This assumption is particularly evident in cognitivist theories of learning. Piaget (1970) for example, conceptualised the notion of 'cognitive dis-equilibrium' experienced by individuals when they encounter events which challenge their existing mental schemata. Faced by this internal sense of dis-equilibrium, individuals typically seek to reconstruct their mental schemata through processes of 'accommodation' and 'assimilation' to improve their understanding of the world they live in; in other words, the experience of dis-equilibrium prompts them to learn. At about the same time, and resonating with Piaget's concept of dis-equilibrium, Festinger's (1957) theory of cognitive dissonance attempted to explain human actions in terms of the motivation to avoid the experience of dissonance.

By contrast to the psychological emphasis on *internal* experiences of challenge, the organisational studies literature has tended to address the external means to provoke such internal challenge. In the organisational change literature, for example, Lewin (1951) developed a prescriptive model of the process by which 'change agents' could encourage

organisations to 'unfreeze' existing knowledge and beliefs as a precursor to constructing new knowledge/beliefs and then consolidating or 'freezing' them. The assumption that external challenge can promote internal challenge and individual development is also evident in contemporary accounts of learning and change. For example, and following Granovetter (1985), 'weak ties' are seen as valuable in bringing external and challenging knowledge into the organisation. In fact, as ties strengthen, their capacity for generating new knowledge is seen to diminish (see Nooteboom, 2004, for example).

This is also evident in the field of management consultancy where consultants' outside status (and knowledge base) is double-edged: helpful in that new ideas promote innovation and knowledge 'exploration' (c.f. 'exploitation'); but limiting if the knowledge poses a threat to client power, or if its strangeness leads clients to reject it (Antal and Krebsbach-Gnath, 2001; Holmqvist, 2003). Although knowledge and learning have not been much of a focus in recent studies of consultancy, it has a long tradition within studies and accounts of Organisation Development and process consulting. Here, challenge is not merely the presentation of new knowledge, but the 'unfreezing' of knowledge and beliefs in an effort to promote change (e.g. Schein, 1988). In this scenario, challenge and confrontation become part of consultants' facilitative repertoire (Heron, 1990; Reason, 1988). The image of consultant as agent provocateur is also prevalent in contemporary debates about consultancy interventions (e.g. Clegg et al., 2004). By contrast, more critical accounts highlight the conservative and legitimatory role of consultants (Sturdy et al., 2004; McKenna, 2004), as well as the commercial pressure on consultants to conform to the view of their clients (Sturdy, 1997; Fincham, 1999). Thus, there are contrasting views on the extent to which consultants challenge their clients, and on the outcome of those interventions.

This paper investigates assumptions around 'challenge' using a longitudinal case study with a multinational FTSE100 organisation and a large strategy consulting firm. The project, which was sponsored by a senior executive in the client organisation, was expected to lead to a significant strategic development and lasted for nine months. The research team used ethnographic methods (observation, interviews and documentary analysis) to investigate the nature of challenge interventions, and the conditions which enable or inhibit them. Analysis of the case study highlights the frequently complex nature of the 'challenge' interaction and calls into question the optimistic claims for learning of the process consulting literature. Findings identified differences in the nature of challenge -

showing how it can be directed at different levels (project, individual or organisation) and with different foci (content and process). Furthermore, the ability and willingness to challenge was shown to be enabled or constrained by differences in power relations and concerns about professional identity.

The paper is organised in the following way. First, we discuss the role of challenge using constructivist theories of individual learning. Secondly, we compare this explanation with accounts of challenge in client-management consultant interactions as described in the literature on management consultancy. Thirdly, we introduce aspects of situated learning theory which are relevant to our analysis of why consultants may be inhibited from challenging their clients. From this theoretical base, we then introduce the empirical context for the research and the methods used to investigate client-management consultant interactions. Drawing on the empirical research, we then illustrate some of the complexities of what we term 'challenge interventions'. In doing so we critique an assumption prevalent in much of the management consultancy literature - that challenge interventions are predominantly originated by the consultants and directed towards clients in order to effect individual learning or organisational change.

## **2. Review of relevant literature**

### **2.1. Challenge and its role in theories of learning**

In the literature on individual learning, a distinction is made between 'objectivist' and 'constructivist' philosophical paradigms which has important implications for the role of challenge (Jonassen, 1991). Objectivism, with its roots in realism and essentialism, presumes the existence of reliable knowledge about the world which learners can attain if that knowledge is correctly structured and modelled for the learner (Ibid: 9). Learning is a process of adding new knowledge or correcting misconceptions identified primarily by the teacher. In this paradigm, the role of 'challenge' is limited because the 'teacher' is the arbiter of knowledge, and in most cases is the person who 'tells' students how to correct their erroneous knowledge (although in some cases students discover errors and corrections by themselves). By contrast, constructivism - whilst not precluding the existence of an external reality - claims that each of us constructs our own reality by interpreting our perceptual experiences of the world. We construct and re-construct our reality in individual ways and are prompted to do so as new experiences challenge the

integrity and coherence of our mental models of the world. The internal experience of 'challenge' in the constructivist paradigm has a critical role as a generator of learning. Furthermore, since there is no final point of total knowledge, learning is ongoing as new experiences challenge our current understanding.

The contrast between objectivism and constructivism is distinctive and sharply drawn by authors such as Jonassen. However, as a philosophical paradigm, 'constructivism' itself is a broad church reflecting several perspectives, each with different views on challenge. Summarising these perspectives, Woolfolk (1998: 279) makes the distinction between *endogenous* (individual) constructivism following Piaget, and *dialectical* (social) constructivism following Vygotsky. It is this distinction between the individual and social impetus for learning which leads to contrasting perspectives on the role of challenge.

Piaget (1970), for example, emphasised the importance of *cognitive* challenge - a sense of disequilibrium experienced by individuals as they realise that their current understanding of the world conflicts with direct experience, and therefore seek to reconstruct their understanding through processes of 'accommodation' or 'assimilation'. Here, challenge is an *internal* experience. It may or may not be provoked by the explicit 'challenge' interventions of others (a possibility which is neglected in this perspective), but is always a function of some form of dissonance between expectations based on experience and perceived reality. Furthermore, there is an assumption that disequilibrium will prompt internal reflection and reconstruction in a process resonating with Kolb's (1983) 'experiential learning cycle' of active experience > reflective observation > abstract conceptualisation > active experimentation (Ibid: 42). Emphasis is firmly with the individual's internal experience.

Criticisms of individual constructivism cite the neglect of the social and relational aspects of learning. Zimmerman and Blom (1983), for example, argued that social learning theory can equally well explain why individuals change their minds about what events 'mean'. They also criticised Piagetian constructivism because cognitive challenge and conceptual change could never be proven. More importantly, they argued that an individual's change in behaviour (for example in the way he or she describes their conceptual understandings) could be motivated by their desire to adopt the norms and practices of their social group through processes of socialisation, and not necessarily - as Piagetian constructivists would argue - through any 'real' conceptual change. This was an important contribution to the

literature on individual change; however, Zimmerman and Blom continued to emphasise the individual motivation for change, rather than the external stimuli which promotes that motivation.

More recently, debates in the literature on individual learning have moved away from both the individualist assumptions of constructivism and the determinist assumptions of socialisation theories, and re-emphasised the importance of the *individual participating* in social groups and communities (e.g. Lave & Wenger, 1991; Sfard, 1998; Fenwick, 2000, 2001). Fenwick, in particular, questions the assumption that cognitive challenge and reflection are necessarily the dominant processes involved in experiential learning. Instead, she suggests we look to alternative processes implicit in psychoanalytic, critical, enactivist and situated perspectives on learning. We address the situated perspective in a later section. Before doing so, we move from the theoretical and generalised perspectives on challenge to the specific perspective of client-consultant interactions, relationships and organisational change/innovation.

## **2.2. Challenge in client-consultant interactions and relationships**

In contrast to the emphasis in the educational/cognitivist literature on *internal* challenge, the field of management consultancy tends to view 'challenge' as an important *external* stimulus to individual learning and organisational change. This presumption is particularly evident in accounts of process consulting and organisational development, epitomised in Schein's *Process Consultation* (1969) and Argyris and Schon's *Organizational Learning* (1978). In the former, Schein defines process consultation as "a set of activities on the part of the consultant which help the client to better perceive, understand, and act upon process events which occur in the client's environment" (Ibid: 9). Similarly, Lippit and Lippit (1978) emphasise consultants' facilitative (rather than expert-prescriptive) role in providing continual feedback and guidance. In these accounts, the client's *experience* of being challenged is presumed to be an outcome of consultants' facilitation and feedback. The language used in these accounts suggests that interventions are supportive rather than conflictual, and that the skill of the consultant is to arouse clients' self-awareness in order to effect change. However, not all accounts have such a conciliatory tone. Heron (1990), for example, explicitly identifies 'confronting' as one of several interventions in the repertoire of the process consultant. Using this type of intervention, the consultant "seeks

to raise the client's consciousness about some limiting attitude or behaviour of which they are relatively unaware" (Ibid: 5).

Contemporary accounts continue to present an image of the consultant as *agent provocateur* (e.g. Lippit & Lippit, 1994; Schein, 1988). Clegg et al. (2004), for example, highlight the potential ability of consultants to challenge the organisational status quo and thereby lead the client to new or different forms of knowledge. There is also evidence that clients perceive the 'challenge' role of consultants to be very valuable (Fullerton & West, 1996), for example by bringing an external or otherwise 'marginal' view which prompts clients to re-evaluate their own knowledge (Sturdy et al., 2005; Menon & Pfeffer, 2003). By contrast, more critical, and even some popular humorous accounts point to the frequently conservative and legitimatory role of management consultants, sanctioning clients' decisions and beliefs or used symbolically to suggest progressive management to external stakeholders (eg Sturdy et al, 2004; McKenna, 2004). Similarly, given the potential threat consultants pose to clients by virtue of their outside and 'expert' status, there are commercial pressures to conform to the views of the commissioning client (Sturdy, 1997; Fincham, 1999).

Thus, there are contrasting views of the extent of challenge. Even where external challenge occurs and is welcomed, it is not clear that this leads to cognitive dis-equilibrium, learning or change in the way suggested by constructivist or humanist approaches. Indeed, the dynamics of challenge interventions are often presented at the level of generality, and have not been fully explored in the context of case study research. In a later section, we therefore present an empirically-developed account of the extent and perceived value of challenge in a client-consultant relationship in the context of a strategy portfolio project.

### **2.3. Situated learning theory: its contribution to an understanding of challenge interventions**

In our analysis in the second part of this paper, we will discuss the apparent reluctance of some consultants to challenge their clients; we will further argue that this reluctance can be explained in terms of situated learning theory. Therefore, to provide some context for the analysis, we will spend some time in this section introducing the core concepts of this theory.

The concepts of *participation*, *identity* and *practice* are central to Lave & Wenger's theory of situated learning (1991), according to which learning is an "integral and inseparable aspect of social practice" (Ibid: 31) which involves the construction of identity (Ibid: 31) in a community of practice<sup>1</sup>. It is an individual's changing participation in such a community which facilitates changes in the individual's identity and practice, as well as being evidence for those changes. For example, a novice management consultant, joining an established firm of consultants and participating in their community has opportunities to observe and experiment with new practices, and to try out 'provisional selves' (Ibarra, 1999) which may be modelled on (or contrasted with) work colleagues. The novice's changing identity and practice may be recognised by colleagues and interpreted as evidence of readiness for participate in other, more demanding activities; and so the novice may be given probationary opportunities to participate in those activities but in a manner which is safe for the community yet also developmental for the novice.

Of course, the trajectory from peripheral to full participation is not automatic nor necessarily desired by either novices or long-standing members of the community. In recent years, Lave has questioned a prevalent interpretation of *Situated Learning* that there is a polar dichotomy between 'peripheral' and 'core' participation. Instead, she proposes an alternative image of a textured landscape of participation which does not necessary end in an idealised 'full' or 'core' participation. Wenger (1998) has also raised questions about the original conceptualisation of participation, and has discussed additional forms of participation such as 'marginal'. In support of this re-interpretation of participation, other writers have drawn attention to the political/power dimension of learning, whilst acknowledging its original - though relatively quiet - reference in *Situated Learning* (Contu & Willmott, 2003; Huzzard, 2004). They argue, for example, that some individuals or groups may be excluded from participatory opportunities by 'oldtimers' whose interests are best served by maintaining a status quo which preserves their influence and control. (e.g. see Lave and Wenger's example of the restrictive apprenticeship of meat-cutters, 1991: 76; and Carlile's concept of 'knowledge at stake', 2004).

---

<sup>1</sup> Lave and Wenger (1991: 98) define a community of practice as "a set of relations among persons, activity, and world, over time and in relation with other tangential and overlapping communities of practice. ...It is possible to delineate the community that is the site of a learning process by analyzing the reproduction cycles of the communities that seem to be involved and their relations."



Whilst *external* restrictions on participation are important, *internal* conflicts of identity may also lead individuals to eschew new participatory opportunities, as we have argued elsewhere (Handley et al., 2005). Our own interpretation draws on the work of critical authors who recognise the effects of social and power relations on the construction of self-identity. Here, the "project of the self" in an organisational context is an important perspective on the development of identity and helps to explain how the nature of an individual's workplace-participation influences their understanding of 'self' (Grey, 1994). Alvesson and Willmott's (2002) work recognises that workplace self-identity is an outcome of two main processes: identity regulation and identity work. The first process refers to regulation originating from the organisation (e.g. induction and promotion policies) as well as employees' individual responses such as enactment and/or resistance. The second process refers to employees' continuous efforts to form, repair, maintain or revise their perceptions of self. There is no predetermined direction for the development of identity. Instead, there is access to different forms of participation with different opportunities for identity-development, and many possible interactions between the development of identity and practice. For example, individuals may 'try out' new roles and identities by experimenting with practices typically associated with the identities they aspire to (Ibarra, 1999). Similarly, Breakwell's *identity process theory* (1993, 2001) links linguistic practices and identity models to account for an individual's changing perceptions of risk. Here, the way individuals receive communications about risks and incorporate those communications into their belief systems will depend on the perceived threat to, or confirmation of, their sense of identity (see also Ashforth and Humphrey, 1993).

Having reviewed the three theoretical themes which are pertinent to our research (*internal* challenge according to theories of learning; the role of consultants as initiators of *external* challenge; and situated learning theory), we now present our empirical research on the nature of challenge in client-consultant relationships.

### **3. Empirical context**

Our analysis draws on an investigation of client-consultancy relationships in action and over time with a focus on processes of learning and knowledge production/sharing. The case study presented in this paper centred on a strategy project sponsored by a senior executive in a multinational FTSE 100 organisation, and lasting for nine months over two consecutive stages. The client stakeholder profile was complex, and changed over the

course of the project as different strategic and operational elements of the business became involved with the core project team. Senita was a sophisticated and experienced user of consultancy services, and maintained a long-standing relationship with two leading strategy consulting firms: Insight and STG. To consolidate and formalise these relationships, Senita had recently granted the firms 'preferred partner' status, with the expectation that henceforth they would share the majority of the strategy consulting work. Insight's partners enjoyed a close relationship with senior executives at Senita. Their frequent communications about ongoing consultancy projects as well as more general strategic issues gave them a continuity of access and input which enhanced their understanding of client issues, and gave them opportunities to 'add value'. In the most sensitive and critical strategy projects, Insight was often positioned as the lead consultancy firm.

At the time of this case study, Insight were completing a project relating to Senita's annual strategic planning process. In spite of their central position, when the need for a related project arose and went out to tender, STG, not Insight won the work on the basis of their bid presentation and apparent capability. In addition, Senita felt that STG's involvement would give them a valuable second opinion on the work of Insight.

For STG, the project offered a welcome opportunity to demonstrate their competence and capabilities at the most senior levels within Senita, and with a project with potentially enormous strategic significance. They saw the project as a vehicle to showcase their skills; on the other hand, they recognised that from Senita's perspective they were very much 'on trial'.

In the first stage of the project, which lasted 3 months, STG brought a team of four senior consultants and four data analysts, managed by a senior partner with responsibility for all projects undertaken globally for this client. The consultancy team worked at their own offices, and liaised by phone, email or in person with Senita's project team of six individuals working at Senita's head office or operational units. These individuals retained many of their existing corporate responsibilities and so had limited time to brief and guide STG. STG were tasked with identifying strategic development opportunities for Senita given specific financial constraints, and using as a baseline the financial and operational models developed earlier by Insight.

The access limitations as well as the density and non-completeness of some of the financial data presented STG with considerable difficulties in the first weeks of the project. However, as they made sense of the data with the help of the client, they began to develop new perspectives on the data leading to the identification of new strategic opportunities which they validated with operational managers. Through an iterative process of informal meetings and formal presentations and workshops these opportunities were presented to - and discussed with - senior executives. At the end of stage 1, a list of opportunities had been agreed. Although with some reservations, Senita's satisfaction with STG's work led them to extend the project to a second stage to deepen the analysis of strategic opportunities, and to develop scenarios to help the executive decide whether the opportunities were worth pursuing. This second stage lasted a further six months. It involved a smaller STG team with additional support where needed, plus a larger client team which drew more explicitly on the expertise of operational managers.

#### **4. Methods**

Two methods of inquiry were used: individual interviews; and observations of client-consultant meetings. These methods allowed for an investigation of client-consultant relationships over time and in action. Given the highly confidential nature of the project, access was not granted to sensitive discussions, but they were recounted subsequently by clients and consultants in ways which revealed some insights into the process of interaction though not the most sensitive aspects of content.

Interviews explored the dynamics of the client-consultant relationship as well as the details of interactions and the ways in which the project aims were unfolded and accomplished. Of particular interest was the way ideas and knowledge were developed and shared, and the extent to which 'challenge' occurred and was critical to the evolution of ideas. Interviews were tape-recorded, fully transcribed and then thematically analysed with the aid of NUD\*IST NVivo, a qualitative analysis software package.

Observed meetings were similarly taped and analysed, although in some cases, sensitive discussions were not taped in which case extensive field notes were taken. Observations focused on micro-interactions including what was said and to whom, who was silent and in which situations, non-verbal communication, and the manner in which meetings were controlled and managed.

Such qualitative interpretations are to some degree subjectively-developed based on theoretical interests and previous experiences. Nevertheless we have used iterative discussion (among the research team and with interested others) to compare and contrast our interpretations of the data in order to sensitise ourselves to nuances of meaning which were obscured during initial stages of analysis.

At the end of stages 1 and 2, research reports were given to Senita and STG which presented an analysis of the relationship and interactions, particularly regarding the generation and sharing of ideas. The responses from client and consultant to these reports were in themselves illuminating in the way some individuals reacted to perceived challenges to their capabilities or identities.

## **5. Findings**

Our investigation of the extent and nature of challenge interventions in this project paid particular attention to *who* initiated the challenge, and the content and context of the challenge. In an effort to understand the dynamics of these interventions we also considered the wider relational environment, and in particular, issues around identity and forms of participation. The findings contradicted established assumptions about client-consultant interactions in several ways which we discuss in the remainder of the paper.

### **5.1. Who initiatives the challenge?**

In the armoury of skills which consultants bring to their clients, the ability to challenge clients' understandings, assumptions and goals is generally believed to be of central importance (Clegg et al, 2004). Survey research with clients supports this presumption and expectation: that it is the consultant who is the primary challenger (Fullerton & West, 1996). Challenge interventions may be desired by clients for their perceived role in provoking positive change, but they are also feared for their potential to overturn the manageable status quo. Prescriptive texts such as Czerniawska's 'Client! Manage that Consultant!' (2003) seek to help clients control this tension, but carry an implicit message that it is the client who is usually the recipient of challenge. On the other hand, consultants acknowledge the benefits to be gained from challenging projects and clients, which provide opportunities for new problems and experiences, and enhanced expertise and skills (e.g. Holmqvist, 2003)

In this case study, for example, STG acknowledged and welcomed the benefits of conducting a strategy project at the highest level of seniority within the organisation. For example, it gave them access to strategic insights and deep local knowledge from senior management, and the opportunity to tackle a complex problem with all the ambiguities one might expect at that level of decision-making. Senita, for their part, looked to STG to provide a second opinion on Insight's previous work developing the strategic plan, and actively requested their challenge: for example, were the data models optimal? could they be improved? what external perspectives were missing and could be filled by STG? As the project progressed and workshops with operational stakeholders took place to discuss strategic options, the Senita project manager sought STG's help as a 'neutral' party to challenge the status quo and to encourage senior managers to face up to difficult choices such as which assets to divest or invest in. However, from the client's perspective, the challenge to be 'more challenging' was not met.

"If they had been a bit more bullish and said "OK, we'll take the heat, people don't like it but OK it's part of the job", we could have been in a place that we could have actually progressed more into actually diving into some sort of these [options]." [Peter, Senita project manager, stage 1]

Here we begin to see limitations of the consultants' challenge role in contrast to clients' explicit expectations. In a further reversal of expectations, Senita actively coached STG to be *more* challenging, and identified their own weaknesses and limitations which they acknowledged could potentially be corrected by outsiders such as STG.

"There are some things that we have challenged them to say "it would be good if you did this", because it'd fill the gap that we don't have in Senita. And they've been enthusiastic but I really haven't seen them doing anything. [The senior partner] just gets really into it; very excited, but I have not ever seen a product from that." [Sarah, Senita project manager, stage 2]

By contrast - and reflecting the multifaceted nature of projects at this client - an individual ('Robin') operating as an independent Organisational Development consultant was perceived as highly effective in his challenge interventions. Describing Robin's role in a senior executive workshop for the project, the Senita project manager explained:

"We had a facilitator for this meeting - an external facilitator called Robin. He does a lot of work at the EXCO level. He's very senior and well regarded. He's an external person, just works for himself. He's been extremely helpful. Actually more helpful than STG from the point of view of structuring the day and challenging us to really think through what we want to get out of it. He did all the right things. Asked all the right questions." [Peter, Senita project manager, stage 1]

These findings do not represent a generalisation of the relationship between Senita and its consultants. Nevertheless, these examples draw attention to the complex dynamics of challenge interventions and problematise the notion that the consultant is the primary challenger. This assumption needs to be unpacked further, and to help in achieving that, we next consider differences in the content of challenge interventions.

## 5.2. Content

Considerable variation was evident in the content of challenge interventions. Differences were also seen in consultants' apparent willingness to expose themselves and their ideas to inspection by their clients. In this section, we consider consultants' readiness to offer data-oriented analysis as well as process-oriented and developmental challenges, and contrast this with clients' expectations.

**Data-oriented challenge.** Analytic methods - solving discrete and finite problems with factual data - has long been associated with strategy consulting firms (Czerniawska, 1999: 111; Werr & Stjernberg, 2003). There is an apparent objectivity brought by a reliance on 'neutral' data and 'rational' argument, yet this objectivity is also a weakness since tacit knowledge may be ignored because of difficulties with assimilation. Czerniawska (Ibid: 112) cites this as well as other reasons to argue that the consulting *industry* as a whole, after recognising these weaknesses from the 1970s, shifted away from analytic consulting towards more process-based consulting and even more recently towards action-based consulting where consultants are involved in implementation. From the clients' perspectives, these changes were often welcomed: concrete outcomes such as new IT systems could be more easily justified to shareholders than abstract ideas or reports whose recommendations may never be implemented.

In spite of this generalised shift, strategy firms bringing 'objective' analysis continued to exist as an independent niche. STG, for example, appeared most comfortable when

challenging clients on the basis of seemingly tangible financial or econometric data, such as geographic-based wealth indices to indicate areas of potential consumption increase. However, data is not neutral, and needs to be interpreted on the basis of a framework of priorities and evaluation criteria. Perhaps surprisingly in this project, although Senita ideally sought such a framework, STG did not construct one. As the Senita project manager explained:

"What I'd like to have seen was a wrapper that pulled all the analysis together; that legitimised why we selected these strategic options. You could have challenged [and built on] that." [Peter, Senita project manager, stage 1]

Yet STG's advice was that a conceptual framework would inevitably be taken as a strawman, and that time would be 'wasted' with arguments about method rather than content. In the words of their client, they "fought shy" of such disputes and retreated to the safety of the discrete and uncontextualised data. This meant that their data challenges were interpreted by Senita as useful but piecemeal, without the added value brought by relating them to an integrating framework.

**Process-oriented challenge.** In rational-analytic work, challenge focuses on the data itself. However, the classic type of challenge intervention is not analytic but *process* consulting. Exemplified in the work and writings of Schein, Argyris and Schon and Harrison, process consulting was the archetypal intervention of OD, change management and other organisation-wide initiatives in the decades preceding the technology boom of the late 1980s (Schein, 1969, 1988; Argyris and Schon, 1978, 1996; Harrison, 1995).

Process consulting in its original sense represented a direct contrast to strategy (and analytic) consulting, and so in one respect, challenges on 'process' might not be expected from strategy consultants such as STG. Nevertheless - and this is a theme to which we shall return throughout the paper - clients do not necessarily share this vision of the silo'd consultant. Indeed, in the case in question, Senita generally responded positively to process challenges, such as questioning about the best use of consultants' time. Ostensibly, Senita wanted more, not less challenge, even though some challenges provoked arguments and were ultimately rebuffed. This tension is reflected in the following quote from the Senita project manager in stage 2, where she compares the STG project managers for stages 1 and 2.

"There is a difference between Matt and John. Matt is very compliant, and he's always willing to do things. Whereas John's style is not as compliant. Sometimes we've had very heated arguments [about process], I have to admit. We just have not agreed. And I would just say, "you know what? I'm sorry we don't agree but we need to do it this way". And so he'll just finally capitulate. Whereas there are sometimes when he's had very valid reasons for not doing something and it's made sense to me and I said "okay, let's not do it." [Sarah, Senita project manager stage 2]

These challenges were specific to the project methodology, and related to techniques of analysis and use of consultants' time. In this sense, they are perhaps best labelled *process methodology challenges*, and need to be distinguished from the process consulting style of OD interventions. These challenges also need to be distinguished from a generalised form of 'facilitation'. Indeed, Senita sought to reduce facilitating input from STG, which they felt was ineffective. Talking about the STG partner, the client explained:

"Anthony throws out lots of ideas and maybe one in every hundred sticks and he's okay with that, that's just the way he is. So in a sense, if I had a preference it would be more of a challenger type rather than the idea generator or facilitator type because typically they don't have good facilitation skills, they don't have the ability to actually bring a room to a conclusion on an issue." [Mark, Senita project director, stages 1 and 2]

Here we begin to see some of the tensions between client and consultant, where the client seeks challenge but only a certain type (which is not necessarily fully recognised by the consultant), and where the consultant fails to meet client expectations.

The challenges discussed above relate directly to the immediate needs of the project: its process, the data, and the framing mechanisms. This might seem limiting, especially since consultants may claim to influence the organisation in a more enduring way than through one-off projects. This is especially so given the longer-term 'partnership' relationships which clients and consultants seek to develop with their preferred partners. With this in mind, we now consider challenge interventions which relate to possibilities (for the client) of personal or organisational development.

**Developmental challenges.** Developmental interventions at the level of the organisation have traditionally been considered the preserve of OD and change management consultants. This contrasts with technical interventions which, though they may have



significant impact, do not necessarily touch the culture or practices of an organisation unless accompanied by a change management component. Indeed, many of the IT failures of a decade ago suffered precisely because of the neglect of the social impact of such change (e.g. Walsham, 1995). In the OD literature, 'double-loop' learning is associated with changes in an organisation's underlying norms, policies and objectives which induce a questioning of the organisation's 'governing variable' (Argyris & Schon, 1978: 2-3).

One could argue that STG would not ordinarily be expected to provide developmental interventions given their positioning as strategy consultants (knowledge expert) rather than process consultants. Nevertheless, Senita did appear to expect STG to be more proactive in challenging and then helping Senita to improve upon their baseline assumptions and financial models. Here was an area where Senita sought to learn from their consultants, but expressed disappointment when the challenge and subsequent learning failed to materialise.

"They haven't been proactive in, for example, suggesting ideas to improve the models ... They have been offering the data sets that they've been doing but they haven't been proactively saying, "Oh, you know, we thought that you could do this better and quicker ..." No. We haven't had that sort of input. It's been more from here to there than from there to here." [Tim - Senita strategy analyst stages 1 and 2]

Nor were STG willing to offer individual feedback or challenge for the purpose of personal development. Their client did, however, welcome interventions from others, including an OD consultant with considerable experience and credibility with the senior executive team. One client surmised the absence of developmental interventions in terms of lack of time "because they're just trying to meet deadlines", but also in terms of unequal power relations. She went on:

"I would say that in general that doesn't happen because it's still a power relationship at the end of the day. It's not equal. Let's be very frank about it. There's still a power relationship and within that relationship it's very difficult to give upward [feedback] because it's not equal. As much as Anthony wants to say 'we're all partners', [although] we try to get there, at the end of the day it's not. It takes a very stable relationship or very confident partner to do that upward feedback." [Sarah - Senita project manager stage 2]

### 5.3. Contextual influences

Our analysis so far has illustrated the different types of challenge interventions, initiated either by clients or consultants. Looking at these interventions in the context of the project, an important theme which emerges is the apparent tension between the professed desire by the client for challenge, and the consultant's limited ability or willingness to meet that challenge. The latter is particularly surprising given that one of the conventions of management consultancy is that consultants will challenge clients on the basis of their experiences with a range of other clients and related projects. Indeed, in this case, Senita actively sought such challenge.

To shed some light on this apparent tension, we explore two possible explanations. Firstly, that the consultants were constrained in their willingness to challenge Senita by their desire for client *'buy-in' and avoid upsetting them*. Secondly, that the consultants' sense of *identity* as analytic strategic thinkers inhibited them from adopting practices more commonly associated with process or action-based consulting. Relating to this point, the consultants were unaccustomed to *participating* at this senior level in the client organisation and therefore adopted a role which was peripheral to the project which allowed them to learn *how* to participate more centrally in future encounters. We discuss each of these arguments in the next section.

**Consultants' desire for 'buy-in'**. Whilst Heron argues that management consultants must occasionally employ 'confronting', 'cathartic' or 'catalytic' interventions, the practice of many consultants is to avoid direct conflict with their clients for fear of harming the long-term client-consultant relationship (Sturdy, 1997). Given these objectives, 'challenge' will tend to be framed in ways which emphasise the priority of giving support and advice. This perennial tension is exemplified in the comments from a STG consultant.

"You can never make them do something they don't want to do. And whilst you're never going to give them advice you don't believe, you know there's a point where you say 'is it worth jeopardising a lot of good things they could do for the sake of something?' Sometimes you've got to know when to drop it."  
[Adam, STG junior consultant]

The task for STG was complicated by the ambiguity (for them) of the client's requirements. Senita asked for challenge and new ideas. Indeed, Senita managers often referred to their organisation's culture of feedback and open challenge, with long-standing processes for encouraging and evaluating ideas as they were being developed. For example, tentative ideas were reviewed sympathetically and with an eye on their potential development; whereas ideas which had received the benefits of development time were reviewed more rigorously. Nevertheless, the STG consultants seemed to believe their ideas would be welcomed only if well supported with hard evidence and argument, and if backed with 'buy-in' from their clients. As relative outsiders, they seemed reluctant to believe that they themselves would benefit from Senita's 'open culture'. Their concerns seemed to be validated when several Senita managers responded negatively to the numerous and perhaps eclectic ideas offered by the STG senior partner. The Senita project manager (stage 1) gave his perspective:

"[The senior partner] doesn't fit the STG profile [of being analytically data-driven] at all. He's much more a big ideas person and he'll just give you 100 ideas and 95 of them are just wacky and a couple of them maybe are interesting and one is actually really brilliant, and I just don't think that our chief executive can handle that." [Peter, Senita project manager, stage 1]

In response - and contra to the avowed wishes of their client - the STG consultants retreated to the practices they knew best: taking data provided by the client; aggregating, splitting and analysing it using financial and econometric data; and then presenting it back to the client in formats which embodied their interpretations about strategic implications. This practice contrasted with those of STG's main competitor who, according to the Senita project managers, appeared more comfortable "lobbing in some broad ideas" which could be firmed up as the project proceeded.

An important question raised for this research was why STG and Insight - which operated in the same field of strategy consulting - differed in their approach. One key difference was that Insight had operated at the level of senior executives for many years, and were already conversant with the discourses, priorities and strategic appetites of their client. Therefore, any apparently-tentative ideas or challenges they offered were informed by a relatively deep understanding of the receptivity of their client. It is likely that both Insight and STG operated the principle of 'no surprises'; the difference was in their respective understanding of the boundaries beyond which 'surprise' might be generated, and for

which 'buy-in' had to be obtained. As already indicated above, when the senior partner at STG did try to challenge the client, he was rebuffed. For the client, the interventions went beyond the invisible boundary separating acceptable from unacceptable challenges.

"What I saw was [the senior partner] - a very senior guy - experienced with Senita, actually challenge people more. People were saying 'this guy is a loose cannon, pull him back'. ... So when they were actually doing the challenging they were going, people were saying 'I don't like this'." [Andrew, Senita senior manager]

In the eyes of the clients at that meeting, the senior partner had overstepped the mark. Yet for at least one other client, the presumption firmly remained that STG "know what they can suggest and what they can't." However, as we have shown above, the negotiation of the challenge boundary remained problematic.

**Identity and participation.** Our second argument for STG's apparent reluctance to challenge their client relates to issues of identity and participation, which we elaborated above in our review of situated learning theory.

In this case study, some clients themselves tried to make sense of STG's lack of challenge in terms of identity and (lack of) familiarity with practices at this senior level within the organisation. One of the Senita analysts, for example, expressed concern that STG remained quiet at formal meetings unless they could offer something which the client would think was "great". He concurred that this reluctance to appear pedestrian was also apparent with STG's competitor, Insight. He explained that to reduce these apparent inhibitions, Senita organised informal meetings which were explicitly 'off the record'. He added that this tactic was less effective with STG consultants. This may have been because STG were insecure in their dealings with senior executives (since they were 'on trial', but also because of their inexperience at participating at this level), and because of greater conflicts of identity.

"Sometimes, like with Insight, we just say 'this is a working session, this is off the record. We want to hear what you think, even if it's wrong. It's your opinion. It doesn't matter.' And then you get them to talk more openly. But I don't think we achieved this with this team yet. The way we have been working is not shoulder to shoulder, it's more like open meetings, more formal." [Tim, Senita analyst]

Another member of the Senita project team expressed disappointment that STG had not been bolder and more proactive in putting more energy into the thinking processes.

"I almost like - not to get in trouble but to be a bit more provocative. But they seem to be reluctant. *Maybe that's because STG don't operate a lot at this level, but more at the next level down*, just in retail or just in a piece of the business rather than the overarching segment. They seem to be really cautious, in some areas where we don't think they should be." [Peter: Senita project manager, stage 1, emphasis added]

The project manager in stage 2 of the project re-iterated the suggestion made by her phase 1 counterpart that "maybe STG consultants thought it wasn't their place to challenge". She recounted an episode where a senior consultant at STG said "the customer is always right". Her response - that that statement was not true, and that Senita welcomed "pushback" - was politely acknowledged but - from her perspective at least - not acted upon to any significant degree.

## 6. Discussion

In this paper we have shown that, contrary to the presumptions in much of the prescriptive management consultancy literature, it is not only (if at all) the consultants who initiate challenge interventions. Nor does external challenge necessarily promote learning. Relationships between client and consultant are complex and fluid especially in the context of long-term 'partnership' arrangements. The traditional roles of 'challenger' and 'challenged' are sometimes reversed. In this case study for example, the clients were confident about their expertise in managing strategic decision-making (with consultant assistance) and in managing consultants. By contrast, the consultants were anxious to 'prove' themselves at this senior level within the client organisation, and were perceived by the client as overly-conservative in their interactions and advice. The consultants were acutely aware of their 'provisional' status: they had been invited to participate at the senior executive level, and were keen to gain credibility in respect of their core strategy skills which they saw as analysis and evidence-based interpretation. The clients at this level, however, had different and wider expectations: they sought processual and not just content challenges. This tension manifested itself in a reticence from the majority of consultants to challenge their client unless their ideas were firmly supported by material evidence, and on the other hand, by client disappointment in the limited reach of the

consultants' challenges. Thus, in a reversal to the prescriptive model of client-consultant interactions, it was the client who challenged the consultants to be 'more challenging'.

We have argued that the consultants seemed to experience conflicts around method and identity: *method*, in that their guiding principle about the necessity of client buy-in was openly challenged by the client; *identity* in that the consultants' self-positioning as rational, logical analysts did not allow them to offer what they feared might be interpreted as casual and tentative thoughts. Although these tensions seemed troublesome for most of the consultants, the senior partner reacted differently and without such reticence. However, his unwelcome reception from the client suggests a different dynamic relating to processes of 'learning to participate' at this level of client seniority. The senior partner, driven by a desire to stabilise STG's relationship with the senior executive, tried to 'play their game'. He therefore adopted the practices which he assumed were appropriate in that setting.

However, we know from situated learning theory that it can take considerable time to develop the practices and identity which constitute full participation. Learning is not just an academic exercise; instead, it requires the development of new discourses and new social relations, and depends on getting opportunities to participate, observe, experiment and learn from feedback (Lave & Wenger, 1991; Ibarra, 1999). Typically, novices make mistakes of interpretation, or misunderstand the community's priorities and so on. For the senior partner in this case study, the call for more challenge was interpreted literally and without sensitivity to the nuances expected by his client. Therefore, he responded by 'lobbing' (in the client's words) a myriad of ideas and challenges in a manner which clashed with the client's norms - which was to introduce challenges openly but slowly in a manner which built broad consensus. Therefore the challenge interventions by the STG partner were not received as 'legitimate' practices, but as unacceptable and premature confrontation. As such, the interventions were not heard because the consultant did not communicate them in a manner acceptable to the client executives in that context.

This analysis suggests that clients may be the primary challengers in contexts where consultants are the less secure and less powerful partner in a relationship, or where consultants experience conflicts of identity which inhibit them from challenging their client on matters of process or development. Moreover, external challenge does not necessarily promote learning in the manner predicted by constructivist theories of learning. Instead, challenges may be discredited as inappropriate or misguided and therefore ignored, or the

cognitive distance (Nooteboom, 2004) may be too great for the recipients of challenge to experience the internal dis-equilibrium which precedes conceptual change.

## 7. References

- Alvesson, M & Willmott, H. (2002). Identity regulation as organizational control: producing the appropriate individual. *Journal of Management Studies*, 39(5), 619-644
- Antal, A. B. & Krebsbach-Gnath, C. (2001). Consultants as Agents of Organisational Learning. In M. Dierkes, A. Berthoin, J. Child, and I. Nonaka (Eds.) *Handbook of Organizational Learning and Knowledge*. Oxford: OUP.
- Argyris, C. & Schon, D. A. (1996). *Organizational Learning II: theory, method, and practice*. Reading: Addison-Wesley.
- Argyris, C. & Schon, D. A. (1978). *Organizational Learning: A Theory of Action Perspective*. Reading: Addison-Wesley.
- Ashforth, B. E. & Humphrey, R. H. (1993). Emotional Labor in Service Roles: The Influence of Identity. *Academy of Management Review*, 18(1), 88-115.
- Carlile, P. R. (2004). Transferring, translating and transforming: an integrative framework for managing knowledge across boundaries. *Organization Science*, 15(5) 555-568
- Chinn, C. A. & Brewer, W. F. (1993). The role of anomalous data in knowledge acquisition: a theoretical framework and implications for science instruction. *Review of Educational Research*, 63(1), 1-49
- Clegg, S., Kornberger, M. & Rhodes, C. (2004). Noise, parasites and translation: theory and practice in management consulting. *Management Learning*, 35(1), 31-44
- Contu, A. & Willmott, H. (2003). Re-embedding situatedness: the importance of power relations in learning theory. *Organization Science*, 14(3), 283-296
- Czerniawska, F. (2003). 'Client! manage that consultant!' *Consulting to Management*, 14(3), 1-4
- Czerniawska, F. (1999). *Management Consultancy in the Twenty First Century*. Basingstoke, Hampshire: Palgrave Macmillan
- Fenwick, T. J. (2000). Expanding conceptions of experiential learning: a review of the five contemporary perspectives on cognition. *Adult Education Quarterly*, 50(4), 243-272.
- Fenwick, T. J. (2001). Experiential learning: a theoretical critique explored through five perspectives. Retrieved January 19, 2003, from <http://www.ualberta.ca/~tfenwick/ext/pubs/print/ERIC-new2.htm>
- Festinger, L. (1957). *A theory of cognitive dissonance*. Stanford, CA: Stanford University Press.
- Fincham, R. (1999). The Consultant-Client Relationship – Critical Perspectives on the Management of Organisational Change. *Journal of Management Studies*, 36(3), 335-351.
- Fullerton, J. & West, M. (1996). Consulting and client - working together?. *Journal of Managerial Psychology*, 11(6), 40-49
- Granovetter, M. (1985). Economic Action and Social Structure: The Problem of Embeddedness. *American Journal of Sociology*, 91(3), 481-510.
- Grey, C. (1994), 'Career as a project of the self and labour process discipline', *Sociology*, vol. 28, no. 2, pp. 479-497
- Harrison, R. (1995). *The collected papers of Roger Harrison*. London: McGraw-Hill
- Heron, J. (1990). *Helping the client*. London: Sage
- Holmqvist, M. (2003). A Dynamic Model of Intra- and Interorganizational Learning. *Organization Studies*, 24(1), 95-123

- Huzzard, T. (2004). Communities of domination? Reconceptualising organisational learning and power. *The Journal of Workplace Learning*, 16(6), 350-361
- Ibarra, H. (1999). Provisional selves: experimenting with image and identity in professional adaptation. *Administrative Science Quarterly*, 44, 764-791
- Jonassen, D. H. (1991). Objectivism versus constructivism: do we need a new philosophical paradigm?. *Educational Technology Research & Development*, 39(3), 5-14
- Kolb, D. A. (1984). *Experiential Learning – Experience as the Source of Learning and Development*. New Jersey: Prentice Hall
- Lave, J. (2004). Keynote speech to the 6th Organizational Knowledge, Learning and Capabilities Conference, Innsbruck, 2004
- Lave, J. & Wenger, E. (1991). *Situated learning: Legitimate peripheral participation*. Cambridge: Cambridge University Press
- Lewin, K. (1951). *Field Theory in Social Science*. New York: Harper and Row
- Lippit, G. & Lippit, R. (1978). *The consulting process in action*. La Jolla, California: University Associates
- Lippit, G. & Lippit, R. (1994, 2<sup>nd</sup> edn.) *The consulting process in action*. La Jolla, California: University Associates
- McKenna, C. (2004). 'Liability Insurance and the Historical roots of the rapid Growth of Consulting during the 1990s', EURAM conference paper, University of St Andrew's
- Menon, T. & Pfeffer, J. (2003), Valuing internal vs. external knowledge: explaining the preference for outsiders. *Management Science*, 49(4) 497-513
- Nooteboom, B. (2004). *Inter-Firm Collaboration, Learning and Networks*. London: Routledge
- Piaget, J. (1970, 3<sup>rd</sup> edn.). 'Piaget's theory', in P. Mussen (ed.), *Handbook of child psychology*. New York: Wiley
- Reason, P. (ed.) (1988). *Human inquiry in action*. London: Sage
- Schein, E. (1969). *Process consultation: its role in organizational development*. Reading, MA: Addison-Wesley
- Schein, E. (1988; 2<sup>nd</sup> edn.). *Process consultation: its role in organizational development*. Reading, MA: Addison-Wesley
- Sfard, A. (1998). On two metaphors for learning and the dangers of choosing just one. *Educational Researcher*, 27(2), 4-13.
- Sturdy, A., Clark, T., Fincham, R. and Handley, K. (2004). Complexity, Contradiction, Fluidity and Management Knowledge in Management Consultant – Client Relationships. Presented at the Academy of Management (AOM) conference, August, 2004
- Sturdy A. J. (1997). The Consultancy Process - An Insecure Business? *Journal of Management Studies*, 34(3), 389-413.
- Walsham, G. (1995). Interpretive case studies in IS research: nature and method. *European Journal of Information Systems*, 4, 74-81.
- Werr, A. & Stjernberg, T. (2003). Exploring Management Consulting Firms as Knowledge Systems *Organization Studies*, 24(6), 881-909
- Woolfolk, A. E. (1998 7<sup>th</sup> edn.). *Educational psychology*. Boston: Allyn & Bacon
- Zimmerman, B. J. & Blom, D. E. (1983). Toward an empirical test of the role of cognitive conflict in learning. *Developmental Review*, 3, 18-38