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# Consulting Newsletter 2020.1

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## Welcome to a new year!

Are you interested in playing a bigger part in making your Division great? The Management Consulting Division will be accepting nominations for Professional Development Workshop Chair and Representative at Large positions in early February and we are excited to begin the nomination process. Whether you are ready to step into a demanding, large-scale leadership role or take on something smaller in scope, the MC Executive Committee wants to hear from you.

Contact Past Chair, Tonya Henderson at [mcdivisionaom@gmail.com](mailto:mcdivisionaom@gmail.com) to start the conversation and bring your expertise to shape the future of MC!

## Consultant Humor



## MCD Chair's Message

First, thank you to all who submitted papers and proposals for the 2020 AOM Annual Meeting this August. We are in the midst of the review process, and within a few weeks you should know if your work was accepted for the conference or not. Either way, your contributions are a win for our scholar-practitioner work.

Now we turn our attention to the officer elections for the 20-21 academic year, as noted above. We have **three two-year roles for Representatives at Large**, and election of the **Professional Development Workshop (PDW) Chair**, which is the first year of a four-year leadership journey for the division. We have (or soon will have) many excellent candidates whose bios will be posted on the AOM website.

*Please review the candidates AND VOTE!*

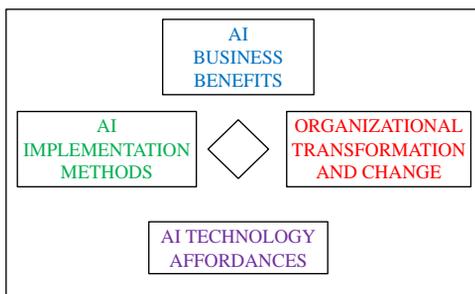
Have a wonderful, warm Spring (or Fall if you are South of the equator)!

Eric Sanders, Chair

## Consulting & Artificial Intelligence (AI)

AI consulting first dominated the media by the predictions of large consulting groups related to job destruction or job creation. PWC and Gartner predict a net gain of job creation (PWC 2018; Gartner 2017), McKinsey being less optimistic, positing by 2030 a total full-time equivalent employment demand will experience a small decrease (McKinsey 2019). Another trend related to AI is the technology-driven approach (Davenport 2019; Yao et al. 2019). Choosing the right AI technology for robotics and process innovation (RPA) is expected to lead to precise measures of performance efficiency. However, unintended consequences of AI implementation, including the secondary design by users, may hinder the expected benefits of these technologies. Between the two extremes of economics and technological determinism, little attention is usually paid to the organizational factors. This is a perfect opportunity for the Management Consulting Division (MCD) members. As organizational consultants in economic and technology fields we can help companies implement AI through the use of change management.

A management consulting perspective in AI implementation goes beyond technological specificities or business benefits and looks at the impact of AI on organizational transformation, change management and implementation methods (Figure 1).



In the MC division, while the impact of technology and resistance to change have been subject to a growing number of communications during recent AOM annual meetings (Monod et al., 2018; Monod et al., 2019a; 2019b), one of the most promising approaches to investigate AI value seems to be related to hidden costs and Socio-Economic Approaches to Management (SEAM) (Savall & Zardet, 2013; Savall, Zardet, Bonnet, 2019; Monod et al., 2019), and Appreciative Inquiry (Cooperrider, Sorensen, Yaeger and Whitney 2017) and their connection to Organizational Development (OD) (Sanders, 2019).

This MCD research is similar to perspectives of the OCIS division, where questions are investigated through the concepts of hidden work related to AI (Watson-Manheim & Klein, 2019), process-oriented approaches for evaluating AI's business value (Mooney, Gurbaxani, & Kraemer, 1996; Lynn et al., 2019) or discursive practical evaluation of AI (Lebovitz, Levina & Lifshitz-Assaf, 2019).

Developing trend of research and practice for MCD would be a response to the paper call of *AMJ* to "provide guidance about how best to utilize technology in the service of the organization" (Colbert, Yee and George 2016, p. 373). In responding to this call we can have an impact on both internal and external stakeholders of the AOM, academic, practitioners and policy makers.

## From the consulting industry “boardroom”

A current focus for many corporate boardrooms is “ESG”, which stands for **environmental, social, & governance**. The US Securities & Exchange Commission (SEC) is encouraging corporations to keep a focus on how their companies are relating to local & national environments, social issues, & ethical governance. According to Don Delves & Ryan Resch in their article “Compensation Committees & ESG”, & April Hall in her article entitled “The Character of the Corporation: The story of S”, the social issues within ESG, due to ambiguity, can become challenging to define & comprehend; however, management & oversight for human capital is being encouraged to become an agenda focus for corporate BODs.

According to George Kell, who is the founding director of the United Nations Global Compact, which is the world’s largest voluntary corporate sustainability initiative working with thousands of corporations in over 160 countries, the environmental & governance issues appear to be easier to define; however, directors are facing conundrums because although pressure is building to report on these 3 issues, currently, there are no legal criteria to measure the ESG performance of a corporation & even the US SEC does not have an adopted definition for the “social” responsibility aspect within ESG. Hall’s article states that the Delaware Supreme Court Chief Justice Leo Strine is informing BODs that it is not sustainable to have societies where large corporations are not required to align their business practices within the interests of living, breathing, human beings deserving of a safe environment, economic security & consumer protection. Time will tell how these ESG issues will resonate within the corporate business arena.

*Suzanne Cromlish*

## Upcoming MCD international conferences

- 1 – **Lyon, France:** June 16<sup>th</sup> & 17<sup>th</sup> 2020 (partnership with IOSDC & OCD)
- 2 – **Shanghai:** (postponed to 2021 because of the coronavirus) **Theme: Artificial Intelligence** (partnership with Suibe University, OCIS & Management Institute)
- 3 – **Vancouver:** August 5<sup>th</sup> & 6<sup>th</sup> (pre-AOM) **Theme: Artificial Intelligence**
- 4 – **Beirut, Lebanon:** November TBD 2020 **Theme: Research with Impact for Society and the Enterprise (RISE)** (partnership with St Joseph University of Beirut)

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