

**School of Business, Department of Management**  
**MSc in International Consultancy and Accounting**  
**INTRODUCTION TO CONSULTING**  
Academic Year 2005-2006

**Objectives**

This course aims to familiarise students with the consultancy industry, both from an academic and from a practical perspective. The course draws on the latest relevant research to give students an understanding of the role of consultants in the management knowledge industry and of the functioning of consulting as a businesses activity.

**Course outline and teaching methods**

The lectures for “Introduction to Consulting” will take place in seven 3-hour sessions, grouped in three blocks in weeks 2 and 7 of the Autumn term and week 2 of the Lent term. Exact times and rooms can be found on your schedules and/or the information board. The lectures will put the consultancy industry into its context and look at how consultancies have evolved and expanded. They will also examine how consulting companies operate and are structured internally. In a number of sessions, lectures will be complemented with videos and classroom discussions of specific articles or case studies.

The course convenor is Dr Matthias Kipping. He will be available to answer all your questions in person before or after the lectures. In addition, you can contact him by e-mail at [matthias.kipping@upf.edu](mailto:matthias.kipping@upf.edu)

**Assessment**

Evaluation is based on continuous assessment and a written exam in May, carrying weights of 30 and 70 per cent respectively. In the final exam, student will have to answer two out of five questions within two hours. The continuous assessment consists of two parts, each counting for 15% of the total mark: a 20-minute case-study presentation during week 2 of the Lent term to be prepared in small groups of students; a two-page paper (double-spaced, 12 pt Times Roman), based on the individual work of each student. In the paper you should examine the website of a consultancy of your choice, answering the following questions:

- what kind of image the consultancy is trying to portray through its website (please focus on the major features/attributes), and
- how this is done, e.g. which words are used frequently, what is the visual support (pictures, colours, animation), what are the (success) stories told.

The paper has to be handed in to Mrs Margaret Gallagher no later than 12 noon on the last day of the Autumn term (Friday, 9 December 2005).

The evaluation of the presentations will be based on their clarity and succinctness (talking for more than 20 minutes will be penalized) and on the quality of the underlying analysis and on whether the proposed solutions are both appropriate and innovative.

## Reading

In preparation for the course and in order to familiarize yourself with the consulting industry, you might want to read the following books:

Martin Ashford, *Con Tricks. The World of Management Consultancy and How to Make it Work for You*, London, Simon & Schuster, 1998. [A critical view of how consultants operate]

James O'Shea and Charles Madigan, *Dangerous Company. The consulting powerhouses and the businesses they save and ruin*, London, Nicholas Brealey, 1997 [An overview of the major consulting firms]

All of the relevant readings are in the course pack, which you will receive at the beginning of term. They are marked with \* in the reading list below. In order to better follow the lectures and participate in classroom discussions, it is helpful if you read the required reading before the corresponding lecture. It is strongly suggested that you read all of them in preparation for the exam. Much of the additional background reading is contained in the following volume:

Matthias Kipping and Lars Engwall (eds.), *Management Consulting. Emergence and Dynamics of a Knowledge Industry*, Oxford, Oxford University Press, 2002 [The paperback costs £17.99.]

Copies of the additional readings will be made available in the Reading Room.

In addition, you might want to have a look at the following practice-oriented overview of the industry and its major tools:

Sugata Biswas and Daryl Twitchell, *Management Consulting: A Complete Guide to the Industry*, London, Wiley, 2001 [Unfortunately, with £28.95 it is rather expensive.]

Copies of all these two books should be available in the **bookshop** and in the **short loan collection** of the Library.

As Reading students, you have also access to the specialist publication *Management Consultant International*, which contains a lot of useful data. Please check with the Reading Room, how to best access the website: [www.consultingcentral.com/mcio/index\\_mci.html](http://www.consultingcentral.com/mcio/index_mci.html)

Finally, for links to the websites of all the major consultancies and other useful information on the industry see: [www.gsb.uchicago.edu/student/mcg/pages/industry.html](http://www.gsb.uchicago.edu/student/mcg/pages/industry.html)

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**Reading List**

**SESSIONS 1-3: CONSULTANTS AND THEIR MARKETS**

**Session 1: Introduction (Thursday, 13 October 2005)**

Background Readings:

- \*Matthias Kipping, "Why management consulting developed so late in Japan and Does it matter?", English version of an article published in Japanese in *Hitotsubashi Business Review* 50, No. 2, Autumn 2002
- Staffan Canback, "The Logic of Management Consulting", *Journal of Management Consulting* 10, Nos. 2 (November 1998) and 3 (May 1999), pp. 3-11 and 3-12
- Barbara Czarniawska-Joerges, "Merchants of Meaning: Management Consulting in the Swedish Public Sector", in: B. Turner (ed.), *Organizational Symbolism*, Berlin, de Gruyter, 1990, pp. 139-150
- Alfred Kieser, "Managers as Marionettes? Using Fashion Theories to Explain the Success of Consultancies", in: Kipping and Engwall (eds.), *Management Consulting*, chapter 10

**Session 2: The Management Knowledge Industry (Friday, 14 October 2005)**

**Video: Masters of the Universe 1: The Outsiders, Part 1**

***Please read the following article in preparation for the lecture!***

- \*John Micklethwait and Adrian Wooldridge, *The Witch Doctors. What the management gurus are saying, why it matters and how to make sense of it*, London, Heinemann, 1996, chapter 2

Additional Readings:

- Abrahamson, Eric (1991), "Managerial Fads and Fashions: The Diffusion and Rejection of Innovations", *Academy of Management Review* 16, No. 3, pp. 586-612
- Timothy Clark, "The Market Provision of Management Services, Information Asymmetries and Service Quality – Some Market Solutions: An Empirical Example", *British Journal of Management* 4, No. 4 (1993), pp. 235-251
- Timothy Clark and David Greatbatch, "Collaborative Relationships in the Creation and Fashioning of Management Ideas, Gurus, Editors, and Managers", in: Kipping and Engwall (eds.), *Management Consulting*, chapter 8
- Lars Engwall et al., "The Changing Relationship between Management Consulting and Academia: Evidence from Sweden, in: Kipping and Engwall (eds.), *Management Consulting*, chapter 3
- Alfred Kieser, "On Communication Barriers Between Management Science, Consultancies and Business Organizations, in: T. Clark and R. Fincham (eds.), *Critical Consulting*, Oxford, Blackwell, 2002, chapter 12

**3. Evolution and Expansion of the Consulting Industry (Saturday, 15 October 2005)**

## **Video: Masters of the Universe 1: The Outsiders, Parts 2-3**

***Please read the following article in preparation for the lecture and classroom discussion!***

- \*Matthias Kipping, "Trapped in Their Wave: The Evolution of Management Consultancies", in: T. Clark and R. Fincham (eds.), *Critical Consulting*, Oxford, Blackwell, 2002, chapter 3
- \*Matthias Kipping, "American Management Consulting Companies in Western Europe, 1920 to 1990: Products, Reputation and Relationships", *Business History Review*, No. 73 (Summer 1999), pp. 193-222

### Additional Readings:

- Stephen R. Barley and Gideon Kunda, "Design and Devotion: Surges of Rational and Normative Ideologies in Managerial Discourse", *Administrative Science Quarterly* 37 (1992), pp. 363-399
- Matthias Kipping, "Consultancies, Institutions and the Diffusion of Taylorism in Britain, Germany and France, 1920s to 1950s", *Business History* 39, No. 4 (October 1997), pp. 67-83
- Matthias Kipping, "The U.S. Influence on the Evolution of Management Consultancies in Britain, France, and Germany Since 1945", *Business and Economic History* 25, No. 1, Fall 1996, pp. 112-123
- Christopher D. McKenna, "The Origins of Modern Management Consulting", *Business and Economic History* 24, No. 1, Fall 1995, pp. 51-58.
- Christopher Wright, "Promoting Demand, Gaining Legitimacy, and Broadening Expertise: The Evolution of Consultancy-Client Relationships in Australia", in: Kipping and Engwall (eds.), *Management Consulting*, chapter 11

## **SESSIONS 4-5: OPERATIONS OF CONSULTING FIRMS**

### **4. Internal Structures and Hierarchies (Thursday, 17 November 2005)**

***Please prepare the following article for classroom discussion!***

- \*David H. Maister, "Balancing the Professional Service Firm", *Sloan Management Review*, Fall 1982, pp. 15-29, reprinted in idem, *Managing the Professional Service Firm*, New York, The Free Press, 1993, chapter 1

### Additional Readings:

- Matthias Kipping and Ian Kirkpatrick, "From Taylorism as Product to Taylorism as Process: Knowledge Intensive Firms in a Historical Perspective", paper presented at the EGOS Colloquium, Ljubljana, July 2004
- Flemming Poulfelt, "Who's the Owner? Who's the Boss", *Journal of Management Consulting* 5, No. 4 (1989), pp. 50-54
- Maxine Robertson and Jacky Swan, "Modes of Organizing in an Expert Consultancy: A Case Study of Knowledge, Power and Egos", *Organization* 5, No. 4 (1998), pp. 543-564
- T. Rose and C. R. Hinings, "Global clients' demands driving change in Global Business Advisory Firms", in Brock et al. (eds.), *Restructuring the Professional Organization. Accounting, Health Care, and Law*, London, Routledge, 1999, pp. 41-67

### **5. Recruitment, Training and Promotion (Friday, 18 November 2005)**

***Please read the following case as a basis for classroom discussion!***

\*“Bain & Company, Inc.: Making Partner”, Harvard Business School, 1999 (Ref. 9-899-066)

**Video: Masters of the Universe 2: Joining the Firm**

Additional Readings:

Thomas Armbrüster, “Rationality and Its Symbols: Signalling Effects and Subjectification in Management Consulting”, *Journal of Management Studies* 41, No. 8, 2004), pp. 1247-70

Cristina Crucini, “Knowledge Management at the Country Level: A Large Consulting Firm in Italy”, in: Kipping and Engwall (eds.), *Management Consulting*, chapter 7

Odile Henry, “The Acquisition of Symbolic Capital by Consultants: The French Case”, in: Kipping and Engwall (eds.), *Management Consulting*, chapter 2

Matthias Kipping and Celeste Amorim, “Consultancies as Management Schools”, in R. P. Amdam et al. (eds.), *Inside the Business Schools. The Content of European Business Education*, Oslo, Abstrakt, 2003, pp. 133-154

**SESSIONS 6-7: KNOWLEDGE MANAGEMENT (DATES TO BE ANNOUNCED)**

Background Readings:

\*Morten T. Hansen, Nitin Nohria and Thomas Tierney, “What’s your strategy for managing knowledge”, *Harvard Business Review*, March-April 1999, pp. 106-116

Timothy Morris, “Asserting property rights: knowledge codification in the professional service firm”, *Human Relations* 54, No. 7 (2001), pp. 819-838

Miklos Sarvary, “Knowledge Management and Competition in the Consulting Industry”, *California Management Review* 41, No. 2 (Winter 1999), pp. 95-107

Andreas Werr, “The Internal Creation of Consulting Knowledge: A Question of Structuring Experience”, in: Kipping and Engwall (eds.), *Management Consulting*, chapter 6

***Each group needs to prepare the assigned case for presentation!***

“Knowledge Management at Arthur Andersen (Denmark): Building Assets in Real Time and Virtual Space, INSEAD, 1997 (Ref. 397-001-1)

“A case study of Knowledge Management at Cap Gemini Ernst & Young”, University of Navarra, IESE, 2002 (Ref. 302-164-1)

“Managing Knowledge at Booz-Allen & Hamilton: Knowledge On-Line and Off”, INSEAD, 1999 (Ref. 499-020-1)

“McKinsey & Company: Managing Knowledge and Learning”, Harvard Business School, 1996, revised 4 January 2000 (Ref. 9-396-357)

Questions:

- Why did these consultancies decide to introduce a knowledge management system?
- What kind of system was established initially and how did this system change over time?
- What have been the advantages and disadvantages of each of these systems?
- What would be your suggestions regarding the future developments of knowledge management in the consultancy?