

The “Fashionable Knowledge” Of Management Consultancy In Portugal: A Perspective Analysis Related To The Research Field Of Strategy-As-Practice

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Abstract

The beginning of the century XXI has seen rapid and radical transformations in the consulting industry as the result of questioning the strategic diversification models undertaken by the so-called "top 5" [Arthur Andersen (now bankrupt), Deloitte & Touche, Ernst & Young, KPMG and PricewaterhouseCoopers (PWC)]. However the reasons for the increase use of consultants and the explosion of this industry sector has not been accompanied by a number of academic studies that highlight the importance of the effective work of management consultants. From an empirical analysis in the form of interviews and semi-structured questionnaires with management consultants and SME managers in Portugal, this article aims to tackle the lack of studies in this emerging field by assessing the impact of management consulting at the level of work carried out in SMEs. The suggestions presented here illustrate a set of actions not related to what the consultants are doing, but regarding to what the consultants should do, looking for to empower management advisors with important information that will contribute to a better formulation of strategy to simultaneously contribute to the literature of the field of analysis of strategy-as-practice

Keywords: strategy, management consulting, sme, strategy-as-practice

INTRODUCTION

Although there are thousands of management consulting firms worldwide, Fincham and Clark (2002a) identify a set of five consulting firms that accounted for several years a significant proportion of earnings in the industry, which were the "top 5", in particular the Arthur Andersen (now bankrupt), Deloitte & Touche, Ernst & Young, KPMG and PricewaterhouseCoopers (PWC).

According to the authors was in these companies that the focus was in terms of research for many years, which made them largely responsible for the spread of ideas in management that were broadcast internationally all over the world by transmitting a set of best practices and new organizational concepts.

Kipping and Engwall (2002) on the same line of thought, indicate that these five companies dominated until the end of the last century the ranking in terms of magnitude in the consulting industry, employing thousands of consultants worldwide with gains of billions of euros, which allowed them to continuously develop successful business models. This greatness may be exemplified by Arthur Andersen who won in 2000 only in Enron Corporation's about twenty million in audit processes and twenty-one million in consulting services (Fincham and Clark, 2002a).

However, the beginning of the century has been lavish in rapid and radical transformations in the

consulting industry as a result of into question of models of strategic diversification undertaken by so-called "top 5". This change, then results of the conflict of interests between the work of audit services and consulting simultaneously, particularly if auditing costs are lower than the advisory. Although the major industry companies have refuted this situation, mentioning that there is no conflict of interest, criticism and legislation itself however created in the U.S. led to large companies almost across the board have separate audit practices and consulting, leading to a diluting of large enterprises of the sector (Fincham and Clark, 2002a).

As a result of this new perspective, in 2000, Cap Gemini acquired the consulting business of Ernst & Young. In 2002, PrinceWaterhouseCoopers announced an initial public offering for the creation of PWC Consulting, though, a few months after, the latter has been sold to IBM. In 2002, KPMG sold its business in the UK and Germany to ATOS Origin, which formed the ATOSKPMG Consulting. Later that year consulting practices of Arthur Andersen were incorporated by Deloitte & Touche.

In strict terms, the corporate enlargement here referenced comes in some way respond to an attempt to increase skills and minimizing vulnerabilities of many companies in the sector, and more generally, the result of market responses to periodic changes of customers' interests , which according to Kipping

(2002) have evolved over time from a first phase, called by the author as scientific management, whose key factor is focused on efficiency-based company's "shop-floor efficiency", to a second and third phase (nowadays), respectively focused on the strategic and organizational component and networking systems and computer-based extended enterprise.

Although these changes constitute a barrier to the lack of legitimacy of the industry, the truth is that this situation has also contributed to the development of the sector study in the academia, emerging in the so called "critical approach" analysis Fincham and Clark (2002a), where the focus is placed on the contribution, conceptualization and understanding of the nature of consulting work and on the capacity of consultants in how they add value to their customers (Starbuck, 1992; Alvesson, 1993; Clark, 1995), being implicit in this approach the attempt to realize the sector's ability to improve or at least influence the organizational practices of firms, in order to realize their contribution to the production of knowledge. The concentration in the management consulting industry then began to be focused on increasing knowledge and the importance and deployment of that knowledge within and between organizations and nations.

But it is important to stress that this was not always so. In fact, between 1950 and mid 1980 the main concern for the study of the consulting industry was primarily focused on Organizational Development (OD), paraphrasing Porter and Millar (1985) whose main objective of the strategy was focused on an acronym to identify a particular problem to later propose solutions to address them, this being mainly emphasized by reports of commentators whose involvement in consulting projects had achieved success in various operations carried out by them, completely devaluing the opinions of customers in these processes and, if the customers are convinced of the real value and "know-how" of consultants.

The transposition of this kind of issues and concerns made the interest in this sector in the academic field grow, which according to the approach of Hollander (1972) were grouped together in three different research areas: (1) Management Consulting (which addresses issues related to the management consulting firm itself, as research practices personal organizational consulting and personnel selection with potentially success (Armbruster, 2004), (2) Ethics and Professionalism [rules of professional conduct and ethical reflections (Greiner and Metzger, 1983) and obligations of consultants in relation to its operation (Greiner and Metzger, 1983; Payne, 1986)], and (3) Process and Consulting Relationships [are the added value of consultancy (Delany, 1995) referring to the process itself (Greiner and Metzger, 1983) and the study of client

– consultant's relationship (DeVinney and Nikolova, 2004; Fincham, 1999; Greiner and Metzger, 1983; Kubr, 1986; Sturdy, 1997; Styhre and Werr, 2002)]

The three areas of research of Hollander are what Abrahamson (1996) and Alvesson (1995) summarize as "knowledge industry" made by the consultants, the 'knowledge workers' and by consulting agencies, named by the authors as "firms of intensive-knowledge".

In this sense, which are the reasons for increased use of consultants and the explosion of this industry in becoming a real industry? There are a number of reasons, in all market areas for the use of professional consulting in organizations being the most significant: (1) the practice of using an external consultant to investigate causes and recommend corrective measures related to serious business issues existing in the companies, (2) the need for an objective analysis of what is happening in the business, because the internal staff may not understand or recognize the problems and even they recognize them, they may not be sufficiently objective about the issue, (3) the possibility of the consultant acting as a catalyst, stimulating and proposing new ideas, being this essential for bureaucratic organizations where it is almost certain that they will be resistant to change, (4) the fact that the consultants are "independent" and "objective" in their approach and where experience and time factors consist of a rigorous assessment of human potential, (5) the search for new knowledge and innovations to address the globalization of the economy, (6) the demand for consolidation of competitive advantages, (7) the introduction of outsourcing processes and (8) the pursuit of continuous improvement of sustained processes (Fincham, 1999). In fact there are numerous causes for the increase of management consulting services, this resulting in the proliferation of multiple companies in the sector.

But it is important to note that although the consulting industry today is seen by the majority of the literature as the process of diffusion of innovations and the source of development of ideas, regardless of the different categories where you can include your areas of expertise, including Policy and Development Business, Financial Management, Administration, Marketing and Sales, Production, Distribution and Transport, Information Technology, Economic Planning, Human Resource Management, Technology Management, Strategy, Project Management (excluding construction) and Public Relations (The Economist, 1997: 5; Institute of Management Consultants, quoted in McLarty and Robinson, 1998: 257; INE, 2006: 35; Eurostat, 2007: 383), the truth is that the current construction of business activity must nowadays converge to the

importance of networking¹ in the strategic consulting process (Baum et al., 2000).

The construction of large information channels such as the establishment of extensive networks is undoubtedly one of the emphases on which management consulting firms should focus, providing access to more information and knowledge to its clients, while facilitating the generation of new ideas through the interactive process between organizations.

In this way, the construction of these extensive networks, indicated probability an increase of a comprehensive set of inter-organizational benefits that should receive amplified attention by the management consulting industry, and do not think that this factor may benefit only large or small businesses that make up the network, since it is a inter-relational "win-win" factor, both dynamics implied in the management of these companies can benefit both actors, for example allowing the multinational² or transnational³ have contact with the reality of SMEs and their management processes so that they can restructure some procedural factors that facilitate interactive dynamics towards some of their "stakeholders", and simultaneously, on the other hand, could also allow SMEs to access to some good practices that would otherwise be unable to access.

As suggested by Powell et al. (1996), Baum et al. (2000) and Rothaermel (2001) the important thing is to acquire complementary assets and resources for the survival and growth of firms in the network, which is the role of the construction of this type of collaborative approach between different organizations.

So the management consulting can be referred to as a segment of the industry whose purpose is to assist clients in various matters of strategic scope, such as, planning, growth, mergers, acquisitions, market

positioning, competitiveness and resource allocation (Lundgreen and Blom, 2009), all presented in a set of three areas that are reflected in the strategic activity of the major consultancy companies like McKinsey, BCG, Bain & Company, Accenture, Deloitte & Touche and Cap Gemini, which according to Fincham and Clark (2002a), are the areas of strategic management (in broad terms), accounting / IT and IT / systems (Table 01).

Table 01: The three areas of strategic activity of the major companies in the consulting industry

Area of Activity	Companies
1 – Strategic Management	McKinsey / Bain & Company / BCG / Delloite & Touche / Booz &Company / Accenture / ATKearney / LekPartnership / Monitor Company / Arthur D. Little / Cap Gemini / Hewitt Associates / Huron Consulting / Kurt Salmon / Lab51 / Parthenon Group / Point B / PRTM / ZS Associates
2 – Accounting / IT	McKinsey / Arthur Andersen / Delloite & Touche / Cap Gemini / Huron Consulting / Kurt Salmon / Oliver Wyman / Parthenon Group / PRTM / Ernst & Young / KPMG / Pricewaterhousecoopers
3 – IT/Systems	McKinsey / Bain & Company / Delloite & Touche / Booz Allen Hamilton / Cap Gemini / Roland Berger / Ernst & Young / Electronic Data Systems (EDS) / IBM / SAP / Accenture / Arthur D. Little / Parthenon Group / Point B / PRTM / ZS Associates

Source: [(Fincham e Clark, 2002a; Carreers in Business, 2009)]

Traditionally, the firms McKinsey, Bain & Company and BCG are enjoying a higher status in the business of consulting, due to their expertise in the course of several years of industry experience, being seen by many as experts in strategic advice to be followed by organizations and their success over the years has rebound and spread their knowledge in various companies and even in academic studies in this area. These companies have been, according to Fincham and Clark (2002a), the main disseminators of the basic concepts of strategy.

But though these companies enjoy this role, the fact is that growth in this sector (linked to higher levels of management in consulting) has been connected to many more companies (Table 02), these having achieved over the years and more precisely since the beginning of the century, an extraordinary growth, reflected in the sale of strategic consulting services, but also a massive commitment in audit and business activities of IT nature, as is the case of the Anderson /

¹ The "networks" have in fact illustrate an important role in organizational success and survival of companies, representing a critical factor for the acquisition of the necessary resources for survival and growth (Aldrich and Reese, 1993) of various companies face the globalization installed in institutional terms in business

² The term "multinational" applies to a type of organization that has its headquarters or social matrix in a given country and several branches around the world, so that they can ensure competitive advantages reflected in lower production costs, raw material, hand labor and energy and the search for new markets

³ "Transnational" company is an autonomous entity laying their strategies and that organizes its production on an international basis, having no capital stock belonging to any particular country, which might not master the complete production process. It is therefore a type of organization characterized by a business 'volume exceeding 375 billion euros and having the freedom to move their resources according to their interests, not necessarily obeying the headquarters

Accenture, whose expertise has been capitalized in large IT projects.

The integrated computer-based systems (such as process reengineering and enterprise resource planning) became real strategic means, which meant that many companies have been specializing in this type of activities, competing in order to get this type of work, which is a market that has grown considerably in recent years from mainly the creation of organizational efficiency standards added to the reductions of costs and the creation of conditions for the development of real competitive advantages (Bloomfield and Danieli, 1995; Fincham, 2003; Fincham et al. 2008).

Whether by so-called computer experts, characterized by their complexity and restructuring, either by erosion of the high strategic status of consultants in general, either by the technical development of the area or any other factors, the truth is that the existence of repeated services in the industry have generated enormous profits compared to other industries, such that its average annual growth in Europe has been set in 17.5% and has been generally continued and “explosive” growth, so that the market from 1994 to 2007 found a total growth in its turnover of 654%, as can be seen from the data in Table 02 (Freire, 2008).

Year	Billions of Euros	Growth Rate
1994	11	
1995	13,7	24,55%
1996	16,6	21,17%
1997	19	14,46%
1998	24,7	30,00%
1999	36	45,75%
2000	42,5	18,06%
2001	47,5	11,76%
2002	46,5	-2,11%
2003	47,5	2,15%
2004	48,5	2,11%
2005	64,5	32,99%
2006	74	14,73%
2007	82,9	12,03%

Table 02: Evolution of turnover of management consulting in the European market

Source: Freire (2008)

It can be concluded therefore that it is a real market industry, and if further confirmation were needed to demonstrate this, just look also for the number of

consultants who have been entering the European market, from 60,000 in 2001 to more 85,000 in 2007, this factor contributes to an increase in wealth total generated in Europe (GDP) of about 0.6%, from 0.12% to about 0.60% in the space of six years between 2001 and 2007 (Freire, 2008).

The power of the sector of management consulting translated in the evolution of its turnover, the growth in the number of firms in the market and even in terms of the knowledge they produce, led to Fincham and Clark (2002b) providing a new view between the consulting work and professional activity, which they named the fascinating knowledge, developing for this purpose a new perspective of organizational change in knowledge management from a model consisting of three phases: theory, diffusion and institutionalization, where professional and consultants reflect different roles, linking the professionals' task to fashionable theories, the consultants to is dissemination, being both part of its institutionalization.

Increasing consensus, commitments, learning and future effectiveness are thus desirable outcomes of any consultation process. But to achieve them, it is important to mention, management consultants, whatever their specialty, that they must be sensitive to human relationships and processes and have the ability to improve the organization's ability to solve current and future problems (Turner, 1982).

The idea that success depends exclusively on consulting analytical expertise and the ability to present compelling reports is immediately put aside, and to do so the consultants focus on not recommended solutions and institutionalization of processes for more effective management (Fincham and Clark, 2002a)

This trend is important for consulting firms to place greater emphasis on corporate recruitment policies and personal development, but also for managers who not only need the advice of experts, but of practical help to improve their organizational future and to understand the wide range of effects that can help to achieve advice through wiser consultants.

The lack of these assumptions which sometimes results in the management consulting literature tends to see the sector as an ocean of criticism and conflict, resulting either from lack of professionalism on the part of consultants, either from lack of preparation of customers, emerging conflict where you would normally expect policy approaches and not facilitators. Although it is possible to avoid conflict through the preparation and classification of the nature of the problem and / or project objectives (Fincham and Clark, 2002b).

However, there are authors who explain the criticism differently. For example, Gill and Whitte (1992) see the disappointment of the process as part of the natural life cycle of ideas that follows the phases of enthusiasm and bureaucratization. On the other hand, Jackall (1988) sees the problem of short-term commitments as crucial in determining the attitude of managers and consultants.

Of them all, what is clear is that there is a clear tendency of managers to underestimate the influence of consultants and their new ideas and this is mainly due to their need for affirmation and sense of control, and may in certain circumstances use the consultant as scapegoat for certain projects that do not get the desired result.

To sum up, if the criticism and resistance to consultants and their new management ideas are due partly to the need for affirmation and identity of managers as a threat to their jobs and their careers, making them insecure and vulnerable (Schein, 1999; Alvesson, 2004), consulting should always anticipate these threats by putting their practices available to the customer and work with them so that they can come to get the best possible answer to the encountered problems (Sturdy, 1997).

Thus, to combat the lack of studies in this emerging field, it is necessary to enter this market and

understand the activity of consultancy, bringing to the academic field a considerable volume of information that contribute concretely to the development of this research field, and one of the ways do, is to realize and define the characteristics and factors that lead to the identification of the identity of this industry, realizing their relationship with the market in terms of knowledge, rather than just identify with a set of static techniques to apply (Fincham and Clark, 2002a).

In order to ensure the importance of the formulated problem regarding the lack of studies and information involving this sector and particularly in terms of the impact of management consulting at the level of work carried out in SMEs (small and medium enterprises), this study aims to contribute in the first instance, from the perspective of analysis of consultants and customers in Portugal, to assess the evaluation of the respondents regarding the benefits versus losses that consultants bring to organizations, their levels of satisfaction and respective improvement suggestions for benefiting future projects to develop and, in a second aspect, to develop this same approach from the same framework in the light of a perspective related to the search field of strategy-as-practice, with the primary purpose of nourishing the fields H and G type of the nine areas of strategy-as-practice of Jarzabkowski and Spee (2009) – Table 3

Table 03: Typology of Strategy-as-Practice by Type of "Practitioner" and level of "Praxis"
Fonte: Jarzabkowski e Spee (2009)

Macro	C n Empirical = 1 n Theoretical = 0	F n Empirical = 1 n Theoretical = 2	I n Empirical = 1 n Theoretical = 8
	B n Empirical = 3 n Theoretical = 0	E n Empirical = 16 n Theoretical = 0	H n Empirical = 1 n Theoretical = 0
Micro	A n Empirical = 6 n Theoretical = 1	D n Empirical = 6 n Theoretical = 0	G n Empirical = 0 n Theoretical = 0
Individual actor in the organization Aggregate actor in the organization Extra-organizational Aggregate actor Level of "Praxis"			

1 – In this analysis are only implicit theoretical and empirical work identified with the agenda of the strategy-as-practice

2 – The work identified in n Empirical e n Theoretical may be included in different domains and appear in more than one analysis

3 – There are no studies identified in G and H as they have not been the central focus of any empirical or theoretical article until 2009.

METHODOLOGY

In terms of verification and demonstration of what is stated in terms of research, as to the purposes that support this investigation, it had implicit applied measures and exploratory aspects. In the first case, the applied measures resulted from the attempt to investigate a contemporary phenomenon in real-life context (Yin, 1994), which was also supported with the presentation of an exploratory strand given the absence of a large systematic knowledge about the complex social management consulting phenomenon and the contribution that this brings to the development of the corporate strategy of SMEs in Portugal, having also aimed to classify concepts and generate new ideas and theoretical knowledge on the subject, with the intention of gaining new "inputs" on the contribution of consultants for business strategy, these responses only possible to find by searching for the causes of certain effects found (internal validity).

Regarding the means, this research was based on a pragmatic or inductive approach, and was conducted from a non-probability sample of convenience, made according to the availability and accessibility of addressed elements (Ferreira and Carmo, 1998) in this case by the management consultants and senior managers of Portuguese SMEs. Thus, 300 questionnaires were sent to SMEs and 350 to management consultants (which include 50 independent consultants) by email, being sent fortnightly "reminders" so they could proceed to fill them out. Thirty seven questionnaires were returned from managers SME and 29 of management consultants, totaling 66 completed questionnaires with a response rate of 10.15%.

However, taking into account the interest of this research focused on discovering the meaning and represent experiences of multiple realities, it was also conducted as a qualitative method of analysis 17 interviews with nine senior management consultants and 8 managers of SMEs in Portugal and the interviews sample, had an intentional character, because was selected the participants that better represented the investigated phenomenon in terms of knowledge.

Thus, the qualitative methodology resulted from the analysis of a set of interviews, seeking to measure the phenomenon under study in terms of social dynamics, individual and holistic human subject framed in management consulting and in the definition and implementation of strategic management in SMEs trying to understand the meaning that people attribute to the studied phenomena, more than properly interpret them, making it possible to analyze the data inductively, which is only possible to achieve from the observation, collection and analysis of scientific facts in loco.

In terms of the qualitative data analyses technique used to interpret the interviews played, this led to a content analysis, trying to relate the semantic structures (significant) with the sociological structures (meanings) of the statements in order to articulate the surface of texts with the factors that determine their characteristics (psychosocial variables, and cultural context, context, processes and message playback) - Figure 1. Thus, from reproductions of voice, later documented later in written texts, the process of clarification, organization and expression of the content of the messages promoted by content analysis, was organized in three different chronological poles, i.e., initially giving rise the organization and systematization of ideas, a second that was explored throughout the material, being held at the end of the treatment and the respective interpretations of the results.

It should also be noted that the semi-structured interview technique used was developed on a more or less structured questions, although implicit in an adaptive nature and do not rigid, so the conversation was always fluidly. That is, despite having been previously prepared questions, most of them were generated along the interview, allowing the interviewer and interviewed the flexibility to deepen or confirm certain data when proved necessary. i.e., it was an interview planned but of spontaneous character, allowing to collect many important data generating qualitative information.

Interviews were more of a spontaneity factor, disguised as informal, although governed by a list of interest points from a pre-structured script. This assumption, whenever the respondent addressed the themes identified speech was flowing as the interviewed wished.

In short, this research was based on a set of primary sources, from the application of surveys in the form of 17 semi-structured interviews to 9 consultants and 8 SMEs managers, the use of questionnaires with open and closed questions to 29 consultants and 37 SME managers of Lisbon, Douro, Leiria, Oporto, Madeira, Minho, Beira and Algarve (Portugal), and the sample is representative of a number of respondents covered predominantly by men (63%), whose ages have an arithmetic mean of 37. Almost all respondents have a higher level of academic education and are working in their current businesses on average of about 8 years. Also note that the sample at the level of SMEs is fundamentally linked to the retail area and consulting to various industry sectors that comprise the area of business management.

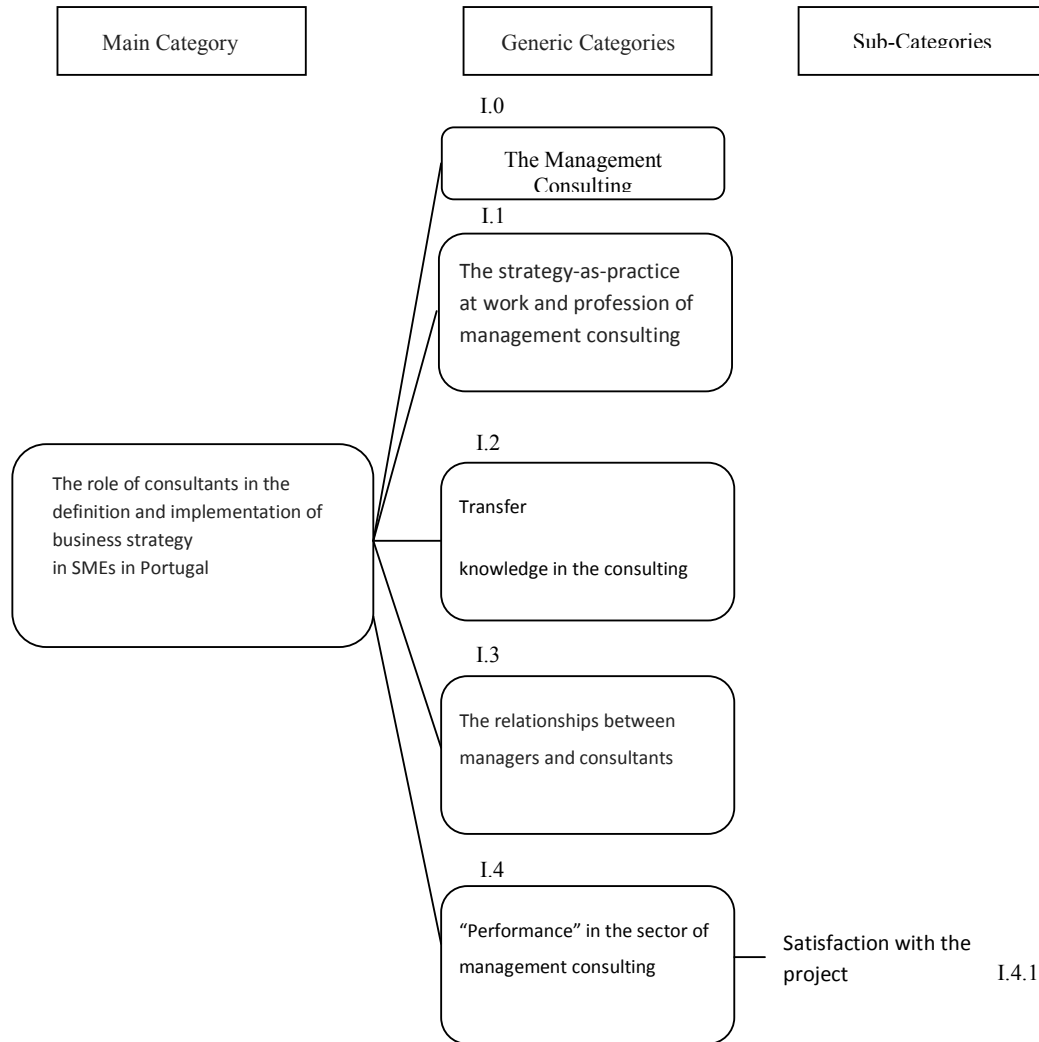


Figure 01: Categorization and coding of the "corpus" of the interview for qualitative analysis

Source: Elaborated by the authors

SEARCH RESULTS

Following the study carried out, this research on the management consulting industry, is important to understand some features of the close relationship between consultants and managers (clients) in order to assess whether there are significant differences between the different ways of working of the consultants in SMEs and large companies, and the degree of satisfaction perceived by both parties in this engagement.

It was noted, even if the steps are known, criteria, issues, tasks and working postures may be similar between jobs developed in SMEs and large companies, the truth is that culture, structure, degree of knowledge and methodologies of the activity, assume great differences in terms of surroundings.

It should be noted that this analysis can not be performed in the light of a mere basic explanation,

because, also SMEs are not all alike, differing considerably aspects linked to the involvement, freedom, and leadership among the so-called micro and macro SMEs.

Thus being the average of the SME respondents in the sample of this study framed in a set of companies considered regular ⁴ but with some dimension (average of more than 100 employees), it is important, in this sense, to assess the impact of management consulting at these organizations.

By reading the data from the questionnaires could be established that the consultant should always take control of the action, which is also a part in all phases of the project, even if the decision making is always in the hands of customers.

⁴ With an average of 50 to 150 employees

But if the steps, issues and fundamental duties of stage management consulting are somewhat similar in large and small businesses, can you really say the same regarding the processing of established consensus commitments between parties in terms of these two dimensions of analysis? Here the answers of respondents are mixed, reflecting that although it seems easier to make such commitments in companies of smaller size does not always happen in practice.

In another part of the analysis, it is clear that the work of management consulting should be reflected on management tools, but also on the results, and SMEs should as the large companies, be looked at as a whole and leveraged from evaluative factors but also qualitative (e.g. linked to the establishment of effective relationships).

As noted in the development of the study, the relationships should work well as one of the key factors of success in this industry wherever possible and involve extensive links.

In this context, it should also be understood if generally SMEs in Portugal are satisfied with the performance of external consultants? It was found in this quadrant that there is an almost unanimous response that emphasizes greater benefits than losses resulting from this relation, although it is important to disentangle different levels of satisfaction among the three existing types of advice, by processes, operational and strategic.

Thus, discussing the satisfaction or dissatisfaction of managers in relation to development work by the consultants in their organizations becomes something fundamental, it is however important to understand that this assessment should be understood as different strengths of mediation whose evaluation requires different interpretations, even this can establish connection points which can be cross-coherent.

From the reading data from the respondents, what is observed is that the results may mean in some ways a degree of relative satisfaction of managers [(hovering their answers between degrees of satisfaction ranging from 50% to 75%, even though consultants frame them in the order of 90% to 100% compared to the work of management consulting. But will the range of responses reflect a number of successful companies and a number of unsuccessful companies? The results of the interviews reveal the answer.

Contrary to what this arithmetic means at first site, the results are not a mirror of the success or failure of different work carried out by the parties, but the result of more or less company satisfaction regarding the different types of consulting hired. One of the central issues should be centered on the satisfaction

of SMEs in terms of results produced over the type of consulting hired.

The empirical data from interviews point to differences as well, although moderate, explain the range of responses of the questionnaires, and the average of strategic consulting is to some extent, which of the three obtain the greatest degree of satisfaction regarding the final results of the development of the exercise of their activity.

Thus, the potential of new technologies and the constant flow of innovation that can validate are those which have a greater number of criticisms of managers, and none of the respondents showed degrees of satisfaction with this type of consulting of more than 70%, being the results of evaluations mostly between 50% and 60%. This is the kind of consulting where anything is possible and where the commercial attitude shows often a huge gap in practice what is possible to perform, leading in most cases to misguided and failed expectations (Nikolova et al. 2009).

Technical failures and business knowledge and even the organizational and communication between teams of consultants that constitute the projects, are also factors that lead to such a complexity of generated information which validate parts of the project that will never be implemented, and even those that can be, fail for whatever other reason. In this process, what regularly happens is that seconds become hours, hours become days, even days become months, so that sometimes only after a long time it is realized that the systems can not sustain what is thought as easy and possible to interpret in the beginning.

Another problem of consulting by processes is also connected to wider issues. That is, as it begins to move, there are barriers to the implementation of things. As one of the respondents mentioned "here come the questions related to profitability problems where they begin to realize that often the interest of the consultant does not focus on delivering a good project, but control of costs and deadlines, making it not possible to the introduction of even small adjustments often required by customers to improve a particular structural aspect of an application or process."

In this case, as suggested by the managers, what should be improved from the point of view of the consultant would be a closer link between the commercial and technical area, a better use of skills, knowledge and degree of responsibility of people by focusing them specifically in areas of expertise which are likely to get better performance, serve as catalysts in order to question and show higher levels of interest in the success of the work they carry out, the ability to develop ways to get more detailed monitoring and

ongoing throughout the phase project and, crucially, more effective and efficient communication, which in most cases does not happen.

The operational consulting, given the lack of impact of the rhetorical area used often by the consulting process, has better rates of operation. With an average of 70% satisfaction, the "gap" found here focuses mainly on the lack of business knowledge shown by some consultants, which when this kind of consulting is hired is not assumed to happen. It can be seen however, why this phenomenon happens (adjudication reasons). Given the structures of these consultants in Portugal they are always dependent on what is the next wave, which determines the possibility of being able to adjudicate a new service.

Although this situation involves higher levels of anxiety in the multinationals and SMEs with some dimension, the truth is that because of reasons of profitability it is always a goal to find a solution, even if they know in advance that due to the lack of internal capacity that obliges them to allocate internal resources to specific projects that are not the best due to the specificity of the business (because they are not "core") and also use consultants who are not part of the company, there is also the ability to build a system to monitor and control performance, which invariably leads to some projects going wrong.

It is advisable therefore in this type of case, the termination of the philosophy of "saying always yes to the customer", because it is a culture that customarily points to relationships that inevitably lead to failure, and the possibility of not being adjudicated back for new services, gaining this a greater impact, since the management consulting industry is characterized by their high rate of adjudications, result of recommendations and the creation of knowledge networks and contacts that launch firms for levels of reference that are otherwise would be impossible to obtain.

Finally, the strategic consulting is one that has highest satisfaction rates regarding the expected results (between 80% to 85%), a result of its lower specificity and primary focus differentiation being more connected to the discussion of ideas and proposals. But if the average satisfaction levels are around 80% to 85%, why is the differential of 15% to 20% from a high satisfaction and complete? As noted, what is missing is almost always the existing difficulty in consultants in being able to implement something that although it has an excellent business vision, is characterized by having a large "gap" in relation to its connection with the practical reality.

As one of the managers interviewed said "how I could implement a new shop model, validating the redesign of our entire network of stores

simultaneously, if this does not involve a phased investment?". These are the details that make a big impact in financial terms and are sometimes not equated in the presented mathematical models by the consultants.

In this case, which may be a concern of strategic consultants is that to be unable to present models mathematically perfect and consistent with reality, in order to generate tangible results while being enforceable as to how they are designed for a future operational implementation which defines them.

FINAL CONSIDERATIONS

Given the specificity of the strategy in the management of companies according to their economic purpose and market, internal and of shareholders, it is easy to see that everything involves different levels of analysis and different levels of interpretation, which validates that any context within the economic or social sciences requires a own specificity and cannot be analyzed in the light of an overall interpretation that causing entropy that results in the various readings that might proceed.

Thus, as a management strategy, also the calculation of the generated value and impact of the management consultancy work in SMEs cannot be centered only on an analysis that perpetuates a unique reading and dissociate the different organizational structures, since segmentations of organizational structures may justify different types of interpretations according to the specificities of a given situation.

To make this distinction it is therefore necessary to analyze this context according to the different types of SMEs that make up the Portuguese business, which can be micro (which in Portugal have a decisive weight), regular (average of more than 100 workers) and macro (more than 250 workers). That is, although the steps, criteria, issues, tasks and postures of consultants can have an identical approach, culture, structure, degree of knowledge and methodologies of business activity may indeed be very different, which conditions a unique reading in terms of analysis.

In this sense, even though everything is subjective and relative, and always depends on the type of actors involved, it is important to make the distinction between micro SME and regular SME, and those that by their size, can be termed macro SMEs, presenting these, in most of times very similar organizational structures to those found in multinational and transnational ones. Thus, we can divide SMEs into two major groups, the macro SMEs and micro SMEs, given the vast differences between them.

The micro SMEs can be defined as smaller structures, existing mostly a duplication of functions in some

workers, where the director of logistics, quality and production for example, can accumulate several functions and that can be termed as lack of conscious knowledge. This is a type of organization where the degree of specialization is completely different from a large company, which obviously leads to the results of the management consulting may be also necessarily different.

Apart from the viewpoint of structure, there is another type of characteristic that identifies this type of business, the issue of leadership. The question of leadership appears well connected to the vision and objectives of the company, and these are just the head of one or two people, which validates that the remaining business structure although it may have the ability to generate results do not know most of the time what vision is, the goals and policies necessary to carry out these goals. i.e., it is not known or assimilated by the organization as a whole, a set of qualitative and quantitative information that enables to build a pattern of principles, objectives, intentions, goals, plans and policies that allow a clear formulation of strategy, not knowing this form which path to pursue to respond to what it is or should be contemplated.

Still, it is this type of company, as mentioned by one consultant, the more consultants like to browse and let their imagination flow, they try to build immediately a close relationship with the owner of the company. Freedom to create structures, procedures and habits, so are predicates of intellectual flexibility enjoyed by the consultants in micro SMEs, given the easiness with which to establish trust relationships and build conditions for decision making that are much easier.

The macro SMEs are completely different. This type of companies like the multinational or transnational characterize themselves by their macro organizational structures, and most of the time have already specialized functions, certification processes in quality and integration of models and preformatted procedures that lead to the existence of well-defined strategic ways.

Compared to what happens at the level of micro SMEs, the degrees of freedom of the consultants in these firms is much smaller, where their creativity is put almost in something impose, being their work referred to the implementation of something that is already a priori defined. The macro SMEs can thus characterize by being heavy machinery and although there can be processes that can be simplified through creativity, organizational system, culture and environment, most of the time does not allow it, which results in lesser degree of involvement of the consultant and hence the probability of getting less satisfactory results.

Although the criteria, steps, issues and fundamental duties of stage management consulting are taken as identical in its approach (although there are large differences at the level of process work itself), given the obtained results in this research and yet it has always fit this analysis in different scenarios presented in terms of the distribution of the balance of powers between consultants and clients, so to sum up SMEs in Portugal generally have in its institutional line an orientation that is simultaneously defending the critical view / "expert model" (Fincham and Clark, 2002a ; Berglund and Werr, 2000; Clark, 1995; Clark and Salaman, 1996; Kieser, 2002; Jackson, 2001; Greathback and Clark, 2002; Nikolova et al., 2009; Aharoni, 1997; Gallessich, 1982; Lipitt and Lipitt, 1978; Kurb, 1996; Sadler, 1988) and integrative view of Styhre and Werr (2002), to which Nikolova et al. (2009) call the social learning model, assuming that the consultant should always take a controlling action, simultaneously acting as a facilitator in the practical help that can be provided to the client, so that it can be an integral part of all stages of the project, including the level of diagnosis, alternative generation and evaluation of these same alternatives for future implementation. The aid provided here is therefore focused on the action. The decision will always be always by done by the customer (Oliveira , 2006; Lundgreen and Blom , 2009) .

It should however be noted that increasing consensus, learning and future effectiveness must always be desirable outcomes in any effective consultation process, even if we have to have the notion that to achieved, the consultants must be sensitive to human relationships and processes, and have the skill to improve the ability of organizations to solve current and future problems. Turner (1982) and Jackall (1988) in this regard, see the problems of the commitments as crucial in determining the attitude of managers and consultants, and the effectiveness of a project can be very difficult to achieve without these forms of involvement that allow to build with customers affective and collaborative relationships that permit them to shape their behavior at the level of corrective actions that want to be introduce or possible resistance that may be encountered.

That is, even if consultants say that their work should point out to a set of more efficient techniques and that they need to be applied, the fact is that their work must reflect above all in techniques, but also regarding results since these support business and what is likely to contribute to the sustainability of their customers (the range of responses observed at the level of customers using consultants refer to these two fundamental issues⁵), and the client company

⁵ Contradicting Tilles (1961), which mentions that the customers instead of looking at the results, see the consulting process more as a purchase of a specific set of techniques, which

must be seen as a whole and not at a level of single processes that allow the improvement of the performances of certain activities or simple tasks.

We conclude therefore that the success of projects in management consulting should above all be leveraged from evaluative factors, linked to technical means that consultants put at disposal to the customers, but also from qualitative factors related to commitments, effort, competence, expertise, experience and establishing effective relationships (Tilles, 1961, Carlile, 2002; Karantinou and Hogg, 2009), even those which may involve long-term bonds.⁶

In Portugal, according to the reports taken by respondents, these have been norms that have been made available to SMEs with whom the national consultants have worked, where theoretical and shared practical experiences, expertise and diversified knowledge (not normally available internally), wide vision and coherent analysis of content, are factors that have contributed to the creation, diffusion and use of generated knowledge, this resulting in a set of advantages that allow to detect errors, free up resources, reduce inefficiency and improve performance.

Thus appears in Table 4, the synthesis of a set of customer suggestions to take into account the by business management consulting in the development of different types of processes, strategic and operational consulting, to get a better performance of its activity.

The suggestions presented here illustrate a set of actions not related to what the consultants are doing, but regarding to what the consultants should do, looking for to empower management advisors with important information that will contribute to a better formulation of strategy to simultaneously contribute to the literature of the field of analysis of strategy-as-practice with an empirical study whose main focus is to feed the fields H and G typology of nine domains of strategy-as-practice by Jarzabkowski and Spee (2009).

To summarize, given that SMEs and micro SMEs labeled as regular, they are often still closed to the role of the consultant and, since the large proportion of consultants in Portugal consist of even smaller structures that can not afford to fail what their

purposes are, it is advisable a dignified self-assessment⁷ and that they make a careful reading and interpretation of the tips suggested here, otherwise a mistake and a job not well done may be validating a destroyed business.

To conclude, obviously we have to take into account that the findings presented in this study are the result of limitations inherent to an research in terms of reduced sample size (respondents) and the fact that the reproduce results are of a particular context (SMEs), in particular country (Portugal).

Table 4: Suggestions for improvement of performance in the activity of management consulting in Portugal

Suggestions		
Consulting by processes	Operational consulting	Strategic consulting
(1) Best driving expectations (ratio between the expected and actual realizable) (2) Improved knowledge of the business in order to avoid technical failures as a result of this mismatch (3) Formulating the scope and inclusion of small adjustments in the middle of the process, defocusing the project merely issues related to profitability (4) Greater connection between the commercial and technical (5) Better utilization of skills, knowledge and level of responsibility in people, focusing them in their areas of expertise (6) More effective and efficient communication	(1) Better knowledge of the business to provide higher levels of workability (2) Better allocation of resources due to the specificity of a particular business (3) Ability to build a monitoring and control system that allows performance monitoring (4) Acceptance only of work where the knowledge of the consultant is in fact specialized	(1) Better connection between the business vision and mathematical models presented and the practical reality of each organization

Source: Elaborated by the authors

In this sense, in terms of external legitimacy, i.e. the ability to generalize the findings to other settings or samples, although this study has been to strengthen some of the existing theory for the concept of management consulting, this was treated only as an exploratory study and can not be generalized or representative.

On the other hand, despite the secondary sources that have been used and other analyzes that have been developed to supplement the results, this factor also can not justify that the results presented here can be seen as necessarily generalizable in terms of consulting practice.

sometimes leads to failure of relationships and consequently projects

⁶ Although they should be developed from the marketing approach of the IMP, whose relationships must be built based on the active role of consultants and clients connected to a set of appropriate strategies and methods and well selected techniques, building "win-win" relationships, where both actors are active in building long-term relationships

⁷ Using a technique studied by a Mr. Richard Frey called with what one can predict with relative ease the growth of a company with a single question assessed on a scale of 0 to 10, in particular, what is the possibility to recommend this company to a friend - called "Net Promoter Score" (NPS), and there are few companies with SPL's exceeding 70%

Finally, another limitation was related to the inability to observe "in loco" consultant-client interactions and therefore the consequent peculiarities of problems, ideas and techniques that could result from this same interaction.

Thus, while this article primarily aims to address the lack of studies on the management consulting industry it is necessary to continue to enter this market and understand this activity, bringing to the academic field a considerable volume of information that brings originality and above all contribute concretely to the development of this area of research.

One way to address this "gap", is through focusing, establishment and institutionalization of practices and activities used in the management consulting industry and the implications in terms of organizational outcomes, seeking to obtain a range of new developments in construction of literature with the introduction of new theoretical and empirical perspectives in this field.

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