A Survey of the Client - Consultant Relationship: The Perception of Management Consultancy Firms in Kenya

By

Edwin Wanjala Wanyonyi

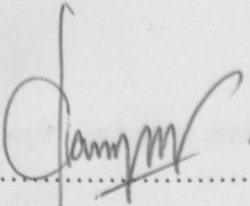A Management Research Project Submitted in Partial Fulfillment of the Requirements of Master of Business Administration (MBA) Degree, School of Business, University of Nairobi

2006

DECLARATION

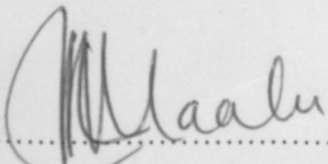The Management Research Project is my original work and has not been submitted for a degree in any other University.

Signed.. Date.... 20 November 2006 ....

Edwin W. Wanyonyi

D61/P/8549/01

This management Project has been submitted for examination with my approval as the

University Supervisor

Signed.. Date.... 20/11/2006 ....

Jackson Maalu

School of Business

University of Nairobi

DEDICATION

To my wife Catherine and son Alvin, I recognize their support, encouragement and understanding.

To my mum and dad, thank you for being a great source of encouragement and inspiration to my life.

ACKNOWLEDGEMENT

TABLE OF CONTENTS

ABSTRACT

It is no big secret that the client-consultant relationship is fraught with potential pitfalls, disappointments, and frustrations. Its very success or failure hinges on the delicate balance between expectations met versus expectations which remain unarticulated or unanswered. The emerging challenges of globalization, new technologies and competitiveness required by firms to operate have lead to the increasingly important role of management consultancy firms.

The objectives of the study were to determine the client- management consultant relationship as perceived by management consultants and to establish the factors that influence the relationship of the client and management consultant. The study was to benefit the existing and new management consultancy firms in identifying and sustaining the client consultant relationship. Further management consultancy firms may be able to consider service offering competences in mind of clients' success factor considerations like fitness, consulting integrity, client readiness and involvement, client agreement and control. The population of the interest in this study consisted of all management consulting firms in Nairobi. This is due to the fact that most of the management consultant firms in Kenya are found in Nairobi, which is the main industrial and commercial centre of Kenya. A sample of 50 firms was randomly selected for the study. This represents 62% of the population considered for the study. All the firms in the population could not be studied due to time and cost limitations. In recognition that most of the firms have almost had similar problems and work environment 50 firms was considered sufficient.

The study found out that most of the respondents agreed to a great extent that mapping out the network or relationship in the management consultant was operating roles and methods of intervention in the clients' management consultancy relationship were extremely important.

Categories of client-management consultancy relationship was considered very important by most of the respondents. Key factors in taking up management consultancy assignment by the companies were extremely important to consider. Maintenance of the relationship with the firms by the MC was considered to a very great extent by the majority of the respondents. Most of the respondents have strongly agreed that management consultant influenced their work with the clients. Obstacles considered in this study were strongly agreed majority of the respondents to client management consultant relationship. It was clear from the study that most client management relationship has had problems for largely non-technical reasons.

CHAPTER ONE – INTRODUCTION

1.1   Background

1.1.1 Concept of Management Consultancy

In modern business environment, organizations more often face financial, operational, lack of strategic vision, or production efficiency problems. Most of the time the internal managers cannot solve this problems. Thus they bring management consultants on board of the company to collaborate with corporate counterpart in attacking the critical or nagging problems (Fuchs, 1975). Over the last decade, the worldwide management consulting industry has been growing and continues to grow at twice the rate of the world economy (Micklethwait and Wooldridge, 1997). This is a rate, which even exceeds the growth rate of some technology sectors (Dennis, 1997). It generates revenues, worldwide in the tens of billions of dollars and become more than any academic institution, the source of business world's leaders, executives and top managers (Hasek, 1997). Management consultants have enjoyed unprecedented success – so much so that a profession, which had largely escaped scrutiny, has now given rise to advice on how clients should manage consultants. The US Department of commerce survey conducted in 1998, cited in Canada's industry report, reported that 70 percent of all businesses and government organizations in Canada have used the services of management consultants at least once in the last five years. They also note that the management consulting industry is a key recruiter of business school graduates and has become a desirable employer, currently almost 40 percent of graduates in each MBA class attempt to enter the consulting industry.

The management consultancy role is becoming increasingly important in assisting line management to handle the problems of innovation and change. Much has been written on how to perform management consultancy (Barcus and Wilkinson, 1986; Blake and Mouton, 1976; Block, 1981; Burke, 1994; Greiner and Metzger, 1983; Kolb and Frohman, 1970; Lippitt and Lippitt, 1978; Margulies and Raia, 1972; Schein, 1987). African countries, Kenya included are said to be incurring enormous financial costs as they create the institutions and implement the standards demanded by the multilateral system (Economic survey, 2003). Several studies have been done on management consultancy as a knowledge transfer in Kenya. Odette (1982) notes that there has been increased competition in management consultancy in Kenya due to globalization and reduced regulations and professional standards.

There are a number of reasons for increased use of consultants. The most significant are, first the move in 1980's and 1990's towards a learner and flatter management structures (McLarty and Robinson, 1998). This has meant that internal staff have less time to look at future strategy and that it may be unwise for them to be distracted from current responsibilities. Also the company could have serious business problems and may use outside consultants to investigate the causes and recommend the necessary remedial action. For example the firm is unable to meet its production targets, need to launch a new product or map out its customers among others. Further the need for an objective review of what is happening within a company. The internal staff may not understand or recognize the problems and even if they did, may not have the time and the objectivity it requires. Finally the temporary use of management consultants for short or long term contracts may well be very cost effective (Kubr, 1996). This is especially the case when the project is not

going to be permanent feature of the companies operations. It is expensive to hire full time staff, when salary and fringe benefits are considered.

In management consultancy, Bitner and Zeithaml, (2003) suggest that the service delivery gap in quality ranges from client expectations of service offer to company's perceptions of clients expectations. Further, even if a firm does have a clear understanding of its client's expectations, there still may be problems if that understanding is not translated into client-driven service designs and standards or matching actual delivery to the same. Also matching effectively firms' promises to actual delivery may vary and hence better understanding of clients' expectations may guide in closing the service gaps encountered (Grove et al, 2002). This means that management consultancy service providers need to be able to close the client gap between expectations and perceptions. Like any relationship, the management consultant-client relationship is enhanced when both parties posses relationship skills (McDaniel, 1991). Clients will come back again and again when they feel that consultants consider and respect their best interest. Clients will show appreciation when consultants are able to offer value to the company. Similarly, consultants will look forward to working with clients when they treat consultants with dignity and respect. There are three basic components of solid relationships; respect, openness and mutual benefits (Kaye, 1998). Consultants should respect the preferences and interests of client, while the client should respect work and effort of consultant. The client consultant relationship falters more often on issues of communication and agreement than on problems with fees or poor work (Voss, 1993). The open communication must proceed in two directions; being able to express yourself and being able to listen to the other party. The benefits are rarely equal. In practice this means assuring each side gets enough of what it wants to feel

satisfied with the deal. The relationship can range from collegial through cooperative, dependent, independent rivalries to adversarial. The last two categories may seem impossible, but client-consultant relationships involving scores of people have room for all of these. The emotional depth of the relationship has considerable impact on information sharing. At arm's length, information is likely to be need-to-know oriented. As the relationship comes to be characterized as ``working'', information will flow more freely.

1.1.2 Management Consultancy Sector in Kenya

It is widely debated what effect the increasing globalization of economic activities will have on management practice. Some take it as synonymous for homogenization, following the claim of the neo-institutionalisms that organizations around the world are becoming increasingly similar, mainly by imitating those perceived as successful (Di Maggio an Powell, 1983). Others by contrast, have highlighted the importance of local culture and the need for adaptation to different national contexts suggesting, "configurations of institutional factors, at the country level of analysis, directly affect the management of organizations" (Guillen, 1994, p. 298). While there are numerous types of consultants in almost all fields, the consultants this paper focuses on are those people known as management consultants (Shenson and Nicholas, 1997).

Wilkinson (1995, pp.1-4) defines the task of management consultancy as:

"An independent and objective advisory service provided by qualified persons to clients in order to help them identify and analyze management problems or opportunities. Management consultants also recommend solutions or suggested actions with respect to these issues and help, when requested in their implementation. In essence, management consultants help to effect constructive change in Organizations through the sound application of substantive and process skills".

After experiencing moderately high growth rates during the 1960s and 1970s, Kenya's economic performance during the last two decades has been far below its potential (Economic Recovery Strategy paper 2003). In 2004, the Kenya Government acknowledges that it is committed to improving the enabling environment for business and will strive to remove the various impediments that may hamper private sector development. Management consulting in Kenya has experienced a rather slow growth in comparison with some other professional services such as accounting, architecture and engineering. Foreign firms such as Ernst and Young, PriceWaterhouseCoopers, Deloitte and Touche, KPMG (historically accounting firms) Hawkins and Associates (originally a management recruitment firm) account for a large proportion of management consulting services in the country. Like in the case of accounting and auditing services, these multinational firms heavily dominate management-consulting services, with indigenous firms accounting for a small share (Ikiara, 2000). He however notes that, it should not be forgotten that Kenyan professionals largely control the local branches of these multinational firms.

Kenya's domestic capacity in the supply of consultancy services is constrained by the existing unfair competition in which foreign consulting firms receive preference in the award of government contracts and lack of effective policy support (Ikiara, et al., 1994). On the same issues, he adds that negative government attitude, inability of the small firms to attract and retain sufficient qualified staff due to cash-flow problems, in adequate experience in consultancy work, low managerial skills and a low level of professionalism compound the situation. Management consultancy is well-developed profession in the developed countries (Odette, 1982). A substantial volume of literature is available on their techniques as budgeting control systems, data processing systems, job evaluation and job appraisal, sales forecasting and manpower planning. All these techniques aim at establishing rationality and efficiency in the organization.

Management consultancy in Kenya has the capability of changing the culture in the client firms and has the potential to enhance the added value in terms of turnover and profitability (Ikiara, 2000). Consultants in many cases have enabled firms to understand the market opportunities, particularly as them manage assignments of product launches to new market places, re-branding of products and business restructuring. (Mbaluka, 2005). Despite the low growth in management consultancy in Kenya, there are five generic consulting purposes including achieving organization purposes and objectives as well as solving management and business problems. Secondly identification and seizing of new opportunities, enhancing learning and implementing changes are also sought (Kubr, 1996).

1.2   Statement of the Problem

The client-consultant relationship is fraught with potential pitfalls, disappointments, and frustrations. Its very success or failure hinges on the delicate balance between expectations met versus expectations, which remain unarticulated or unanswered. Management normally hires a management consultant to carry out a given project. Yet by the time the project is completed management often will feel the consultant provided a solution which is different from what was originally promised, was insensitive to the budgetary and political realities under whose management operate or the consultant was mainly interested in prolonging or expanding the consulting assignment. While on the other hand the consultants would see clients as reluctant to make decisions, unable to maintain a firm commitment on such critical areas as schedule, resources and scope of delivery or interested in quick fixes at the expense of longer-range and more far-reaching solutions. A consultant must be in position to make an unbiased assessment of any situation, tell the truth, and recommend frankly and objectively what the client organization needs to do without having any second thoughts on how this might affect the consultant's own interests. This detachment of the consultant has many facets and can be a tricky matter in certain cases. After all, consultants do depend on clients to get recruited, correctly paid for their work, used again for other work and recommended to other clients.

Odette (1982) study suggested that even though competition in the management consultancy industry was stiff all firms had to be competitive, local firms were more disadvantaged by a bias against them. Many firms expressed reluctance to hire local consultants. Odette concluded that this bias was motivated by lack of professionalism and entrepreneurial skills on the part of local consultants. His conclusion was deduced from

information obtained from clients of consulting firms. In 1999 a management consultancy assignment to restructure Unga Group by Price Waterhouse (now PriceWaterhouseCoopers) lead to the secondment of its lead consultant to become the managing director of Unga Group. During this period Unga continued to experience adverse effects and this was blamed on consultants – turned management team. Daily Nation newspaper 9 March 99 (Pg 11). The interest of the consultant and the interest of the client are remarkably close. In fact both sides want to get done on time and within budgets. Both sides want less stress. But why doesn't it seem that way? What is it that happens that makes the client-consultant relationship go awry?

The consultant can upset people and hurt their feelings in many different ways. Rejection can take many forms. Most client-consultant relationships have problems for largely non technical reasons, including; lack of effective communication about how the project will proceed, improperly setting expectations too high or too low; lack of follow through on small yet important details underestimating project complexity or scope and failing to understand user requirements (Kellen, 1997). Consultants and clients live in very different worlds and look at a system project in very different ways. The client is usually preoccupied with the business side of the project. The consultant on his part is usually preoccupied with technical concerns. Because both sides have different orientations, both sides are blind to each other's issues. The way out of this is for both sides to be less blind to each other's concerns. In fact, what emerges is that a good client-consultant relationship is sort of like marriage; both sides want the other to be happy. Most issues in client-

consultant relationships can be solved if both sides communicate with each other clearly and effectively.

The character of relationship between client-consultants depends on what the client wants and what the consultant wants. The optimal relationship is where the client understands what they want and what the consultants want and what can be done to achieve it as shown in the diagram below (overlap of two circles).

Figure 1: Client-consultant optimal relationship
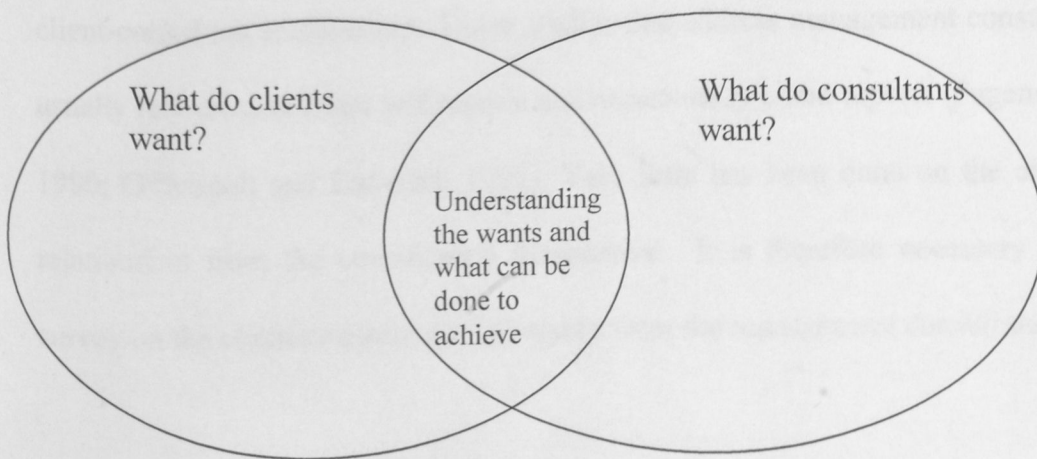
Source: Own conceptualization

Some research has been reported on management consultant values, attitudes, knowledge, and opinions (Church et al., 1994; Church et al., 1996), and on what it takes to be an effective management consultant (Bushe and Gibbs, 1990; Carney and Varney, 1983; Hamilton, 1988; McLean and Sullivan, 1993; O'Driscoll and Eubanks, 1993; Shephard and Raia, 1981; Warwick and Donovan, 1979). Opondo (1998) in his survey of marketing of consultancy services in Kenya found several challenges to management consultancy. Such included price inhibitions and client appreciation of service value received. In addition, he noted, despite multinational attachments of some local firms, they still faced stiff

competition from small management consultancy firms. Lastly he found that political

pressures in tendering and under capitalization, that is lack of capital base and resources

for competitive strength as key challenges.

During a typical consulting intervention, the consultant and the client undertake a set of

activities required for achieving the desired purposes and changes. This process has a clear

beginning (the relationship is established), diagnosis of the problem, action planning,

implementation and end (the consultant departs). This will form my systematic survey of

client-consultant relationship. Those studies that address management consultant activities

usually rely on consultant self reports and occasionally client reports (Fagenson and Burke,

1990; O'Driscoll and Eubanks, 1993). Very little has been done on the client-consultant

relationship from the consultant's perspective. It is therefore necessary to carry out a

survey on the client-consultant relationship from the management consultants' perspective.

Despite the several studies in management consultancy in Kenya addressing management

aspects, little effort has been shown on the management consultant client relationship. The

greater emphasis has been on the clients view. Hence the study question, "What is the

consultants perception of the client relationship"

1.3   Objectives of the Study

The primary intent of this study is to: -

i)   To determine the client- management consultant relationship from the perception of management consultancy firms

ii)   To establish the factors that influences the relationship between the client and management consultant.

1.4   Importance of the Study

Management Consultancy firms

With the increased use of consultancy, building client-consultant relationship has become vitally important. The study will benefit the existing and new management consultancy firms in identifying and sustaining the client consultant relationship. Further management consultancy firms may be able to consider service offering competences in mind of clients' success factor considerations like fitness, consulting integrity, client readiness and involvement, client agreement and control.

Scholars and Other Researchers

It will stimulate further studies and research in the area of client-consultant relationship by research institution. Also the finding may guide in the teaching of professional services in business institutions. The project will also contribute to the bulk of knowledge and research at the Faculty of Commerce at the University of Nairobi. It will also be of benefit to students, as it will be used as a basis of reference for any future study in the field of management consultancy and client relationship.

11

Professional and Regulatory Bodies

It shall assist the professional body of management consultants in its revision of codes of conducts in the management consultancy profession and associated rules. This is in consideration of the changing trends in the world markets that require better understanding of professional operations, performance of assignments and strengthening local professional bodies in future.

CHAPTER TWO: LITERATURE REVIEW

2.1 Introduction

In this section both the theoretical and empirical literature are discussed with a view of determining the Client-Consultant relationship from a perception of the management consultancy firms in Kenya. The conceptual framework gives the theoretical literature in relation to the variables affecting Client-Consultant relationship as perceived by management consultants.

2.1.1 Management Consultancy

Wilkinson (1995, pp.1-4) defines the task of management consultancy as, "An independent and objective advisory service provided by qualified persons to clients in order to help them identify and analyze management problems or opportunities. Management consultants also recommend solutions or suggested actions with respect to these issues and help, when requested in their implementation. In essence, management consultants help to effect constructive change in organizations through the sound application of substantive and process skills".

Garrat (1991,p.1) in her definition, elaborates that a management consultant is, "An independent and qualified person who provides a professional service to business, public and other undertakings by: Identifying investigating problems concerned with strategy, policy, markets, organization, procedures and methods; Formulating recommendations for appropriate action by factual investigations and analysis with due regard for broader management and business implications, Discussing and agreeing with the most appropriate

course of action and Providing assistance where required by the client to implement his recommendations".

The study of management consulting can be linked to earlier work on organization design consulting. One definition to consider for management consulting is "those who provide general management advice within strategic, organizational, or operational context, and who are institutionally organized in firms" (Canback, 1998). Management consulting is an advisory service contracted for and provided to organizations by specially trained and qualified persons who assist, in an objective and independent manner, the client organization to identify management problems, analyze such problems, and help, when requested, in the implementation of solutions (Greiner and Metzger, 1983). Management consultants are truly external to the organization. Normally management consultants would not take the place of staff within the organization. Nor would they have direct clout in an organization. Kubr (1996) notes that "objective and independent" implies a financial, administrative, political and emotional independence from the client. Further, there is an implication that the resources of a firm typically back the management consulting activities; it is typically more than a simple individual.

It is worthwhile to consider why this industry has seen such incredible growth and why it has actually been so successful. Drucker (1979) suggests management consultancy is an extraordinary and indeed truly unique phenomenon. He suggests two reasons why the industry exists. First, management skills, techniques and knowledge are best learned through exposure to and experience with many different companies in many different

industries. The typical executive, however, lacks this kind of exposure. As Drucker notes, "He works with the same organization-or at most, with very few. He lacks exposure and cannot gain it. Nor can he simulate it." Consultants, on the other hand, transcend organizations and thus gain exposure. Second, Drucker observes that executives yearn for objective insights into their management problems. Empirical research confirms that clients turn to outside consultants primarily for new ideas, proficiency, and impartiality/objectivity (Gattiker and Larwood, 1985).

In Kenya, Ikiara (2000) argues that trade in services are a major contributory to the country's economy in terms of GDP, employment, balance of payments and professional services are key to Kenyan exports. In fact despite Kenya's slow growth in management consultancy industry, it is a key recruiter of business school graduates and has become a desirable employer, with currently almost 30 percent of graduates in each MBA class attempting to enter the consulting industry (Ikiara et al, 1996) McKinsey & Company suggests six reasons why hiring an external management consultant makes sense in many situations: they provide competence not available elsewhere; they have varied experience outside the client; they are professionals; they are independent and they have the ability to create action based on their recommendations (Bower, 1982) Boston Consulting Group (BCG) has a similar perspective. It is argued consultants add significant value, by reducing the problem resolution cycle time (Hagedorn, 1982). McKinsey and BCG's opinions may not actually be supported empirically, but they provide an interesting glimpse into the industry from the consultant's point of view. On the contrary, it can be argued that many of

15

the skills provide by consultants should presumably be available internally in large companies, because major companies encounter most types of problems over time.

Bower's (1982) points about time, professionalism and independence could certainly vary from one situation to another. Consultants could conceivably have a superior ability to create action, but unless they are using proprietary techniques this would not necessarily apply across the entire consulting industry. In fact, this may simply be a result of training. One cannot, however, dispute that there are opportunities for consultants to bring perspective from other industries (Canback, 1999). Canback's (1999) opinion is that external consultants can be cost effective, available, and adept at understanding their client's problems and circumstances. Given the context of why management consultants are used, the next section will examine aspects of the role that consultants play in organizations. Schein (1990) has identified three broadly accepted models of consultation: purchase of expertise, doctor-patient, and process consultation: Purchase-of-expertise suggests that clients are looking for consultants to provide independent perspective to bear on specific challenges hand. There is no expectation to focus on the client relationship per se, but rather to provide expertise in a detached manner. The doctor-patient model has the consultant focusing on using a diagnostic approach to examine the client organisation's problems. From their distinct experiences, knowledge and diagnostic abilities the consultants identify strategic and organizational problems. This model emphasizes the importance of building a strong relationships and developing trust between the client and the consultant. The process consultation model considers the consultant as a facilitator with the client actually providing much of the relevant expertise. There is a clear distinction of

roles and tasks. In the end the client chooses what to do about the problem. The consultant provides more of the framework and methodology for defining the problem and the best possible alternatives.

Alternatively, Nees and Grenier (1985) propose five categories of consultants: The mental adventurer analyses truly intransigent problems such as long-term scenarios for country development, by applying rigorous economic methods and leveraging his experiences base. The strategic navigator bases his or her contribution on a rich quantitative understanding of the market and competitive dynamics, and then recommends courses of action without too much regard of the client's perspective. The management physician derives his or her recommendations from a deep understanding of the internal dynamics of the client organization, often willing to sacrifice some objectivity to gain a realistic perspective on what is achievable. The system architect impacts his or her clients by helping redesign processes, routines, and systems – always in close cooperation with the client. The friendly co-pilot counsels senior managers as a facilitator rather than as an expert, and has no ambition to provide new knowledge to the client (Nees and Grenier, 1985).

Nees and Grenier's model shows many similarities to Schein's (1990) study, for example the mental adventurer can be considered similar to the expert, the strategic navigator, management physician and system architect correlate with the "doctor-patient" model and the friendly copilot aligns with the process-consultation model. Institutionally organized strategy consultants are found primarily in the strategic navigator and management

physician segments. In any event, consultant engagements beyond simply purchasing expertise require the development of a relationship between the consultant and the client. Turner (1982) proposed a continuum with eight categories of client-consultant relationships. His framework used a hierarchy of tasks to illustrate the level of extent of a client's involvement with a consultant. The eight task categories identified are: providing information to a client; solving a client's problem; making a diagnosis, which may necessitate redefinition of the problem; making recommendations based on the diagnosis; assisting with implementation of recommended actions; building a consensus and commitment around a corrective action; facilitating client learning; and permanently improving organizational effectiveness. Turner argued that until the late 1970s, consultants tended to work more as suppliers.

2.2 Roles of the Client and Consultant

In discussing consultancy, it is important to clarify the concept of client. Schein points out that any helping or change process always has a target or a client (Schein, 1997). There is an assumption, for instance, that the client is always clearly identifiable, when in reality the question of the client actually is can be "ambiguous and problematic." There can be complicated dynamics around this very issue.

Schein (1997) proposes a simplifying model to understand types of clients and types of client relationships. In Schein's model, six basic types can be distinguished: Contact clients are the individuals who first contact the consultants with a request, question, or issue. Intermediate clients are the individuals or groups who or which get involved in

various interviews, meetings, and other activities as the project evolves. Primary clients are the individual who ultimately "own" the problem or issue being worked on; they are typically also the ones who pay the consulting bills or whose budget covers the consultation project. Unwitting clients are members of the organization or client system above, below and laterally related to the primary clients who will be affected by interventions but who are not aware they will be impacted. Indirect clients members of the organization who are aware that they will be affected by the interventions but who are unknown to the consultant and who may feel either positive or negative about these effects. Ultimate clients are the community, the total organization, an occupational group, or any other group that the consultant cares about and whose welfare must be considered in any intervention that the consultant makes. Thus the concept of client is not straightforward. Different types of clients may well have different needs, expectations, influence and degrees of participation in the consultancy.

The consultant, in fact the team, has to be clear as to who the client actually is at all times in the project. It is important to consider experiences from the clients' and consultants', in more detail, to understand the nature of these relationships initially from the client's point of view, and then the consultant's.

Schein (1990) has identified three broadly accepted models of consultation: purchase of expertise, doctor-patient, and process consultation: First is the purchase-of-expertise which suggests that clients are looking for consultants to provide independent perspective to bear on specific challenges hand. There is no expectation to focus on the client relationship per

se, but rather to provide expertise in a detached manner. The doctor-patient model has the consultant focusing on using a diagnostic approach to examine the client organization's problems. From their distinct experience, knowledge and diagnostic abilities the consultants identify strategic and organizational problems. This model emphasizes the importance of building a strong relationships and developing trust between the client and the consultant.

The process consultation model considers the consultant as a facilitator with the client actually providing much of the relevant expertise. There is a clear distinction of roles and tasks. In the end the client chooses what to do about the problem. The consultant provides more of the framework and methodology for defining the problem and the best possible alternatives.

Alternatively, Nees and Grenier (1985) propose five categories of consultants: The mental adventurer analyzes truly intransigent problems such as long-term scenarios for country development, by applying rigorous economic methods and leveraging his or her experience base. The second is the strategic navigator bases his or her contribution on a rich quantitative understanding of the market and competitive dynamics, and then recommends courses of action without too much regard of the client's perspective. The third is the management physician derives his or her recommendations from a deep understanding of the internal dynamics of the client organization, often willing to sacrifice some objectivity to gain a realistic perspective on what is achievable. The system architect impacts his or her clients by helping redesign processes, routines, and systems – always in close

cooperation with the client. Lastly the friendly co-pilot counsels senior managers as a facilitator rather than as an expert, and has no ambition to provide new knowledge to the client (Nees and Grenier, 1985).

Nees and Grenier's model shows many similarities to Schein's (1990) study, for example the mental adventurer can be considered similar to the expert, the strategic navigator, management physician and system architect correlate with the "doctor-patient" model and the friendly copilot aligns with the process-consultation model. Institutionally organized strategy consultants are found primarily in the strategic navigator and management physician segments. In any event, consultant engagements beyond simply purchasing expertise require the development of a relationship between the consultant and the client.

Turner (1982) proposed a continuum with eight categories of client-consultant relationships. His framework used a hierarchy of tasks to illustrate the level of extent of a client's involvement with a consultant. The eight task categories identified are: providing information to a client; solving a client's problem; making a diagnosis, which may necessitate redefinition of the problem; making recommendations based on the diagnosis; assisting with implementation of recommended actions; building a consensus and commitment around a corrective action; facilitating client learning; and permanently improving organizational effectiveness. Turner argued that until the late 1970s, consultants tended to work more as suppliers to the client. Increasingly relationships in consulting engagements have evolved to build more of a partnership of mutual respect aimed at fundamentally improving the client's effectiveness.

In a review of the consultancy literature, Canback proposed the following trends: the management consultants increasingly address critical, long term issues and are a critical part of the intellectual agenda of executives (Turner's lower three points); consultants add value by addressing both content and process issues based on expertise, methodology and general problems solving skills (corresponding to Schein's expert and doctor-patient models); management consultants work together with their clients in a complicated and fluid relationship characterized by a high degree of mutual trust; and lastly management consultants are best organized in independent, specialized firms with unique characteristics and success factors (as argued by Bower and Henderson) (Canback, 1999).

As management consultants focus on higher order task categories, the relationships with their clients are potentially becoming increasing complex.

2.3 Relationship Atmosphere

The atmosphere of the relationship is considered essential to understand and to manage client-consultant relationships (Roehrich and Spencer, 2001). The study of business relationships has become increasingly relevant in recent years as new forms of inter-company relationships evolve. Fundamental theoretical frameworks include inter-organizational theory (Van de Ven et al., 1975), transaction costs economics (Williamson, 1981), the interaction approach (Hakansson, 1982) and its subsequent developments (Ford, 1990; Hakansson and Snehota, 1995), and the network approach to industrial markets (Axelsson and Easton, 1992).

The process of relationship change and development was highlighted by Ford (1980, 1990) who suggests that business relationships can be found in different stages and may evolve from one stage to another. Those stages would be the *pre-relationship stage;* the *early-stage;* the *development stage;* the *long-term stage;* and the *final stage.* According to Ford, these stages can be described with reference to *experience, uncertainty, distance and commitment.*

2.3.1 Client Contact and Entry Forms

The beginning of the client-consultant relationship often coincides with the beginning of a project. There are three ways, or 'entry forms', for a consultant to join a client's project. First, the client can take the initiative of contacting the consultant. This is a competing situation for the supplier as the client usually also contacts other consulting firms. By analysing the client's needs and identifying "the problem", the consultant builds a solution and works to convince the client that it has the appropriate one (Proença and de Castro, 2000). Another type of entry form, the consultant contacts the client. In this case, the consultant will highlight the advantages the client will derive from buying the solution. Finally, there is the case where the consultant is already working with the client on a project and identifies other problems beyond the scope of that project. A holistic view of the client organisation facilitates this type of project initiation.

2.3.2 Relationship Development

The complexity of the project network increases during the project implementation and so does the degree of relationship development. The surrounding networks of the relationship, which are made out of connected relationships, may thus be an important resource for the focal relationship. Also, some obstacles to relationship development, which are common in consulting projects, may demand mutual adaptations. (Proença and de Castro, 2000)

Internal networks (Proença and de Castro, 2000) can be quite complex. The project operational team, formed by the consultants and the specialists from the client, is the 'internal network', which may increase the number of individuals involved as the interaction frequency increases. When the client is a group of companies and the same solution is applied to all the companies, then, the number of people and contacts will increase several times thus raising the internal network complexity. Moreover, the consultant usually has several partners it needs in order to provide a solution: technological suppliers; strategic thinkers; human capital and outsourcing. These sundry relationships that develop out of the client-consultant relationship may be called the 'external network'.

Some types of obstacles to relationship development are common in consulting projects, which relate to capacity, finance, technical and technological issues and, more importantly, behavioral aspects. As mentioned above, complex networks form as a project proceeds. Among such nets of contacts and relations, some are very intense and close; others are less so or not at all. Some eventually break while others persist. The solution approved is not always consensual. Some forms of resistance identified are inflexibility, no disclosure of

facts or data, identification of false problems and missing operational meetings. The client-consultant relationship as a whole can be successful despite those obstacles provided some control mechanisms exist. The management of change is another project dimension on which consultants work. Communication; training; team building and workshops are some tools for dealing with change that help to reduce the resistance that arises in client organizations.

2.3.3 Relationship Maintenance in-between Projects

According to the project marketing literature (Cova, 1990 and 2002), projects are characterised by their character of strong discontinuity. From a relationship point of view, the time in-between projects can be as important as project duration. Clients do not wish to keep consultants in-house for too long for budget reasons. Project time varies, but usually a complex project may last for two years. The consultant tries to be vigilant about the client's business even between projects when it is not developing a solution with/for the client. During these periods, social exchange plays a crucial role.

Informal contacts, visits to other clients, social events, or even personal contacts assure social continuity in these markets both during and in-between economic transactions. The consulting firm is marketing its future projects by so doing. If the consultant returns to the client after a project is finalised, this may mean that the client became dependant. A successful project means that the client developed the skills (knowledge and techniques) to assure the continuity of the solution or its implementation without the consultant. If however the consultant returns to the company to solve different problems, we might say

that loyalty is present. By analyzing this difference we found that trust and transparency of behaviour are two pre-conditions for loyalty to exist.

2.3.4 Relationship Maturity and Contact Patterns

Project development follows a certain protocol. Each document that is produced is usually associated with a certain form of contact, which varies according to the project phase. Firstly, the client defines a specification in order to evaluate the consultant response level. The project external activities are usually based on network investments and marketing supervision so that when it comes to specifications, the consultant has already generic offerings developed. If the consultant is selected, then he has to develop a specific project approach that implies resource allocation, negotiation and implementation. Initially, there are interviews with key users, brainstorming and a lot of analysis. At the same time, best practices are studied. The document supporting the initial proposal contains a detailed description of the problem, the raising of the solution and the estimated costs.

If the proposal is approved, the next step is the planning of project implementation. Global project planning describes all the activities to be developed, the people involved and their tasks, and the timetable. In typical information systems projects, the first main activity is usually a prototype that is tested and then approved by the steering committee. More informal meetings take place following this phase, as the operational team works on the new system. Ordinary documents in this phase are meeting notes and action plans.

When the project is on time, formal meetings are less frequent and follow the ordinary pattern frequency.

Figure 2: The key dimensions of client–consultant relationship development


```
┌──────────┐        ▽ Project      ┌────────────┐
│  Client  │───────▷  Unit         │ Consultant │◁──
└──────────┘                       └────────────┘

┌──────────────┐ ┌──────────────┐ ┌──────────────┐ ┌──────────────┐
│ Relationship │ │ Relationship │ │ Relationship │ │ Relationship │
│  beginning   │ │ development  │ │ maintenance  │ │  maturity    │
└──────────────┘ └──────────────┘ └──────────────┘ └──────────────┘
```
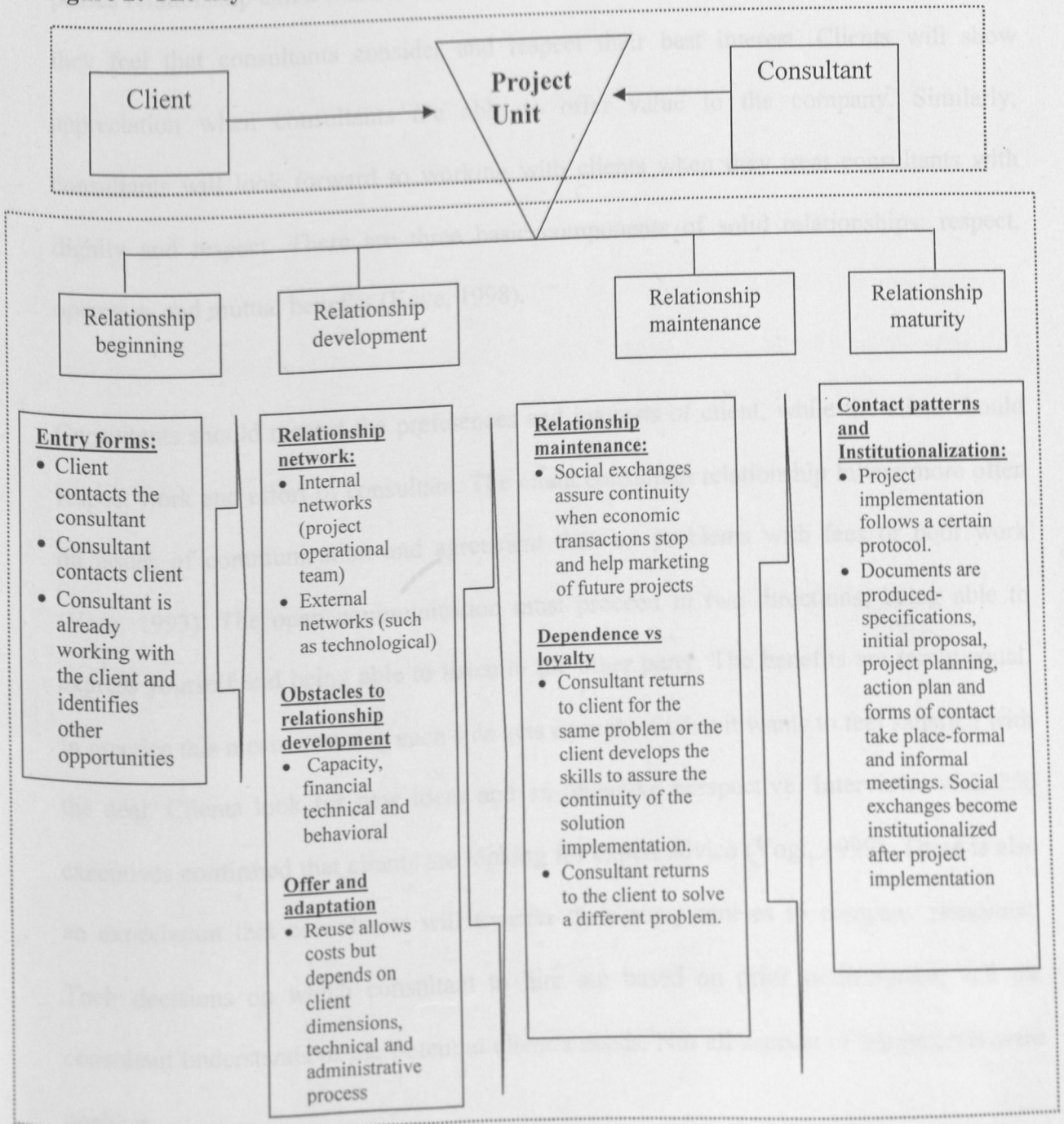
Entry forms:
- Client contacts the consultant
- Consultant contacts client
- Consultant is already working with the client and identifies other opportunities

Relationship network:
- Internal networks (project operational team)
- External networks (such as technological)

Obstacles to relationship development
- Capacity, financial technical and behavioral

Offer and adaptation
- Reuse allows costs but depends on client dimensions, technical and administrative process

Relationship maintenance:
- Social exchanges assure continuity when economic transactions stop and help marketing of future projects

Dependence vs loyalty
- Consultant returns to client for the same problem or the client develops the skills to assure the continuity of the solution implementation.
- Consultant returns to the client to solve a different problem.

Contact patterns and Institutionalization:
- Project implementation follows a certain protocol.
- Documents are produced- specifications, initial proposal, project planning, action plan and forms of contact take place-formal and informal meetings. Social exchanges become institutionalized after project implementation

Source: Roehrich and Spencer, 2001

2.4 Client - Management Consultant Relationship

Like any relationship, the consultant–client relationship is enhanced when both parties posses relationship skills (McDaniel, 1991). Clients will come back again and again when they feel that consultants consider and respect their best interest. Clients will show appreciation when consultants are able to offer value to the company. Similarly, consultants will look forward to working with clients when they treat consultants with dignity and respect. There are three basic components of solid relationships: respect, openness, and mutual benefits (Kaye, 1998).

Consultants should respect the preferences and interests of client, while the client should respect work and effort of consultant. The client consultant relationship falters more often on issues of communication and agreement than on problems with fees or poor work (Voss, 1993). The open communication must proceed in two directions; being able to express yourself and being able to listen to the other party. The benefits are rarely equal. In practice this means assuring each side gets enough of what it wants to feel satisfied with the deal. Clients look for new ideas and an objective perspective. Interviews with 250 executives confirmed that clients are looking for expert advice (Vogl, 1999). There is also an expectation that consultants will transfer their competencies to company personnel. Their decisions on which consultant to hire are based on prior performance, and the consultant understands of the potential client's needs. Not all aspects of the projects were positive.

Consulting groups often lack people who have been in an operating business at a high level. This, no doubt, is a consequence of the trend for consulting companies to hire their staff directly from universities. In another large survey, several common gaps in consulting projects were identified and several opportunities for improving the consulting experience are highlighted (Smith, 2002). For instance, management needs to involve consultants in the implementation phase. Consulting projects must take time to solicit inputs for implementation planning. Stakeholder information is also a critical input. Proper project management process must be followed. The impacts on employees must be considered and solutions provided to help employees deal with change. There must also be effective guidance of senior management. Feedback also suggests that there cannot be personal gain at the expense of the project stakeholders. Finally, the project must contribute to contribute to breakthrough ideas. Weakness in any of these areas can contribute to poor outcomes of the consulting projects. Smith's (2002) discussion suggests that consulting activities and client objectives cannot occur without project outcomes that are clearly understood by both parties and stresses the importance of good communication between the client and the consultant, with senior management. Again, in the ideal the consultant should be kept on for implementation phase. However, structures, technology, staffing and systems must be put in place in order to effect the change.

Other issues to consider include those highlighted in a study by Fullerton and West, including up-front work, getting to learn the organization and avoiding cookie-cutter solutions (Fullerton and West, 1996). Clients require consultants to appreciate the client's situation, and that they take into consideration not being overly theoretical. Finally, clients

want tailor made solutions, which reflect the challenges they face, not formulas applied as universal panaceas.

Gable (1996) examined client success, when engaging consultants in the IT world and proposed a multidimensional model of client success. It suggests success is driven by multiple outcomes including consultant recommendations, client understanding and consultant performance. Objective measures could include usage/acceptance of the Client-consulting relationship recommendations, change in client understanding and actual versus estimated resource requirements (Gable, 1996). Carucci and Tetenbaum (2000) describe a model of three destructive roles that consultants can assume the messiah, the dependency-builder, and the colluder. These roles can emerge when consultants are motivated by self-interest or have inflated egos that interfere with properly assessing the client's capabilities. Alternately, the way that consultants can create value is through an "unswerving commitment to positive client change". They emphasize "using every skill available to support the client, while pushing the client forward, often against great resistance."

The greatest value of any consultant is breadth and variety of experience (Fuchs, 1975). Most of the time consultant use the same problem-solving strategy for different clients, and adapt to client's problem area. Since in most of the cases the consultants work on such areas as strategic planning, profit maximization, technology adaptation, investments and audit, the identical strategy saves time to concentrate on more crucial part of problem-solving process-finding the workable solution (Easton and Conant, 1985).

Consultants have broader skills that allow them to identify the core problem outside the scope of particular internal department or even organization. With help of specific analytical tools, consultants can reduce costs and save money for the organization, what definitely create values for the company. Consultants use special hardware, model systems, and computer portable electronics software to facilitate the decision making process for solving complex situations through game theory and the testing of multiple assumptions and probabilities (Fuchs, 1975). Therefore with the help of analytical tools and skills consultant is usually able to come up with better working solutions that even the most competent manager in organization.

Broader knowledge, objectivity and ability to identify the core problem, which is not always what clients think the problem is, allows consultants to analyze the situation fast, come up to workable solution and take decisive, and appropriate action to solve the problem (Hanan, 1988).

Many fortune 500 executives are very good in making decisions and managing people, empowering them to make decisions too. However, when the problem arise they may stuck and concentrate on the problems(s), that may be only cause. Insiders not always can break up the problem, or define the chain of problems, that lead to the root of the problem (Easton & Conant, 1985). That is why they hire external experts, so they can figure out what the root problem is and how to solve it. Consultants also have issues regarding consulting engagements. Personal characteristics of the client they value include, willing to learn, bright, catches on quickly, accepts feedback non-defensively, willing to take risk and

responsible to follow through; contact person characteristics including role clarity, respect for their competence, liking each other and independent decision making; and client organizations with budget control, respect of superiors and access to political information (Kellogg, 1984). Results orientation, intellectual curiosity, optimism, self-confidence and ambition have also been highlighted, by Carucci and Tetenbaum, as client attributes most consistently appearing on consultants' wish lists (Carucci and Tetenbaum, 2000).

Several issues have turned up repeatedly in examinations of OD consulting success. In a large survey of OD practitioners, Burke et al. (1984) identified differences between successful and unsuccessful projects in each of the consulting phases. In the entry phase, the power of the client with whom the practitioner works, their readiness to change and their willingness to assume responsibility for the effort and its outcome are all positively related to success. In the contracting phase, clarity is critical. In the diagnostic phase, successful projects use a model to organize data, moreover access to organizational resources is important. In the feedback phase the consultant's confidence in the diagnosis and the client's affirmations of the data are critical factors. In planning change, it is important to test plans and remain flexible. For intervention, without supporting changes such as reward systems or management style, structural changes will fail. Finally, in evaluation practitioners reporting successful projects were more likely to conduct evaluations, and more satisfied with their evaluation phases (Burke et al., 1984).

Fullerton and West (1996) considered both sides of the relationship. Feedback from consultants suggests additional client factors that are key to a consulting project's success.

For instance, it is important that clients have to have a clear question. They must also take ownership of the problem being addressed. Clients must be willing to change according to the project's recommendations. They must also have the organizational leverage to act on the consultant's recommendations. Finally, consultants want to be viewed as credible by the client (Fullerton and West, 1996).

2.5 Success Factors for an Ideal Client-Consultant Engagement

It is generally accepted that how the consultant puts together the consulting process will affect the relationship with the client and consequently the success of the project. Based on the anecdotal views, conceptual frameworks and empirical studies described above, it is suggested that consulting engagements which possess the following success factors will lead to more favorable project outcomes: competent consultants; an emphasis on client results versus consultant deliverables; clear and well communicated expectations and outcomes; visible executive support; an adaptation to client readiness; an investment up front in learning the clients environment; defined in terms of incremental successes; real partnership with consultants; and inclusion of the consultants through the implementation phase.

A critical factor for consulting engagement success must be a competent consultant (Kellog, 1984; Zeithaml, 1990; Groove et al., 2000). In today's climate a consultant has to hit the ground running because clients want immediate knowledge and experience. Competence would include thoroughness, knowing one's limits and acting in accordance

with one's capabilities. Even if the previous factors are realized consulting engagements require good fit. As consultants play such a variety of roles, a client cannot always be certain of getting the right type (Mc Lachlin, 1999). Often the clients' real problem is knowing that something is wrong but not knowing what kinds of help consultants might be able to provide (Schein, 1969). For any assignment, there should be fit between the capabilities of the consultant and the expectations of the client. While clients may hire consultants for a variety of reasons, they expect that the consultant's capabilities will at least match their situations and the type of consultant is required. That is match of personality or management style, personal chemistry (Mitchel, 1994), and belief systems (Margolis, 1985). For engagement consulting to be successful, it is necessary but not sufficient that there be a good fit between the client and consultant along a number of dimensions, including models of consultancy, clients expectations, consultant capabilities, and consultant type (Mc Lachlin, 1999).

Rynning (1992) offers a tentative list of factors contributing to consulting "success" worthy of further investigation, including: clarity in need/problem formulation; number/quality of new ideas; new knowledge; special planning; new ways of thinking; level of planning; level of co-operational abilities; management of time; planning capabilities; efficiency of execution; strategy formulation; problem solving; implementation; follow-up; and economy.

Opportunities for management consultancy exist when a potential client is faced with problems or uncertainties, which cannot be overcome by his own resources (Mclarty and

Robinson, 1998). However, unless he is aware that a service that may solve his problem exists, he cannot think of using it. It is therefore obvious that consultancy seriously consider marketing itself for such awareness that may influence potential client selection criteria (Opondo, 1988). Management consultancy has the capability of changing the culture in client firms and has the potential to enhance added value in terms of turnover and profitability of business firms (Mbaluka 2005). The way the clients and management consultants relate is critical towards ensuring success in assignments, therefore the need to understand client-consultant relationships.

CHAPTER THREE: RESEARCH METHODOLOGY

3.0 Introduction

The chapter outlines the various steps that were used to execute the study in a bid to satisfy the study objectives. It details the research design that is adopted and methods used for data collection and data analysis.

3.1 Research Design and Population

The study adopted a cross-sectoral survey design. It was designed to survey the management consultants operating in Kenya. A survey is ideal because it will be able to support the demographic data for comparison purpose.

3.2 Population

The population of the interest in this study consisted of all management-consulting firms in Nairobi. This was due to the fact that most of the management consultant firms in Kenya are found in Nairobi, which was the main industrial and commercial centre of Kenya.

There being no single complete list of all management consultancy firms in Kenya, the researcher relied on a list of management consulting firms from the Kenya Institute of Management directory (1999), Nation Business directory (2006) and those listed as consultancy firms categorized in the yellow pages of the (2006) telephone directory. A total of 80 firms were identified.

3.3 Sample design

A sample of 50 firms were randomly selected for the study, this represents 63% of the total population. All the firms in the population could not be studied due to time and cost limitations. In recognition that most of the firms have almost had similar problems and work environment 50 firms were considered sufficient for the study.

3.4 Data Collection

The survey was based on primary data collected by way of structured questionnaires with both open-ended and closed-ended questions. The questionnaires were administered by multi-approach mechanism that included drop and pick and use of e-mail. To increase the response rate, a follow up was done by use of telephone call. The questionnaire was divided into two sections: Section, A which was used to generate general information about the firms and while section B, addressed the two study objectives.

3.5 Data analysis

The nature of the data obtained was mainly quantitative. Descriptive statistics will be used to analyse the data. This was the most suitable method for this study since the responses involved the respondent's perception. Descriptions of the research findings was analysed by means of SPSS package. The data was presented through percentages, means, standard deviations and frequencies. Descriptive statistics such as arithmetic mean was used to determine the most common responses to discern the extent of the challenge. Graphs were used to display the information. Conclusion of the study was drawn from the analysis. Descriptive analysis is the best in a comparative study when a researcher is able to investigate the relationship between two or more variables.

CHAPTER FOUR: DATA ANALYSIS AND FINDINGS

4.1 Introduction

In this chapter, data pertaining to the relationship between management consultant and client and factors affecting the same is analyzed and interpreted. A total of 50 questionnaires were distributed to the respondents. A total of 4 questionnaires were not responded to giving a response rate of 92% and a non-response of 8%. In section A of the questionnaires, question 5 had a non-response rate of 32.6%. The question was "Does your firm carry out other services apart from management consultancy?" The firms that did not complete the question cited confidentiality of company profile and ongoing restructuring in line with international trends in audit firms.

The objectives were to determine the client-consultant relationship as perceived by management consultancy firms in Kenya. The second objective was to establish the factors that influence the relationship between client and management consultant. Section A was establishing the firms profile in terms of ownership structure, years of operation, number of employees in the establishment and other services offered apart from management consultancy. In section B the questionnaire aimed at establishing the client-consultant relationship and the factors that influence the same. The respondents were given questionnaires detailing the various stages of the relationship and the factors and asked to indicate the extent to which the factor affected the relationship on each variable on a five point likert scale ranging from "very great extent" (5) to "not at all" (1).

The scores were discussed on the basis of the score "1" to mean the factor was not considered at all while score "3" meant the factor variable was considered to moderate extent and lastly score "5" was to very great extent. The data obtained through the use of the questionnaire is presented by use of descriptive statistics and frequencies.

The findings are presented under the corresponding questions that were raised in the objectives of the study. The scores "not at all" and "strongly disagree" represented factor-affecting variable, which is considered to a "Small Extent" (S.E). This was equivalent to 0 to 2.5 on the continuous Likert scale ($0 \leq$ S.E.< 2.5). The scores of "Moderate Extent" represented factor affecting selection criteria variable that is considered to a "Moderate Extent" (M.E). This was equivalent to 2.5 to 3.5 on a Likert Scale ($2.5 \leq$ M.E.< 3.5). The scores of "Very great Extent" and "Great Extent" represented factor variable, which is considered to a "Great Extent" (G.E). This is equivalent to 3.5 to 5.0 on the Likert Scale ($3.5 \leq$ G.E.< 5.0).

4.2 Company Data

Section A of the questionnaire aimed at establishing the company's name and ownership structure, years of operation, number of employees in the establishment, any other services offered apart from management consultancy and the sector from which the most clients come from.

4.2.1 Ownership Structure of the Firm

Management consultancy firms in Kenya have different ownership structure. The purpose of the question was to find out if the firms are local or foreign owned or a mix of the two.

Table 4.2.1: The ownership structure of the firm

Ownership	Frequency	Percent
Local	29	63.0
Foreign	14	30.5
Partly locally and foreign owned	3	6.5
Total	46	100.0

Source: Response data

The results as illustrated in Table 4.2.1, shows that 63% were locally owned firms, 30.4% were foreign while 6.5% are partly locally and foreign owned. The findings also indicate that most management consultancy firms are Kenyan owned, however there is also a high representation of foreign firms.

4.2.2 Number of Years in Operation

Management consultancy in Kenya has experienced slow growth. The purpose of was to find out how the firms have been in existence.

Table 4.2.2: Number of years in operation

Year	Frequency	Percent
Less than 3 years	7	15.2
Less than 5 years	20	43.5
Less than 9 years	10	21.7
More than 10 years	9	19.6
Total	46	100.0

Source: Response data

From Table 4.2.2, most firms which responded had been in existence for less than 5 years at 43.5% followed by less than 9 years at 21.7%, and more than 10 years at 19.6%, least being 15.2% for firms that have been in existence for less than 3 years. The findings indicate that most of the management consultancy firms (>58%) have been in existence for less than 5 years.

4.2.3 Number of Employees in the Establishment

In understanding the management consultancy firm's size, one of the items for consideration was the number of employees in the respondents firms.

Table 4.2.3: Number of employees

Number of employees	Frequency	Percent
1-10	5	10.9
11-30	20	43.5
31-50	17	37.0
Above 51	4	8.7
Total	46	100.0

Source: Response data

From Table 4.2.3, most of the firms have employees between 11-30 at 43.5%, the next being 31-50 at 37% followed by 1-10 at 10.9%. Only 4 firms out of the 46 responded had more than 51 employees. The findings also show that most management consultancy firms in Kenya have less than 30 employees in their establishments.

4.2.4 Other Services Offered Apart From Management Consultancy

The management consultancy firms are known to offer other services like training, audit and product development. The question was to find out whether the firms specialized in only management consultancy services.

Table 4.2.4: Other Services

Options	Frequency	Percent
Yes	10	21.7
No	21	45.7
No response	15	32.6
Total	46	100.0

Source: Response data

From Table 4.2.4, most of the respondents have specialized in management consultancy alone with No at 45.7% while 21.7% have other services. There was no response from 32.6% of the respondents citing confidentiality and ongoing restructuring in line with international trends in audit firms.

4.2.5 Common Sectors Which the Management Consultancy Serves

Management consultancy assignments are carried out in various sectors. The purpose was to find out which sector does the management consultants carry out most of their assignments.

Table 4.2.5: Sector that management consultants mostly serve

Clients	Frequency	Percent
Public sector	10	21.7
Non governmental organizations	19	41.3
Private	14	30.4
Other organizations	3	6.5
Total	46	100.0

Source: Response data

From Table 4.2.5, most of the client that the management consultancy serve are from the non governmental organization at 41.3%, private at 30.4%, public sector at 21.7% while other organization at 6.5%. Non-governmental organizations and private sector form the greatest bulk of management consultancy clients in terms of quantity.

4.3 Client-Consultant relationship as perceived by management consultants

Section B of the questionnaire aimed at establishing the client-consultant relationship as perceived by the management consultants. This also takes into consideration from the time of contact of consultant and client to the exit or end of the assignment.

4.3.1 Common mode of entry into management consultancy assignments

Management consultants use a number of modes to get consultancy assignments. The main focus here was to find out the out the common mode of entry into management consultancy assignments as perceived by management consultants.

Table 4.3.1: Common mode of entry into assignments

Entry mode	Frequency	Percent
Client contacts Management Consultant	2	4.3
Management Consultant contacts clients	5	10.9
Management Consultant already working with the client and identifies other assignments	32	69.6
Bidding for jobs through tenders, quotations	7	15.2
Total	46	100.0

Source: Response data

From Table 4.3.1, most of the respondents 69.6% enter into management consultancy service/assignment through already existing clients and identifies other assignment, 15.2% bidding for jobs through tenders and quotations followed by 10.9% where the management consultant contacts clients while 4.3% the client contact the management consultant. The findings also show that only a small proportion of the management consultancy jobs are advertised and bidders called in to carry out assignments.

4.3.2 Developing network contacts in the MC assignment

In taking up management consultancy assignment requires the understanding of the client. The purpose was to find out the consideration in mapping out the network and identification of key individuals in developing relationships in the client firm.

Table 4.3.2: Considerations in mapping network relationship in which MC will operate

Factors	Very great extent	Great extent	Moderate extent	Little extent	Not at all
	%	%	%	%	%
Persons holding the real power for making decisions related to the assignment	52.2	36.8	11	0	0
Persons(s) with aim interest in the success or failure of the assignment	37.0	39.0	22.0	2.0	0
A person who should be kept informed	28	46	17	9	0
Identify a person whose direct collaboration is essential	35	44	17	4	0

Source: Response data

From Table 4.3.2, indicates person holding the real power for making decisions related to the assignment is highly considered at 52.2% while the person who should only be kept

informed is ranks as 28%. Persons(s) with aim interest in the success or failure of the assignment to a great extent and very great extent. 39% considered to a very great extent and 37% to a great extent. The findings also show that management consultancy firms would quickly identify the people holding real power and develop a relationship.

4.3.3 Types of relationships and interaction

In working together, client and consultants develop different working relationships. The purpose was to establish the types of relationships in the management consultancy assignment and the interactions in implementing the assignment.

Table 4.3.3: Types of relationships and methods of intervention in MC assignments

Extent of relationship ⟍ Factors	Extremely important	Somewhat important	Moderate extent	Somewhat unimportant	Not at all important
Collaborative relationship	54.4	0	8.7	36.9	0
A knowledge based relationship	47.8	38.6	13.6	0	0
Relationship of trust	50.2	29.2	20.6	0	0
Focus on client rather than self	40.8	48.3	10.9	0	0
Continued focus on problem definition and resolution is more important than technical and content mastery	26.2	50.2	19.3	4.3	0
Motivated by an internal drive to do the right thing than organization reward and dynamics	38.4	42.1	13	6.5	0
Believe that success in client relationship is tied to accumulation of quality experiences	49.5	45.8	0	3.7	0

Source: Response data

It is evident in Table 4.3.3 that a collaborative relationship at 54.4% and a relationship of trust at 50.2% are extremely important. Continued focus on the problem definition and

resolution is more important than technical and content mastery 50.2% somewhat important while 26.2% noted it is extremely important. The findings also show that a collaborative relationship is the best in carrying out management consultancy assignments.

4.3.4 Factors Considered in Taking up Assignments

In taking up assignments, management consultants have a number of factors to consider. It sets to establish the MC's considerations when sourcing and taking up assignments.

Table 4.3.4: Factors considered in taking up management consultancy assignments

Factors	Extremely important	Somewhat important	Neither nor unimportant	Somewhat unimportant	Not at all important
	%	%	%	%	%
Price	54.3	37.0	6.5	0	0
Expertise	54.0	34.8	4.7	0	0
Past experience	51.0	28.3	14.2	0	0
Image/reputation	34.8	45.7	10.9	4.3	0
Perceptions and expectations	34.3	41.3	41.3	8.7	0
Controls of the process	32.6	39.1	15.2	6.5	0
Clear agreement concerning requirements	41.3	34.8	4.3	8.7	0
Government regulations	49.7	46.3	4.0	0	0
Bureaucracy	32.6	38	18.5	2.2	0
Advertising	41.3	28.3	19.5	2.2	0
Referral sources	47.8	34.8	28.2	0	0

Source: Response data

From Table 4.3.4 the management consultant can be said to take up assignments based mainly (extremely important) on price 54.3%, expertise 54% and past experience at 51%.

Referral sources are also extremely important at 47.8% in taking up the assignments. The

findings indicate that price, expertise and past experience are the greatest factors considered in taking up assignments.

4.3.5   Maintenance of Relationship

In order to successfully carry out management consultancy assignment the consultant must identify the methods of maintaining a working relationship. The purpose was to establish how relationships are maintained during and after the assignment. The data to be captured focused on social exchanges, creating dependency arrangement and returning back to solving different problems.

Table 4.3.5: Relationship maintenance

Factors	Very great extent	Great extent	Moderate extent	Little extent	Not at all
Social exchanges	55.7	37.8	6.3	0	0
Creating dependency arrangement	30.4	17.3	45.8	4.3	0
Returning back to solving different problems	47.8	28.3	15.2	6.5	0

Source: Response data

It is evident in Table 4.3.5 that 55.7% of the respondents consider social exchanges to a very great extent to be important. Returning back to solve different problem is considered to a very great extent at 47.8% while creating a dependency arrangement is considered moderate. The response also indicates that social exchanges are extremely important in ensuring that a working relationship is developed and maintained.

4.4 Factors that influence the Client-Consultant relationship

The second objective of the study is to establish the factors that influence the relationship between the client and management consultant. The questions here are targeted towards the factors that influence the relationship.

4.4.1 Management consultants influence in the work of client

In identifying the factors that influence consultant relationship, the level of interaction based on a number of factors will affect how the assignment are performed. The aim was to find out the consultants influence on assignments.

Table 4.4.1a: Management consultants influence in assignments

Factor	Strongly agree	Agree	Neither agree nor disagree	Disagree	Strongly disagree
	%	%	%	%	%
Demonstrating technical expertise	56.2	32.4	11.4	0	0
Exhibiting professional integrity and sharing knowledge	32.6	47.8	17.4	2.2	0
Demonstrating empathy with the client	36.1	42.3	10.7	10.9	0
Work products and reports	33.7	40.4	19.4	4.3	2.2
MC and clients inputs	35.3	43	13	8.7	0
Using assertive persuasion	35.6	45.7	12.2	4.3	2.2
Developing a common vision	37.4	43.2	17.2	2.2	0
Using participation and trust	39.4	45.5	8.6	4.3	2.2
Using rewards and punishments	38.3	31.4	26.1	4.2	0
Using tensions and anxieties	23.4	35.8	23.4	15.2	2.2

Source: Response data

It is evident in Table 4.4.1 that management consultants strongly agree 56.2% that by demonstrating technical expertise they influence the work of the client. Using participative

48

approach and trust 39% also greatly influence. In all the variables only less than a quarter considered them not to influence the work of the client to disagree and strongly disagree (<20%).

Table 4.4.1b: Management consultants influence in assignments (descriptive statistics)

	Mean	Standard deviation
Using tensions and anxieties	1.59	.96
Using participation and trust	1.93	.93
Using assertive persuasion	1.94	.90
Exhibiting professional integrity and sharing knowledge	1.98	.83
Developing a commission vision	1.98	.91
MC and clients inputs	2.03	.94
Demonstrating empathy with the client	2.07	.95
Work products and reports	2.17	1.00
Using rewards and punishments	2.33	1.24
Demonstrating technical expertise	2.59	.63

Source: Response data

The level of influence the management consultants have on assignments can be elaborated as shown on Table 4.4.1b. The table indicates that using tension and anxieties has a less significance on assignments with a difference of 94.41 confidence level. Using participation and trust at a less confidence level of 1 confidence level. Using assertive persuasion at a significant level of 1.04 confidence level. Demonstrating technical expertise with the highest confidence indicating that it has a influence on assignment at 1.96-confidence level.

4.4.2 Obstacles to Client-consultant relationship

Client-consultant relationship like any other relationship is likely to encounter obstacles at various stages from entry until exit. The purpose was to find out if they are obstacles to client-consultant relationships in the course of carrying out assignments.

Table 4.4.2: Obstacle to Client- Management Consultant Relationship

Factors	Strongly agree	Agree	Neither agree nor disagree	Disagree	Strongly disagree
	%	%	%	%	%
Clients may not have adequately formulate the problem and hence the MC is working on the wrong thing	54.3	30.4	4.3	0	0
The MC may not have sufficient understanding of the personality of the client or the culture of the organization to know whether set of recommendation are implementation	15.2	52.2	15.2	2.2	0
MC may not have established a trusting relationship therefore not getting the information required to understand problem	28.3	26.1	23.9	6.5	2.2
MC aiming mainly at proving solutions as opposed to training the client on diagnostic and problem solving skills	19.6	37.	17.4	13	2.2

Source: Response data

It is evident in Table 4.4.2 it is evident that there are various obstacles in the client-consultant relationship. 54.3% of the respondents strongly agree that clients may not adequately formulate the problem hence the MC is working on the wrong thing. 52.2% of

the respondents agree that the MC may not have sufficient understanding of the personality of the client or the culture of the organization to know whether the set of recommendations being implemented hence becoming an obstacle in the assignment. It is evident that the greatest obstacle in client-consultant relationship is the problem formulation by the client.

4.4.3 Non technical reasons that affect client-consultant relationship

In the literature review it was noted that client-consultant relationship is affected by non-technical reasons. The purpose of the question was to find out if the client-consultant relationships have problems for largely non-technical reasons.

Table 4.4.3: Non-technical reasons that affect client-consultant relationship

Factors	Strongly agree	Agree	Neither agree nor disagree	Agree	Strongly disagree
	%	%	%	%	%
Lack of effective communication about how the project will proceed	51.2	38.6	8.2	0	0
Improperly setting expectations too high or too low	36.8	34.8	15.2	2.2	0
Lack of the follow through on small yet important details	36.1	43.6	10.9	2.2	2.2
Under estimating project complexity or scope	30.4	34.8	13.2	2.2	4.3
Failing to understand users requirements	40.4	39.1	8.7	6.5	0

Source: Response data

Table 4.4.3 shows that 51.2% of the respondents strongly agree that lack of effective communication of how project will proceed is non-technical issue but will affect client-consultant relationship. 40.4% strongly agree that failing to understand the users requirements will be an obstacle in the relationship.

CHAPTER FIVE: SUMMARY, DISCUSION AND CONCLUSION

5.1 Summary of Findings

The atmosphere of the relationship is considered essential to understand and to manage client-consultant relationships (Roehrich and Spencer, 2001). The emerging challenges of globalization, new technologies and competitiveness required by firms to operate have lead to the increasingly important role of management consultancy firms. Management consultancy in Kenya has experienced a rather slow growth in comparison with some other professional services. It is generally accepted that how the consultant puts together the consulting process will affect the relationship with the client and consequently the success of the project. Management consultants should respect the preferences and interests of the client, while the client should respect work and effort of the consultant.

5.1.1 Client-Consultant Relationship as Perceived by Management Consultants

The study aimed at establishing the client-consultant relationship as perceived by management consultancy firms in Kenya. The study shows that most of the management consultancy firms are locally owned 63%. However there is a high presence of foreign owned firms at 30.5%. It is also indicative that most of the firms have been in existence for less than ten years (58%). It is likely that most of the local firms have been formed within the last 5 years. Further most of the firms had between 11-30 employees, which also indicates the nature of assignments taken by the management consultancy firms in Kenya and the likely influence they would have. It is also indicative that most of the management consultancies offer more than one service. However in response to the changing

environmental needs set by world wide trends in audit, most of the respondents are beginning to narrow down to only management consultancy at 45.7%. Management consultancies are mainly used in Non Governmental Organization and the private sector in terms of quantity. However there was an indication that in terms of value of assignments, the public sector provides the highest value assignments.

The beginning of the client-consultant relationship often coincides with the beginning of a project. There are three ways, or 'entry forms', for a consultant to join a client's project. First, the client can take the initiative of contacting the consultant. Another type of entry form, the consultant contacts the client. Finally, there is the case where the consultant is already working with the client on a project and identifies other problems beyond the scope of that project. A holistic view of the client organization facilitates this type of project initiation.

The study results show that management consultants mainly get assignments through already existing clients at 69.9%. This could be partially attributed to a lack of directory where new management consultants can be identified to compete for assignments. Further it would also show that firms are more comfortable working with the management consultancy firms that they are aware of in the market or have had a previous working relationship. This further echoed that a collaborative relationship (54.4%) and a relationship of trust (50.2%) are highly rated and preferred in assignments. It also indicated that the success in client relationship is tied to accumulation of quality experience. Other considerations in taking up assignments are based on price 54.3%, expertise 54% and past experience at 51%. Referral sources are also extremely important at 47.8% in taking up the

assignments. This shows that management consultancy assignments are mainly taken based on price, expertise and experience to accomplish it.

Clients do not wish to keep consultants in-house for too long for budget reasons. Project time varies, but usually a complex project may last for three years. The consultant tries to be vigilant about the client's business even between projects when it is not developing a solution with / for the client. During these periods, social exchange plays a crucial role. Informal contacts, visits to other clients, social events, or even personal contacts assure social continuity in these markets both during and in between economic transactions. The consulting firm is marketing its future projects by so doing. If the consultant returns to the client after a project is finalized, this may mean that the client became dependant.

The study shows that most the respondents (55.7%) consider social exchanges to be extremely important during the assignment. Taking into consideration that most management consultants enter into new assignment through already existing clients, then it becomes very important if they hope to return back to solve different problems or get new assignments.

5.1.2 Factors that Influence Client-Consultant Relationship

The second objective was to establish the factors that influence the relationship between the client and the management consultant. From the study findings competent consultants;

an emphasis on client results versus consultant deliverables; clear and well communicated expectations and outcomes; visible executive support; an adaptation to client readiness; an investment up front in learning the clients environment; defined in terms of incremental successes; real partnership with consultants; were evidenced as key factors. The client consultant relationship falters more often on issues of communication and agreement than on problems with fees or poor work (Voss, 1993). The open communication must proceed in two directions; being able to express yourself and being able to listen to the other party. The benefits are rarely equal. In practice this means assuring each side gets enough of what it wants to feel satisfied with the deal.

From the study it is evident in Table 4.4.1 that management consultants strongly agree 56.2% that by demonstrating technical expertise they influence the work of the client. Using participative approach and trust 39.4% also greatly influence. In all the variables only less than a quarter considered them not to influence the work of the client to disagree and strongly disagree (<20%). There are various obstacles in client-consultant relationship, this include the client not being able to adequately formulate the problem and hence the management consultant working on the wrong issues. This is very common with most respondents identifying it (54.35%). This affects the levels of influence of the management consultants. There are also situations where the management consultant may not have sufficient understanding of the personality of the client or the culture of the organization to know whether sets of recommendation are achievable in the prevailing circumstance. Another common obstacle is when the management consultant has not established a trusting relationship therefore not getting the information required to understand the

problem. The client-consultant relationship is also affected by non-technical issues like communication, expectation, follow up on details, project complexity and user requirements. The management consultants also perceived as indicated in the study that lack of effective communication about how the project will proceed greatly affect the client-consultant relationship (51.2%). The consultants also greatly agree that failing to understand users requirements will also affect the achievement of the assignment.

5.2 Suggestion for Further Studies

A study should be carried out to determine the client-consultant relationship from the perspective of the client. Other studies could be done to establish if customer service is a factor that influences the relationship of the client and management consultant. Another research would be to establish the competitive strategies adopted by management consultant in the search and maintenance of clients.

REFERENCE

Axelsson, Björn and Wynstra, Finn (2002), <u>Buying Business Services</u>, Chichester: John Wiley & Sons Ltd.

Barcus, S. W. and Wilkinson J. W. (Eds) (1986), <u>Handbook of Management Consulting Services</u>, McGraw-Hill, New York, NY

Blake, R. R. and Mouton, J. S. (1976), <u>Consultation</u>, Addison Wesley, Reading, MA

Block, P. (1981), <u>Flawless Consulting: a Guide to Getting Your Experience Used</u>, University Associates, San Diego, CA

Bower, M. (1982), "The forces that launched management consulting are still at work", <u>Journal of Management Consultancy</u>, Vol. 1 No. 1, pp. 4-6

Burke, W.W. (1994), <u>Organisational Development: a process of Learning and Changing</u>, Addison-Wesley, Reading, MA.

Bushe, G. R. and Gibbs, B.W. (1990), "Predicting organization development consulting competence form the Myers-Briggs type indicator and stage of ego development", <u>Journal of Applied Behavioral Science</u>, Vol. 26 No. 3, pp. 337-57

Canback, S. (1999), The logic of management consulting (part two)", <u>Journal of Management Consulting</u>, Vol. 10 No. 3, pp. 3-12.

Carney, A. and Varney, G. (1983), "Which skills spell success in OD?" <u>Training and Development Journal</u>, Vol. 37 No. 4, pp. 38-40

Carucci, R. A. and Tetenbaum, T. J. (2000), <u>The Value-Creating Consultant: How to Build and Sustain Lasting Client Relationships</u>, AMACOM, New York, NY

Church, A. H., Burke, W. W. and Van Eynde, D.F. (1994), "<u>Values, motives, and interventions of organization development practitioners</u>", Group and organization management, Vol. 19 No. 1, pp. 5-50

Church, A. H., Waclawski, J. and Burke, W. W. and Van Eynde, D.F. (1996), "<u>OD practitioners as facilitators of change; an analysis of survey results</u>", Group and organization management, Vol. 21 No. 1, pp. 22-66

Daily Nation Newspaper, March 9, 1999, Unga Group Incurs Sh 185 million loss, by Nation Correspondent

Dennis, K. (1997), "Close Company", Technology Marketing Intelligence, December, Vol. 17 No. 11, pp. 28-32

Di Maggio, P. J. and Powell, W.W. (1983) "The iron cage revisited: institutional isomprphism and collective rationality in organizational fields", American Sociological Review, Vol. 48, pp. 147-60

Drucker, P.F. (1997), ``Toward the new organisation", in Hesselbein, F., Goldsmith, M. and Beckhard, R. (Eds), The Organisation of the Future, Jossey-Bass, New York, NY, pp. 1-5.

Drucker, P.F. (1979), ``Why Management Consultants?", in Melvin, Z. and Greenwood, R.G. (Eds), The Evolving Science of Management, AMACOM, New York, NY

Drucker, P.F. (1979), ``Why management consultants?", Journal of Management science. Vol. 10, No. 3. pp 5-7

Easton, Thomas A. and Ralph W. Conant (1985), 'Using Consultants: A consumer's Guide for Managers', Chicago: Probus Publishing Company, 3-33.

Economic Recovery Strategy for Wealth and Employment Creation (ERSWEC), 2003-2007, Government Printer, Nairobi

Economic survey (2003), Republic of Kenya (various issues, Government Printer, Nairobi

Fagenson, E. A. and Burke, W. W. (1990), "Organisational development practitioners' activities and interventions in organizations during the 1980's", Journal of Applied Behavioral Science, Vol. 24, No. 1, pp. 37-59

Ford, D. (1982), "The Development of Buyer-Seller Relationships in Industrial Markets", in Häkansson H. (ed.) International Marketing and Purchasing of Industrial Goods. An Interaction Approach, John Wiley & Sons, Ltd : 288-303.

Fuchs, Jerome, H. (1975), Making the Most of Management Consulting Services, New York: AMACOM

Fullerton, J. and West, M. A. (1996), "Consultant and client – working together", Journal of Managerial Psychology, Vol. 42 No. 6, pp. 40-9

Gable, G. G. (1996), "A multidimensional model of client success when engaging external consultants", Management Science, Vol. 42 No. 8, pp. 1175-98

Garrat, S. (1991), How to be a Consultant?, Gower Publishing Company Limited, Brookfield, VT

Gattiker, U. E. and Larwood, L. (1985), "Why do clients employ management consultants", Consultation, Summer, pp. 119-29

Greiner, L. E and Metzger, R.O. (1983), Consulting to Management, Prentice Hall, Englewood Cliff, NJ

Guillen, M. (1994), Models of Management: Work, Authority and Organisation in a Comparative Perspective, University of Chicago press, Chicago, IL

Hagedorn, H. J. (1982), "The anatomy of ideas behind a successful consulting firm", Journal of Management Consulting, Vol. 1 No. 2, pp. 151-76

Hanan, Mack,(February 1988), "How to Become Consultative". Agency Sales Magazine, New York AMACOM

Hamilton, E. E. (1988), "The facilitation of organizational change: an empirical study of factors predicting change agents' effectiveness, Journal of Applied Behavioural Science, Vol. 24 No. 1, pp. 37-59

Häkansson, H. (1982), "The Swesteel Case", in Häkansson H. (ed) International Marketing and Purchasing of Industrial Goods. An Interaction Approach, John Wiley
& Sons, Ltd : 74-80.

Hasek, G. (1997), "The era of experts", Industry week, Vol. 246 No. 10, pp 60-7

Ikiara, M.S (2000). An overview of Kenya's Trade in Services. Kenya Institute of Public Policy Research Analysis, Nairobi

Kaye, Harvey, (1998), Inside the Technical Consulting Business. John Wiley and Son Inc.

Kiplagat E. K. (1997). "A survey of the use of decision tools: The case of management consultants in Nairobi" Unpublished MBA thesis, University of Nairobi, Kenya

Kolb, D. and Frohman, A. (1970), "An organization development approach to consulting", Sloan Management Review, Vol. 12 No. 1, pp. 51-65

Lippitt, G. and Lippitt, R. (1978), The Consulting Process in Action, University Associates, La Jolla, CA

Margulies, N. and Raia, A (1972), Organisational Development; Values, Process, and Technology, McGraw-Hill, New York, NY

Micklethwait, J. and Wooldridge, A. (1997), The Witch Doctors, Heinemann, London

McDaniel, James W. (Spring 1991), "A proposal for Consultant –Client Relationships", Winona State University, http://www.winona.msus.edu/library/databases.html (June 3, 2000)

McLean, G. N. and Sullivan, R. L. (1993), "Essential competencies for internal and external OD consultants", in Golembiewski, R.T. (Ed.), Handbook of Organisational Consultation, Marcel Dekker, New York, NY, pp. 573-8

Mbaluka G. S. (2005). "Factors influencing the choice of management consultancy firms by large manufacturing firms in Nairobi". Unpublished M.B.A Thesis, University of Nairobi, Kenya

Nees, D. B. and Grenier, L. E. (1985), "Seeing behind the look-alike management consultants", Organisational Dynamics, Vol. 13, Winter, pp. 68-79

O'Driscoll, M. P. and Eubanks, J. L. (1993), "Behavioural competencies, goal setting, and OD practitioner effectiveness", Group and Organisational Management, Vol. 18 No. 3, pp. 308-27

Odette, D. N. (1982). "Management consultancy in Kenya". Unpublished M.B.A Thesis, University of Nairobi, Kenya

Opondo, G. (1988). "A survey of how management consultancy firms in Kenya Market their firms". Unpublished M.B.A Thesis, University of Nairobi, Kenya

Proença, J. and de Castro, Luís M. (2000), "Cross Boundary Relationships in

Portuguese Banking and Corporate Financial Services", <u>International Journal of Bank Marketing,</u> 18 (7): 338-346.

Roehrich, Gilles and Spencer, Robert (2001), "Relationship Atmosphere: Behind the smoke-screen", <u>Proceedings of the 17th IMP Conference</u>, Oslo, Norway.

Rynning, M. (1992), "Successful consulting with small and medium-sized vs large clients: meeting the needs of the client?", <u>International Business Journal</u>, Vol. 11 No. 1, pp. 47-60

Smith, M. (2002), "What client employees say about consultants", <u>Leadership & Organisation Development Journal</u>, Vol. 23 No. 2, pp. 93-103

Schein, E.H (1987) "<u>Process Consultation</u>, Volume II, Addison-Wesley, Reading (MA)

Schein, E. H. (1990), <u>Process Consultation</u>: Volume 1: Its Role in Organisational Development, Addison-Wesley, Reading, MA

Schein, E.H (1997) "The concept of 'client' from a process consultation perspective", <u>Journal of Organizational Change Management</u>, Vol. 23 No. 2, pp. 93-103

Shenson, H. and Nicholas, T. (1997), <u>Consulting Success, 3rd ed.</u>., Dearborn Financial Publishing Inc.., Chicago, IL

Shephard, K. and Raia, A. (1981), "<u>The OD training challenge</u>", Training and Development Journal, Vol. 35 No. 4, pp. 91-5

Van de Ven, A.H., Emmit, D.C., and Koenig, R. (1975), "<u>Frameworks for Inter-organisational analysis", in Interorganizational Theory</u>, Ken State University Press, Kent, Ohio.

Voss, Bristol (1993), I know you think you understood what you thought I said….." The <u>Journal of Business Strategy</u>, v14n4

Vogl, A.J. (1999), "Consultants….in their clients' eyes", <u>A cross the Board</u>, September, pp. 26-32

Warwick, D. and Donovan, T. (1979), "Surveying organizational development skills", <u>Training and Development Journal</u>, Vol. 33 No. 9, pp. 22-25

Wilkinson, J. W (1995), " What is management consulting?", in Barcus, S.W. and Wilkinson, J.W. (Eds), Handbook of Management Consulting Services, McGraw-Hill, Blacklick, OH, 2nd ed.., pp. 1-16

Appendix i

List of Management Consultancy firms

1.   Acacia Consultants Ltd
2.   African Development &
3.   Industrial Promotion Consultants
4.   Breldan Consultants Ltd
5.   Apex Africa Consulting Ltd
6.   Gordon Melvin & Partners Hse
7.   Bookman Consultants Ltd
8.   CODA Consulting Group
9.   DCDM Consulting (EA) Ltd
10. Capital Preserve Consultants
11. Equator Advisory Services Ltd
12. Executive Consultants Ltd
13. ET C East Africa Consultants
14. Fine Line Systems & Management Ltd
15. HACCP International Africa Ltd
16. HLB Zainash Consulting ltd
17. IQ Consultants ltd
18. Josem Trust Co ltd
19. Karumasi Consultancy ltd
20. Matrix Development Consultants
21. Makeni & Mutua Associates
22. Stan Business Consortium
23. Menta Consultants Ltd
24. PK F Consulting ltd
25. Primal Consultants ltd
26. University of Nairobi Enterprises & Services Ltd (UNES)
27. KPMG
28. Deloitte & Touche

29. GACHANGA & ASSOCIATES

30. Osano & Associates

31. PKF, KLSA Pannel Kerr Forster

32. Ernst & Young

33. Githongo & Company

34. Jowan Associates

35. Kangethe & Associates

36. HLB Ashvir

37. Pricewaterhouse Coopers

38. Afrinet Commerce Ltd (e-sokoni)

39. Crown Agents

40. Health Access Ltd

41. SPA Infosuv East Africa Ltd

42. Getso Consultants Ltd

43. Corat Africa

44. Belion Business Associates

45. Bockrest Gen. Enterprises Ltd

46. Motivator Enterprises

47. Kenya Productivity Institute

48. Infowin

49. PIE Consultancy

50. TK Consulting Ltd

51. Strategic Options

52. Achievers Ltd

53. Resource Associates Ltd

54. Adept Systems

55. Aequitas Management Ltd

56. African Management Services Co.

57. Agency for Development Education & Communication (ADEC)

58. Almaco Management Consultantants

59. Ashley Management Consultants

60. Armstrong & Duncan

61. Askim Management Consultants

62. Astrads Management Services

63. Capacity Development Africa

64. Chart Management Consultants

65. Comcraft Kenya Ltd

66. Continous Improvement Management Services

67. Dafina Consultants Ltd

68. Format Management Services

69. Globofam Consultants

70. High Growth Management Consultants Ltd

71. Maer Associates

72. Progress 2000 Ltd

73. Promin Consultants Ltd

74. Setpoint Associates Consultants

75. Sheerlogic Management Consultants Ltd

76. Strategic Consultants Ltd

77. Top Edge Consultants

78. Westlands Management Consultant

79. Zedesen Associates

80. Strategic Business Options

Appendix ii

Letter of Introduction

August 2006

Dear Respondent

MBA RESEARCH REPORT

The questionnaire is designed to gather information on the client-consultant relationship in Management consultancy firms in Kenya. This stud y is being carried out for management project paper as a requirement in partial fulfillment of the degree of Masters in Business Administration, University of Nairobi.

Your response will be treated in strict confidence and no instances will your name be mentioned in the report.

Your cooperation and support will highly be appreciated.

Yours faithfully,

....
WANYONYI EDWIN W.   JACKSON MAALU
MBA STUDENT   PROJECT SUPERVISOR

Appendix iii

Questionnaire

Please answer the following questions by placing a tick (√) in the spaces provided and/or giving details as may be requested. If in any question, the alternatives provided are not exhaustive, provide your responses under 'others'.

The questionnaire would appropriately be completed by the managing consultant (or head of consultancy department).

Designation of Respondent: ....

Section A

1. Name of Organization (*optional*)...

2. What is the ownership structure of your firm?

    Local   { }   Foreign   { }   Partly locally and foreign owned { }

3. Years of operation:

Less than 3 years	less than 5 years;	less than 9years;	more than 10 years

4. How many employees are there in the Kenyan establishment of your firm?

1-10	11-30	31-50	Above 51

5. Does your firm carry out other services apart from management consultancy?

    Yes { }   No { }

6. If *Yes* please specify ....

7. Most of your clients are from which sector:

    Public Sector   { }   Private   { }

    Non governmental organizations   { }   Other organizations   { }

Section B

8. How do you enter into management consultancy services/assignments? (tick)

i) Client contacts MC	ii) MC contacts client	iii) MC already working with the client and identifies other assignment	iv)Bidding for jobs through tenders, quotations	v) Others

9. Which of the above assignment approaches do you prefer
....

10. The following are considered in mapping out the network of relationships in which the management consultant will operate. Which ones do you and to what extent.

Factors	Very great extent	Great extent	Moderate extent	Little extent	Not at all
	5	4	3	2	1
i) Person holding the real power for making decisions related to the assignment					
ii) Person(s) with main interest in the success or failure of the assignment					
iii) A person who should be kept informed					
iv) Identify a person whose direct collaboration is essential					
v) Others (specify)					

11. The following provides the roles and methods of interventions in the client-management consultant relationship. Which one expresses how important or unimportant the intervention is?

Factors	Extremely important	Somewhat important	Neither Important nor unimportant	Somewhat unimportant	Not at all important
	5	4	3	2	1
i) Collaborative relationship					
ii) A knowledge based relationship					
iii) Relationship of trust					
iv) Focus on client rather than self					
v) Believe that a continued focus on					

	problem definition and resolution is more important than technical and content mastery					
vi)	Motivated by an internal drive to do the right thing than organizations rewards and dynamics					
vii)	Believe that success in client relationship is tied to accumulation of quality experiences					
viii)	Believe that both selling and serving are aspects of professionalism					
ix)	Believe that there is a distinction between business life and private life					
x)	Others (specify)					

12. The following are categories of client-management consultant relationships. Which ones do you consider and to what extent?

Factors	Extremely important	Somewhat important	Neither Important nor unimportant	Somewhat unimportant	Not at all important
	5	4	3	2	1
i) Achieving organizational purpose and objectives					
ii) Providing information to the client					
iii) Solving clients problems					
iv) Making diagnosis, which may necessitate of the problem					
v) Making recommendations based on the diagnosis					
vi) Assisting with implementation of recommended actions					
vii) Building a consensus and commitment around a corrective action					
viii) Facilitating client learning					
ix) Permanently improving organizational effectiveness					

13. The following are key factors in taking up MC assignments. Which ones do you consider important or unimportant

Factors	Extremely important	Somewhat important	Neither Important nor unimportant	Somewhat unimportant	Not at all important
	5	4	3	2	1
Price					
Expertise					
Past experience					
Image/reputation					
Perceptions and expectations					
Control of the process (clear assignments)					
Clear agreement concerning requirements					
Government regulations					
Value evaluation					
Bureaucracy					
Advertising					
Referral sources					
Others (specify)					

14. How do you maintain your relationships in the firms you have worked in

Factors	Very great extent	Great extent	Moderate extent	Little extent	Not at all
	5	4	3	2	1
Social exchanges					
Creating dependency arrangement					
Returning back to solve different problems					

15. How does the management consultant influence their work with the client? Please indicate how strongly you agree or disagree with the statement indicating by ticking only the number which best represents your level of agreement

Factors	Strongly agree	Agree	Neither agree nor disagree	Disagree	Strongly disagree
	1	2	3	4	5
Demonstrating technical expertise					
Exhibiting professional integrity and sharing knowledge					
Demonstrating empathy with the client					
Work products and reports					
MC and client inputs					
Using assertive persuasion					
Developing a commission vision					
Using participation and trust					
Using rewards and punishments					
Using tensions and anxieties					

16. What are the obstacles to client-management consultant relationship? Please indicate how strongly you agree or disagree with the statement indicating by ticking only the number which best represents your level of agreement

Factors	Strongly agree	Agree	Neither agree nor disagree	Disagree	Strongly disagree
Client may not have adequately formulated the problem and hence the MC is working on the wrong thing					
The MC may not have sufficient understanding of the personality of the client or the culture of the organization to know whether set of recommendations are implementable					
MC may not have established a trusting relationship, therefore not getting the information required to understand problem					
MC aiming mainly at providing solution as opposed to training the client on diagnostic and problem solving skills					
Others (specify)					

17. Most client-management consultant relationships have problems for largely non-technical reasons. Please indicate how strongly you agree or disagree with the statement by ticking only the number which best represents your level of agreement

Factors	Strongly agree	Agree	Neither agree nor disagree	Disagree	Strongly disagree
	5	4	3	2	1
Lack of effective communication about how the project will proceed					
Improperly setting expectations too high or too low					
Lack of follow through on small yet important details					
Under estimating project complexity or scope					
Failing to understand user requirements					
Others (specify)					

Thank you for your cooperation.

73