

## **Book Reviews**

history of the accounting field in Sweden and explains how accounting firms have come to be carriers of management knowledge. Again, however, we gain little insight about how management knowledge is actually created.

In their concluding chapter, the editors highlight some implications of the research contained in their volume. They point to the self-sustaining nature of management carriers and knowledge. They rightly caution us to attend not only to the forces that drive homogeneity of management practices but also to those that lead to variation: the ambiguity of labels, the process of translation, the significance of context, and the political processes inherent in management expansion. Finally, they direct our attention to the impact of management expansion: the increasing importance for all to be able to speak the language of management and the reciprocal effects of management knowledge expansion and institutional change. They conclude their volume by urging more comparative historical studies.

It is perhaps inevitable that an edited volume with such an ambitious scope will fall short of answering the questions it set out to address. By the end of the book, readers are indeed left with more questions than answers. This is less a criticism of the volume itself than a reflection of the state of the literature on the topic. But more descriptive historical accounts, on their own, are unlikely to satisfy organizational scholars, in large part because this volume has already provided us with an excellent collection of these. While this book provides us with ample motivation, direction, and insights, few of the chapters offer rigorous, large-scale, empirical analysis. Perhaps, in addition to more comparative historical work, the many interesting models, frameworks, and observations found in this volume could be subjected to some integration, synthesis, and quantitative testing.

### **Robert J. David**

Faculty of Management  
McGill University  
Montreal, Canada H3A 1G5

### **Management Consulting: Emergence and Dynamics of a Knowledge Industry.**

Matthias Kipping and Lars Engwall, eds. Oxford: Oxford University Press, 2002. 267 pp. £45.00.

In discussions on the purpose of business schools, I observe two opposing perspectives. In the first perspective, business schools are seen as academic institutions aiming at the creation of fundamental management knowledge and its dissemination. The second perspective highlights business schools as providing experiential management knowledge and is closely linked to management practice and management consulting. The ongoing discussion on business schools' orientations in terms of their "relevance" for practice reflects that it is not easy to reconcile both. Proponents of each of the two perspectives, however, claim to be involved in acquiring knowledge about management and

organizations. As management scholars, I guess, we feel uncomfortable with the scientific knowledge claims of the second perspective. This tension raises several interesting questions. For example, what is management knowledge? Is the production of management knowledge the exclusive task of management scholars, or are other producers, like managers and management consultants, also involved? What do we as management scholars know, after all, about the management consulting industry and its contribution to management practice, new management ideas, and eventually management knowledge? *Management Consulting* will attract readers who are interested in these questions.

The book aims at examining the emergence and dynamics of consulting as a knowledge industry in which management knowledge is the main product sold or disseminated by management consultancies. The analysis is based on a framework addressing three levels of analysis: the industry, the firm, and the project. At each of these three levels, the role of structure, interaction, and knowledge is investigated. The book consists of three parts, each focusing on one of these levels of analysis. Each part contains chapters by scholars of various European countries that deal with both conceptual and empirical issues. The empirical research reported is mainly based on case studies. In chapter 1, Engwall and Kipping introduce the topic of the book, discuss the overall framework, and introduce the three parts and their chapters. In their introduction, the editors emphasize that the consultancy industry is part of a more encompassing management knowledge industry in which academic institutions, media companies, and managers of organizations operate.

Part 1 addresses the consulting industry from a historical perspective. The chapters in this part highlight that the gradual establishment of consultancies as recognized and legitimate knowledge carriers in different national environments was not easy. For example, Henry shows in chapter 2 how consultants in France gradually acquired the "symbolic capital" that enabled them to become legitimate advisors. Graduates of the leading engineering schools or "Grand Ecoles" became involved in the private sector as consulting engineers more than 150 years ago and dominated the field. After the Second World War, however, consultancies became more prominent. In chapter 3, Engwall, Furusten, and Walterstedt investigate the increasing separation between academia and consultants in Sweden. To this end, they describe two cases: one of an academic scholar who became a practical generalist over time, and another of a practical generalist who became, over time, an academic. Chapter 4, by Karsten and Van Veen, describes the emergence of management consultancies in the Netherlands in the 1950s and 1960s, highlighting the impact of the Marshall Plan of 1947 and the U.S. program of technical assistance launched in the 1950s on the emergence of the institutionalized field of consultancy. The Dutch government played a remarkable role in the construction of this field: consultants were involved in the realization of government policies. In chapter 5, Ainamo and Tienari analyze why and how local Finnish consultancies were able to resist the U.S.-based global consultancies for so long. This

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historical account of the rise and fall of the Finnish version of management consulting illustrates how this fall, among others, is due to factors in the Finnish business environment, like abolishing limits on foreign ownership and the invasion of American-based consultancies.

Part 2 addresses the firm level, and four chapters focus on how consultancy firms generate, store, and transfer their knowledge internally. Werr compares the systems of knowledge management in a large and a small internal consultancy in Sweden in chapter 6. The comparison is based on interviews conducted in connection with simulating the writing of a consultant's proposal. The author investigated the sources of knowledge for writing the proposal, such as previous experiences and summaries of old cases, and established a scale effect in knowledge management. For both consultancies, however, the application of previous experience to new, specific directions and contexts appeared to be crucial. In chapter 7, Crucini analyzes human resource and other practices, in particular, the selection of new consultants in Italy. This chapter makes clear that recruitment is a very important part of the knowledge base of a consultancy. Management gurus are the topic of chapter 8, by Clark and Greatbatch. Based on interviews with five contemporary management gurus, they investigate how collaborative relationships make an important contribution to the creation and popularization of the ideas of gurus. In these collaborative relationships, book editors, as well as managers with whom gurus have had consultancy assignments, appeared to play a crucial role. In chapter 9, Faust elaborates how media are used to establish the reputation of consultancies in Germany. Consultants use a variety of media and arenas for this purpose. An analysis of articles published in one of Germany's leading monthlies for business practitioners reveals that consultants play a dominant role as "cited experts." It appears that consultancies actively seek to make contact with these journals.

Of the four chapters in part 3, the first two examine the relationship between consultants and managers at a general level, and the next two contain detailed case studies of consultancy interventions. In chapter 10, Kieser argues that because consultancies are the main producers of management concepts, some of which succeed in becoming management fashions, consultants are able to create a demand for their services. By doing so, consultants exploit managers' need to achieve control and make them dependent on their services as "marionettes on the strings of management fashions" (p. 176). The encompassing conceptual analysis and the interesting framework used to explain the growth of consultancy services suggest that consulting is "addictive." Chapter 11, by Wright, complements the preceding chapter by investigating the evolution of consultancy-client relationships in Australia from the 1940s to the 1990s. During this period, three stages are evident: consulting activities related to scientific management, strategy, and information technology. The analysis reveals that consultancies are faced with severe fluctuations in the demand for their services and have to convince both management and internal stakeholders that firms cannot perform the services by themselves. This chap-

ter emphasizes the intraorganizational resistance to the consultancies' role as external change agents, a topic that Kipping and Armbruster explore in more detail in the next chapter. They argue that the ambiguous reactions to consultancies result from the benefits and burdens of the "otherness" of consultancies. Several cases illustrate the limits of what consultancies can achieve in terms of implementation. In the final chapter, Gammelsaeter views managers and consultants as internally and externally embedded actors, respectively, and investigates the implication of such a perspective for the implementation of organizational changes in two Norwegian firms. One case deals with implementing a multidivisional form and the other with introducing business process reengineering. The author argues that the implementation process and the resulting outcome can be explained by combining the insights of "old" and "new" institutional theories.

This book has several strong points. The topics selected and the perspectives used in analyzing them are attractive. The book avoids both a pro-consultancy perspective (consultants as professionals helping needy clients) and a strongly negative perspective; it tries to investigate what goes on in the consultancy industry. The book is well structured and edited and is organized around a simple framework covering three levels of analysis. Furthermore, the book provides new and attractive empirical insights, particularly from a historical and cross-country approach. But the book also has several limitations. Firstly, the empirical contributions somewhat outweigh the theory used to explain phenomena. For example, the book lacks a definition and even a brief description of its central construct, management knowledge. Furthermore, the majority of the chapters, including the introductory chapter, do not make use of theoretical lenses to provide a broader context for the empirical insights. Secondly, there is no concluding chapter, with recommendations for future research. Building on the contributions in the book, I therefore suggest the following research priorities. First, scholars should investigate and define the management knowledge construct, including its key attributes, and how experiential and fundamental management knowledge are related to each other, using several theoretical lenses. I expect that institutional theory, network theory (e.g., Hansen, 2002), the managerial cognition literature, and, in particular the resource-based theory of the firm (Penrose, 1995; Van den Bosch and Van Wijk, 2001) will be helpful. Second, these theories should be used to investigate the managerial and organizational processes involved in the production of experiential management knowledge. Third, research should investigate the impact of consultancies' services on clients' competitive advantage. This book should be required reading for scholars doing research related to management knowledge, knowledge-intensive firms, and consultancies; for consultants, to reflect on the historical development of the consultant's job and on how the present focus of consultancies on the exploitation of management knowledge will influence the development of their industry; and for practitioners, to enable them to think about if, when, and for what purpose consultants must be involved in their business.

**Frans A. J. Van Den Bosch**

Department of Strategy and Business Environment  
Erasmus Research Institute of Management  
Rotterdam School of Management  
Erasmus University  
Rotterdam, the Netherlands

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**The Blackwell Handbook of Organizational Learning and Knowledge Management.**

Mark Easterby-Smith and Marjorie A. Lyles, eds. Malden, MA: Blackwell, 2003. xx + 676 pp. \$99.95.

Once upon a time the publication of an edited handbook constituted a landmark event that brought together the world's leading authorities within a major field of study to map out the territory, reflect comprehensively on the main theoretical, methodological, and empirical developments that had occurred from the field's inception, drawing out, where necessary and appropriate, the implications for practice, and giving clear pointers to where the field might move next, say, over the coming two decades or so. Dunnette's (1976) handbook, which remains a citation classic some thirty years on (despite there having been a four-volume second edition little over a decade ago) is in many ways a prototypical exemplar of handbooks falling within this genre, as is March's (1965) handbook, which made the initial statement of what organization theory is.

Regrettably, over recent years, the pressures of commercialization confronting academic publishers has led to a mass proliferation of "handbooks" on just about every topic under the sun; subjects that once would have occupied at most two to three related chapters within the confines of a much larger work are now emerging with breathtaking frequency in large tomes of their own. This is not to decry genuine scholarly advancement; inevitably, with the passage of time, what commence as niche topics within particular disciplines and interdisciplinary fields will evolve into new fields and sub-fields of study in their own right, a highly welcome trend. Yet the sheer range and quantity of volumes that have emerged in management and organization studies over the past 10–15 years must surely lead one to question the extent to which these contributions are genuinely worthy of the title handbook. In population ecology terms, what we are arguably now witnessing is niche-density proliferation, the tendency for hitherto lucrative niches (in this case, an intellectual product) to become overpopulated, such that what started as

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