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Theorizing the client—consultant relationship from the perspective of social-systems theory — Source link

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Published on: 01 Jan 2011 - Organization (SAGE Publications)

Topics: Social system, Systems theory and Autopoiesis

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DOI: https://doi.org/10.1177/1350508409353834

Originally published at:
Mohe, Michael; Seidl, David (2011). Theorizing the client-consultant relationship from the perspective of social-systems theory. Organization, 18(1):3-22.
DOI: https://doi.org/10.1177/1350508409353834

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Paper to be cited as follows:

Mohe, M and Seidl, D. (2011) "Theorizing the client-consultant relationship from the perspective of social-systems theory". *Organization* 18:3-22.

Theorising the client–consultant relationship from the perspective of social-systems theory[i]

Abstract

Over the last few years research on management consulting has established itself as an important area in management studies. While, traditionally, consulting research has been predominantly a-theoretical, lately researchers have been calling for an exploration of different theoretical approaches. This paper has been written in response to these calls. It explores a new perspective for theorising the client–consultant relationship based on the theory of social systems by Niklas Luhmann. According to this approach, clients and consultants can be conceptualised as two autopoietic communication systems that operate according to idiosyncratic logics. They are structurally coupled through a third system, the so-called 'contact system'. Due to the different logics of these systems, the transfer of meaning between them is not possible. This theoretical position has interesting implications for the way we conceptualise consulting, challenging many traditional assumptions. Instead of supporting the client in finding solutions to their problems, this perspective emphasises that consulting firms can only cause 'perturbations' in the client's communication processes, inducing the client system to construct its own meaning from it.

Keywords: Autopoiesis; Consulting; Client–Consultant Relationship, Theory of Social Systems

Introduction

In the last two decades the topic of management consulting has been attracting increasing scholarly attention (Clark and Fincham, 2002; Kipping and Engwall, 2002; Glückler and Armbrüster, 2003; Shugan, 2004; Armbüster, 2006; Clark et al., 2007). Not only is there a growing number of books, articles, conferences and special issues on management consulting, but management consulting is also becoming an established topic in the curricula of business schools (Mohe, 2005; Richter and Schmidt, 2008). One reason for the increasing attraction of this topic might be the growth of the management consulting industry in continental Europe during the 1990s. While the total turnover of consulting companies across Europe was 24.7 billion euros in 1998, this figure more than tripled to an estimated 82.9 billion euros in 2007 (FEACO, 2007). In view of this, management consultancies are now considered one of the most important suppliers of new management ideas and practices (Kieser, 2002; Armbrüster and Glückler, 2007) and to have a very high degree of influence in society (Clark et al., 2007; Mohe, 2008).

The literature on consulting is highly diverse and includes several fruitful attempts at theorising various topics in management consulting. The client–consultant relationship is widely considered a key to successful consultation (McGivern, 1983; Fullerton and West, 1996; Sturdy, 1997; Fincham, 1999; Karantinou and Hoog, 2001; Gammelsaeter, 2002; Fincham, 2003; Werr and Styhre, 2003; Appelbaum, 2004; Kakabadse et al., 2006). In line with that, different aspects of the client–consultant relationship have been addressed; in particular, the interaction between client and consultant (e.g. Bennett and Robson, 1999; Fincham, 1999; Pellegrinelli, 2002; Werr and Styhre, 2003; MacDonald, 2006), the dispersion of power (e.g. Bloomfield and Best, 1992; Sturdy, 1997; Fincham, 2003), the different roles in the consulting process (e.g. Schein, 1988; Brown, 1999; Williams, 2001; Kaarst- Hislop, 2002; Kakabase et al., 2006) and the knowledge transfer between consultant and client (e.g. Ko et al., 2005; Handley, et al., 2007).

While the literature on management consulting has traditionally been predominantly 'a-theoretical' (Sturdy et al., 2004, p. 337) researchers have lately been calling for the exploration of the fruitfulness of different theoretical approaches (e.g. Werr and Styhre, 2003; Armbrüster, 2006). To theorise the client–consultant relationship, researchers have variously drawn on role theory, agency theory, social network theory, rites theory, situated learning theory and the theories of otherness and parasites, all of which treat the 'difference' between clients and consultants in different ways. 'Inspired' by Niklas Luhmann's theory of social systems (1995), Kieser (2002; Kieser and Wellstein, 2008) recently brought a new perspective into the debate, which takes the difference between consultant and client to the extreme. From this perspective, consultants and clients operate according to entirely different logics because of which no transfer of meaning between the two parties is possible. This theoretical position has very interesting implications for the way we conceptualise consulting, and challenges many traditional assumptions.

In this article, we want to explore to what extent this particular systems-theoretical line of reasoning can help us advance our understanding of the client–consultant relationship. Given the uniqueness of Niklas Luhmann's approach, who has been recognised as ranking 'amongst the most influential social thinkers of the twentieth century' (Hernes, 2008, p. 78), this exploration is likely to lead to a host of new insights. In line with his general approach, we will spell out the different 'logics' of the consultant and client systems and, based on that, identify the 'windows' that allow mutual influence. Kieser (2002; Kieser and Wellstein, 2008), being interested mainly in the idea that consultants can act as mediators in the science–practice interface, has only provided a rough sketch of the application of social-systems theory to the client–consultant relationship. In order to appreciate the theory's full potential, it is necessary to provide a more thorough account of its central tenets. Apart from a descriptive account of the client–consultant relationship we want to discuss the implications of the theory for consulting practice, outlining a 'systemic consulting approach'. Such an approach would have to acknowledge the different logics of the systems involved and the impossibility of any direct transfer of meaning.

The paper is structured into six sections. After this introduction we will provide a review of the different theoretical approaches in the literature on the client–consultant relationship. In the third section we will introduce Luhmann's theory of social systems in general and explain how it applies to our specific topic. In the fourth section we will describe the implications for the conceptualisation of consulting intervention: consulting as a 'perturbation'. In the fifth section we will describe the implications of this approach for consulting practice. We conclude with a discussion of the fruitfulness of this approach and its implications for consulting research.

Central theoretical approaches for analysing the client–consultant relationship – a review of the literature

As mentioned in the introduction, research on management consulting has been predominantly a-theoretical. However, over the last few years researchers have increasingly been drawing on a variety of different theories. In this section we will review the main theoretical perspectives: role theory, agency theory, social network theory, rites theory (liminality), situated learning theory, psychoanalytic theory and the theory of otherness/parasites.[ii] Our focus will be on the different ways in which they conceptualise the 'difference' between consultant and client and the bridging mechanisms suggested.

One of the most prominent theoretical approaches in the relevant literature is *role theory*, which is drawn upon to identify, explore and describe different roles of clients and consultants. A prominent example is Schein's (1988) conceptualization of the client-consultant relationship in analogy to the relationship between doctor and patient. We should note that there are numerous accounts of different consultant and client roles in the literature (e.g. Kaarst-Brown, 1999; Williams, 2001; Hislop, 2002) impossible to describe in detail here. Typically, it is assumed that client and consultant perform different roles, as a result of their individual modes of socialisation, organisational contexts, competencies, power positions etc. This difference may give rise to various conflicts between the two parties. Thus, identifying the different role sets of clients and consultants enables us to discuss the possibility of matching alternatives for developing ‘a sound relationship’ (Kakabadse et al., 2006, p. 491). However, role concepts have variously been criticised for leading to idealised and simple one-to-one models that are unable to capture the complexity and dynamics of the client–consultant relationship (Pellegrinelli, 2002). In particular, many researchers have argued against stereotyping the roles of client and consultant as the dependent versus the superior party respectively (e.g. Sturdy, 1997; Fincham, 1999; Czarniawska and Mazza, 2003; Kitay and Wright, 2004).

Another theory researchers have drawn upon to analyse the client–consultant relationship is *agency theory* (e.g. Gallouj, 1996; Sharma, 1997; Fincham, 2003). Agency theory emphasises the information asymmetries and goal divergences between the client as the principal and the consultant as the agent. More precisely, researchers have analysed the scope for opportunistic behaviour on the part of the consultant as a result of having an information edge over the client. Accordingly, clients have to develop mechanisms for reducing the so-called ‘agency costs’, i.e. the costs associated with the consultant’s potential for opportunistic behaviour. These mechanisms are geared towards reducing the difference in information and/or in goal orientation between the two parties. This typically includes measures such as different forms of monitoring in order to reduce the information asymmetry, or specific contractual arrangements, e.g. pay for performance, to align the consultant’s goal orientation to that of the client. Like role theory, agency theory captures the notion that the client–consultant relationship is based on specific differences that affect the way the two parties interact. However, it is a very selective view: not only does it focus merely on information and goal differences but it also limits the analysis to the principal’s perspective.

A more holistic approach to analysing the client–consultant relationship has been offered by authors who have mobilised *social network theory* and the *concept of embeddedness*, respectively. Kitay and Wright, for example, refer to the organisational boundaries between client and consultant and state that ‘problems appear to arise when client and consultant have different expectations or understandings of what is required for a particular task’ (Kitay and

Wright, 2004, p. 15). One possibility for crossing these boundaries are ‘social ties, in which the formal boundaries become less distinctive’ (Kitay and Wright 2003, p. 24). Similarly to role theory and agency theory, this approach emphasises the differences in context between client and consultant. However, in contrast to the other two approaches, it does not regard consultants as pure ‘outsiders’ (i.e. external providers of advice) but also as ‘insiders’ who ‘become “embedded” within the fabric of the client enterprise for greater or lesser periods of time’ (Kitay and Wright, 2004, p. 12). In another study that draws on network theory Werr and Styhre (2003) analyse how the institutional setting (social norms, shared beliefs, ideologies) determines the form of the client–consultant relationship. They write:

> [T]he client–consultant relationship emerges out of an interplay between the characteristics of a specific situation and the actors present. An institutionally embedded perspective of client–consultant interaction therefore “deessentializes” the relationship. (Werr and Styhre, 2003: 50)

Accordingly, client and consultant roles are conceptualised as not predefined a priori, but rather as open-ended and flexible. On the basis of the assumption that ‘the network organization is continuously adapting to its environment and is open towards external influences’ (Werr and Styhre, 2003, p. 51), the network perspective suggests that the boundaries between insider and outsider dissolve.

A somewhat different approach has been put forward by scholars who have drawn on the *theory of rites* and the *concept of liminality* in particular. In the theory of rites, liminality stands for the social space that is ‘betwixt and between the original positions arrayed by law, custom, convention and ceremony’ (Turner, 1969, p. 95). Analogously to adolescents in traditional societies, who pass through a liminal space in order to become accepted amongst the adults, consultants are seen as passing through liminal spaces ‘betwixt and between’ the consultant firm and the client organisation. Czarniawska and Mazza (2003) describe three phases of liminality: first, the consultants get separated from their previous social life, because they are temporarily absent from the consulting firm during a particular project (separation). Then, while learning about the client and his or her interests, (symbolic) meanings etc., the consultants experience liminal conditions (transition), and finally enter a new ‘life’ or group. This may be mediated by e.g. shared feelings during the final presentation, in ‘a moment of ultimate pride’ (p. 283), which signals incorporation. The phase of transition is characterised by certain rites that involve clients and consultants, e.g. the sharing of documents and the corresponding transfers of meaning and interpretations of symbolic actions. As Czarniawska and Mazza write: ‘Having therefore reached a similar status resulting from the shared condition of liminality, they [client and consultant] can then work together’ (2003, p. 282). While Czarniawska and Mazza describe the consulting interaction within the liminal space as a process where the ‘usual practice and order are suspended’ (p. 267), Sturdy and colleagues (2006) provide empirical evidence that these interactions can also be highly structured: ‘[L]iminal spaces are not wholly insulated from normal organizational routines, but coloured by them. Moreover, liminality can be far more structured than simply following ritualistic phases of transition’ (p. 953). Although the concept of liminality does not capture the client–consultant relationship as a whole, but rather highlights a particular ‘condition’ within the interaction (Czarniawska and Mazza, 2003), it nevertheless describes an important bridging mechanism. Like social-network approaches, liminality captures the notion that the border between consultant and client gets blurred in the consulting process; however, not due to social ties, but due to particular rituals of transition.

Recently, Handley and colleagues (2007) explored the potential of *learning theory* for conceptualising the client–consultant relationship. In their study, they analyse how management consultants learn the practices and identities appropriate for client–consultant projects. Drawing on the communities-of-practice literature, they conceptualise the client–consultant relationship as cutting across a set of different communities and networks of practice. In order to learn from their clients, the consultants need to participate in their clients' practices. The authors emphasise that this entails a particularly strong form of involvement:

> A key assumption here seems to be that participation involves ‘hearts and minds’: a sense of belonging (or a desire to belong), mutual responsibilities, and an understanding of the meaning of behaviours and relationships. (Handley et al., 2007, p. 181)

This participation is described as an ‘important “bridge” for the potential transfer of business knowledge’ (Handley et al., 2007, p. 182). Although Handley and colleagues focus primarily on the consultant and his or her learning, this study has obvious implications for theorising the client–consultant relationship. More specifically, it emphasises the existence of different communities of practice, in which clients and consultants participate. This presupposes on behalf of the individuals involved certain abilities to ‘understand, take part in and subscribe to the social norms, behaviours and values of the communities in which they participate' (Handley et al., 2007, p. 177).

Several studies draw on insights from *psychoanalysis*, emphasising the psychodynamic aspects of the client–consultant relationship. In contrast to the other approaches, this perspective focuses particularly on the unconscious processes of the interaction between clients and consultants as individuals. Drawing particularly on Freud's concept of transference and counter-transference (1957, 1958), it addresses the ways in which 'preconceptions […] are transferred onto the actual [client–consultant] relationship […] or projected into it, that limit, confine and sometimes distort the reality of that relationship. Transference refers to preconceptions held by the […] client; counter-transference to those held by the […] consultant.' (Czander and Eisold, 2003, p. 476). That is to say, in the consulting process clients project their existing emotions, feelings, hidden wishes, problems etc. onto the relationship with the consultant (transference), provoking respective feelings in the consultant (counter-transference).

While transference and counter-transference is a potential aspect of any relationship, it is the distance between consultant and client (compared to a relationship between colleagues at work, for example) that prompts this phenomenon in a particularly strong form. Some authors consider this phenomenon a problem for the consulting project; however, psychoanalytically trained consultants often welcome it as a potentially powerful intervention mechanism for probing into problematic psychological experiences of the organisational members and rendering them open to therapeutic intervention (Eisold, 1997). In contrast to the other theoretical approaches described above, the distance between client and consultant is considered *constitutive* of this kind of psychoanalytical intervention. Rather than suggesting that it is necessary to bridge the difference between the two parties, this perspective views the difference itself as crucial to the consulting process.

Finally, we want to draw attention to a further set of studies that employ the concepts of *otherness* and *parasites*. Similarly to the psychoanalytical approach the difference between client and consultant is presented as *constitutive* of the consulting intervention. Kipping and Armbrüster (2002), for example, describe how the consultant represents 'the other', which stimulates critical reflections in the client organisation. Similarly, Clegg et al. (2004) speak of the 'parasitical role' of consultants, whose function is to disrupt the established ways of thinking and acting and thus generate alternative ways of seeing. In these cases, a bridging of differences would probably be counterproductive. While this line of reasoning offers a distinctive and interesting new perspective on the client–consultant relationship, its theoretical basis has not been sufficiently developed.

To sum up, depending on their particular theoretical underpinning, the different approaches presented in this section conceptualise the difference or 'gap' between consultants and clients in various ways, e.g. as differences in roles, aims or practices. Most approaches perceive the 'gap' as a problem and suggest a particular bridging mechanism, e.g. matching of roles, governance measures, social ties, rituals of transition or participation. In contrast to those, the authors drawing on psychoanalysis and on the theory of otherness or parasites emphasise that the difference between client and consultant is constitutive of the consulting intervention, and that, consequently, bridging that difference would be somewhat counterproductive (see Table 1 for a summary of the approaches outlined above).

TABLE 1 APPROXIMATELY HERE

In the following section we introduce a further approach to the client–consulting relationship based on Luhmann's theory of social systems. Like the theory of otherness and parasites, this approach perceives the difference between client and consultant as constitutive and emphasises the somewhat disruptive role of consultants, but unlike that perspective, it is based on a comprehensive sociological theory.

Consultant and client organisations as two autopoietic communication systems

Before we present a Luhmannian take on the client–consultant relationship we will introduce certain basic assumptions of Niklas Luhmann's general social theory. In his theory of social systems Luhmann (1995) starts off with communication as the most basic element of the social domain. All social relations are conceptualised as processes of communication – communications that connect to earlier communications and that call forth further communications. The crucial point is that this communication process takes place autonomously from the individual human beings involved. Although communication cannot be effected without the involvement of human beings, the particular development of the communication process is beyond their control. People might utter words or make particular gestures but they have no control over the way in which these are understood, i.e. what communication is ultimately realised. For example, an uttered ‘yes’ might be understood as expressing a confirmation, a doubt or a negation (ironically). Thus, the meaning of a message, i.e. the concrete communication, is not produced by the speaker but by the listener, or more precisely: by the connecting communications (Luhmann, 1995, p. 143). Communications (i.e. the meanings that are ultimately realised), Luhmann says, are not the product of human beings but of the network of communications. There is no doubt that individuals interfere in this process by uttering words, but it is the ongoing communication process itself that determines what effect the interference has and what meaning is attributed to the word (Luhmann, 2002).

Communication processes typically close in on themselves and become differentiated from other communication processes taking place at the same time. In this sense, Luhmann speaks of different *social systems* or discourses.[iii] These systems are nothing but the reproduction of communications through communications. Each communication within such a system is determined with regard to its meaning through the network of other communications within the same system. Because communications within a particular system only connect to communications belonging to the same system (otherwise this would not constitute a system) the communication process becomes idiosyncratic. The same words have different meanings in different systems. Metaphorically speaking, every system develops its own ‘logic’ of communication according to which communications are made meaningful. If we follow Gregory Bateson (1972) and conceptualise the meaning of a communication as the difference that it makes in ensuing communications, we can say that the ‘same’ communication in different systems would be a ‘different’ communication, in the sense that it makes a ‘different difference’ to ensuing communications. As a consequence, direct communication across different systems becomes impossible: the ‘same’ communication would become a ‘different’ communication (Luhmann, 1989). In this sense, Luhmann (1986) speaks of social systems as being *operatively* closed (or ‘autopoietic’) systems: all operations of a social system, i.e. all its communications, are brought about by the system itself; it is the system itself that produces its own communications, no communications can enter the system from outside. A social system might pick up utterances from outside its boundaries, but the meaning of the utterances, and thus the communication that is ultimately realised, is determined by the logic of that particular system – consequently, it is its own product.

Operative closure is accompanied by an *interactional* openness, in the sense that social systems react to events outside their own boundaries. However, they always react according to their own logic (Luhmann 1995; Seidl and Becker 2006; similarly Morgan 1986, p. 238). Luhmann sees the social system in certain analogy to the human mind, conceptualised as the processing of thoughts, where individual thought processes might be 'triggered' from outside but the concrete thought is the mind's own product (Luhmann, 2002). Like the human mind, social systems are conceptualised as 'cognitive' systems; i.e. as systems that process (their) information and react to the information processed in that way. In this sense social systems possess 'agency'.

Applying this idea to our particular field of interest, we have to treat the consulting firm and the client company as two operatively closed systems. Each of those two systems constitutes a network of communications that reproduces the communications of which the systems consist *through* the communications of which they consist. As is assumed of all social systems, consultant firms and client companies develop internally idiosyncratic communication processes according to which they communicate about themselves and their external world. Thus, these systems do react to changes in their environment, but 'only to environmental changes *as they are recorded and interpreted by the system*.' (Kieser, 2002, p. 216) Any communication within a particular client or consultant system – whether about itself or about the environment – is determined in its meaning by the particular context of other communications that are part of that system. As a consequence, communication across the boundary between consulting firm and client organisation is treated as impossible, because a particular communication would be transformed into a *different* communication (in the sense of making a 'different difference' to ensuing communications) once it crossed the boundary between those two systems (Luhmann, 2005, p. 356).

In view of the above, we have to draw particular attention to boundary relations between client and consulting systems. In contrast to traditional descriptions (e.g. Kubr, 2002, pp. 64–65; Kitay and Wright, 2004), the systems-theoretical perspective forces us to treat the encounter between consultants and the members of the client organisation as a *separate* system in its own right rather than an 'overlap' between those two systems. Luhmann (2005, p. 360) calls such systems 'contact systems' as they 'regulate' the contact between two other systems. Empirically one finds that members of both organisations meet more or less regularly over a certain period of time. Depending on the companies involved and the particular project, this might take the form of a series of informal meetings or meetings of a more formal steering group. This practice is typical of consulting projects. From a systems-theoretical perspective it is important to note that the communications taking place during these encounters belong neither to the consulting firm nor to the client organisation; they are, to quote Czarniawska and Mazza (2003), 'betwixt and between' the two organisations. In contrast to traditional assumptions, according to the systems-theoretical perspective 'consulting' does not take place within the client organisation but exclusively within the contact system. This is the place in which consulting operations are processed.

Despite the participation of members of both organisations the communication processes constituting the contact system have to be conceptualised as clearly differentiated from those going on in the consulting firm and the client organisation: as is true for all social systems, the contact system is operatively closed, reproducing itself according to an idiosyncratic logic. Apart from the general differentiation between the systems involved, there are two further marked differences between the contact system in particular and the other two systems: first, in contrast to the consulting firm and the client company, the contact system is only a temporary system. It is clear from the beginning that the system will cease to exist in the foreseeable future. In this sense the contact system constitutes an 'episode' in Luhmann's sense, which, because of its finality, affects how meaning is construed during the communication processes (Luhmann, 1995; Hendry and Seidl, 2003). Second, according to Luhmann, the consulting firm and the client organisation on the one hand and the contact system on the other hand have to be regarded as different *types* of systems that are characterised by different logics. The former are *organisational* systems that consist of a network of decision communications – decision communications that produce further decision communications (Luhmann, 2003; Nassehi, 2003). In contrast to that, the contact system has to be conceptualised as a (face-to-face) *interaction* system. Such systems produce communications in the light of the reflexive perceptions of their participants, which results in an entirely different logic of communication (Luhmann, 1995).

To summarise, from a Luhmannian perspective the client–consultant relationship involves three social systems belonging to two different categories: interaction systems (contact system) and organisation systems (client and consultant organisations). All three systems are operatively closed with regard to each other. This is particularly obvious in the case of the contact system as it processes a different type of communication compared to the other two. However, also the consultant and the client organisations are operatively closed towards each other. Even though they both process the same type of communication they develop idiosyncratic meaning structures, according to which their communications are made meaningful (Luhmann, 2003). As a consequence of their operative closure no transfer of meaning between the three systems is possible. This is not possible even if the same human beings 'participate' in the different systems. The meaning of 'their' communications is ultimately determined by the respective communication system.

Consulting intervention as perturbation

If we perceive the client company, consulting firm, and contact system as three operatively closed systems that reproduce themselves according to idiosyncratic logics, the consulting intervention becomes a highly complex operation. It is no longer possible to treat it as a straightforward input-output relation where the consultant company supplies its knowledge or particular management concepts, which are then implemented in the client organisation. Instead, every intervention constitutes a 'clash' of three different logics. In order to understand consulting interventions from this perspective we thus need to analyse carefully the connections between the three systems.

As pointed out above, according to the Luhmannian perspective, direct communication *across* the three different systems has to be considered impossible. Each individual communication can only be understood in the context of the system in which it takes place; if it were transferred into a different system, it would constitute a *different* communication. This is true for the relation between the consulting firm and the client organisation as well as between these two systems and the contact system. Hence, none of the three systems can receive any direct communicational input from either of the other two. Instead, for every system, a particular communication from another system constitutes unspecific 'noise' (Luhmann, 1989). That is to say, it has no direct information value for the focal system – it is not by itself a 'difference which makes a difference' (Bateson, 1972, p. 315) for the system. Due to its unspecificity, this 'noise' will be usually more or less disregarded. However, a system can *make* itself take notice of the noise and construct its own information value into the noise. In other words, it can allow the noise to make a difference for itself. In this case, the communication from outside does not function as 'input' into the focal system – i.e. as something that enters the system – but rather as a 'perturbation' – i.e. as something that triggers processes that are entirely determined by the system itself (Luhmann, 1995).

Even though direct communication is considered impossible from a Luhmannian perspective this does not mean that the mutual perturbations between the three systems involved in the consulting project are likely to be entirely random. Instead, one would expect some degree of adjustment between the systems, which is described as 'structural coupling' (Maturana, 1980; Luhmann, 1995). The concept of structural coupling refers to the case of two systems that have adjusted their respective structures in such a way that systematically allows mutual perturbations. That is, whenever one system produces an event of a particular kind it is very likely that this event will trigger a reaction of a particular kind in the structurally coupled system. Structural coupling, in this sense, does not presuppose the exchange of any kind of operation. As we saw above, this would not be possible; it is explicitly 'non-operative' coupling (i.e. structural coupling does not contradict the concept of operative closure). As a consequence of their structural coupling, the systems become reactive or 'resonant' (Luhmann, 1989, pp. 15–21) to each other but only according to their very own logic. This is somewhat analogous to a situation where a colour-blind person speaks to a non-colour-blind person about colours. Although the words 'red', 'blue' and 'green' evoke entirely different thoughts, the two persons' thought structures are nevertheless so much aligned that they appear to understand each other.

In our specific context we can distinguish two levels of structural coupling. First, on a very general level the three systems involved in the consulting intervention are coupled through language (Königswieser and Hillebrand, 2005; Luhmann, 2005; Seidl, 2007). To the extent that systems use the same language as a medium for communication they are likely to be reactive to each other, even though that language is used in different ways in the different systems. This coupling through language is not peculiar to the three systems involved in the consulting intervention. Instead, the three systems are part of a wider 'ecology' (Baecker, 2006; Seidl, 2007) of systems that are coupled through language. For example, if the particular consulting project is concerned with strategy, the three systems will be part of the wider ecology of systems that are concerned with strategy (Seidl, 2007); that is, of systems that all use *a shared strategy language*. Every system, however, can make (its own) sense of the label 'strategic planning', 'strategic forecasting' etc. – terms that might have no meaning at all in other types of systems (e.g. in families). Because of that, different systems involved in strategy are likely to have particularly strong resonance with regard to each other in that respect. However, in each system the words are understood differently. For example, a communication about ‘lean management’, ‘business process re-engineering’ or ‘TQM’ in one system is something completely different from a communication on ‘lean management’, ‘business process re-engineering’ or ‘TQM’ in another system (Zbaracki, 1998; Benders and Bijsterveld, 2000). Hence, instead of a transfer of meaning between different systems we would have to conceptualise these as ‘refined illusions’, ‘refined incongruence’ (Luhmann, 2005, p. 361), or ‘productive misunderstandings’ (Teubner, 2000). As Teubner explains:

> One discourse [i.e. social system] cannot but reconstruct the meaning of the other in its own terms and context and at the same time can make use of the meaning material of the other discourse [i.e. social system] as an external provocation to create internally something new. (Teubner, 2000, p. 408)

Hence, the same label has different meanings in the different systems. In this sense the three systems would treat their respective communications *as if* they had the same meaning – although they have not. Thus, although no meaning can be transferred between the three different systems, it is not as if the three systems were sealed off against each other. Because of structural coupling it might even appear to the systems themselves that they communicate across the boundaries, without this being the case.

Besides this more general form of structural coupling there is also a type of more specific coupling between the three systems. The contact system *itself* can be understood as the mechanism of structural coupling between the other two systems (Luhmann, 2000, pp. 397–400; Königswieser and Hillebrand, 2005, pp. 36–37; Luhmann, 2005, p. 360). This has to do with the way the contact system operates. Although the contact system, like any social system, is autonomous in its choice of topics, the particular way it is set up makes it very likely that the topics it chooses have to do with the client and consulting systems (Seidl, 2005, pp. 168–170). First of all, the contact system is typically initiated by the other two systems, with the explicit goal of solving a problem for the client. Second, the contact system is usually staffed by members of the consulting firm and the client company, who serve as (communicational) representations of the two systems. As a consequence, the communications within the contact system are likely to reflect the communications within the other two systems (Königswieser and Hillebrand, 2005, p. 37). Thereby they will typically reflect the client organisation as an organisation having problems and the consulting organisation as an organisation offering methods for solving problems. Yet, because the contact system is operatively closed it can only (re-)construct and relate the problems and methods or solutions according to its very own logic.

Thus, as a result of the way in which the contact system couples the structures of the client organisation and the structures of the consultant organisation, operations in the one system lead to not entirely arbitrary operations in the other system. However, a crucial point in this is that the contact system aligns the consultant's and client's structures *on the basis of its own logic*. The description of the client's problem and the consultant's methods for solving the problem are *constructs* of the contact system – they are themselves necessarily based on 'productive misunderstandings'. In other words, the 'solution' presented by the contact system to the client system is not a solution to the problem as perceived by the client system. Consequently, rather than constituting input from the contact system into the client system, the 'solution' constitutes an unspecific *perturbation* that the client system processes according to its own logic. The structural coupling between the systems merely ensures that the client system takes some form of action as a result of that perturbation. However, whatever (positive or negative) changes the perturbation results in is determined by the client system itself and cannot be determined from outside. In Figure 1 we have summarised the Luhmannian perspective on the client–consultant relation.

INSERT FIGURE 1 APROXIMATELY HERE

Implications for consulting

In this section will discuss the implications of social-systems theory for management consulting. While there are many different areas and forms of consulting (Fincham, 1999; Kubr, 2002) we will concentrate our discussion on consulting that addresses issues of organisation and management (e.g. business process re-engineering, organisation development, or strategy) rather than consulting that addresses 'technical' issues (e.g. IT or accounting), as the former area is of greater interest to organisation scholars (e.g. Czarniawska and Mazza, 2003; Clegg et al., 2004). Traditionally, consulting in this area revolves around the application of particular *methods* for analysing the client's problems and for generating solutions to them (Kieser and Wellstein, 2008). Depending on whether the consultants develop the solutions themselves and sell them to their clients, or whether the consultants 'merely' provide support to their clients in diagnosing their problems and developing solutions, one speaks of the ideal type of an 'expert model' of consulting or of a 'process consultation model' (Schein, 1988; Kieser and Wellstein, 2008). Both consulting approaches, however, presuppose the transfer of some kind of knowledge: knowledge about methods or about concrete solutions. Undoubtedly, consulting also serves other (official and unofficial) functions of, e.g. the legitimisation of unpopular decisions (Kieser and Wellstein, 2008). Indeed, the transfer of knowledge is typically understood as the main task of the 'traditional' consultancies. The consulting company McKinsey, for example, writes on its website: 'We invest significant resources in building knowledge. We see it as our mission to bring this knowledge to our clients' (McKinsey & Company, 2008). In the case of the 'expert model' the consultant and client would typically be expected first to identify the client's problems and then to select appropriate solutions from the consultant's repertoire of management tools.

If one takes the Luhmannian perspective presented above, the traditional consulting models appear quite problematic: due to the communication barriers between the different systems involved, the intended transfer of knowledge would have to be considered impossible. Neither would the consultant be able to arrive at an authentic problem-description nor would the client system be able to import any solutions (or even methods for finding solutions) from outside. In the first case, any problem description would be the consultant's (or contact system's) own construct, while in the latter, any 'solution' would have to be treated as the client system's own construct.

This impossibility of any direct transfer of knowledge does not mean that all consulting projects would have to be considered futile endeavours. On the contrary, according to social-systems theory even 'traditional' consulting projects might have positive effects for the client – but in a different way than intended. Rather than transferring some kind of knowledge, the consultant can only cause (via the contact system) perturbations in the client system, and thus may trigger positive changes in the client's structures, which otherwise might not have been achieved (Luhmann, 2005).

For the consulting industry, social-systems theory, if taken seriously, has far-reaching implications: a systemic consulting project would be set up very differently from a ‘traditional’ one. It would explicitly distinguish between the three different systems involved in the consulting intervention, emphasising that they are separated by communication barriers’. Rather than trying to overcome them, the consulting approach would foster an awareness of the boundaries of communication in order to prevent unintentional misunderstandings. ‘Boundary management’ in this context means differentiating clearly between the communications belonging to the three different systems: within one’s own system one can only connect to one’s own communications; systems can only really understand their own communications. Thus, communications by other systems would be treated *explicitly* as potential triggers of perturbation (rather than as transfer of meaning), which would emphasise the role of one’s own system in creating any meaning from that perturbation. This also implies that a flexible attitude towards the received perturbations should be maintained: the system needs to regard the question of whether to react to or ignore any received perturbations as its own choice.

Social-systems theory not only calls for an awareness of the respective boundaries of communication but also for the ‘management’ of their structural couplings; i.e. for determining through which channels the mutual perturbations are to be received. By reflecting on the logic of the other systems, a system can construct its own images of the other systems and adjust its structures accordingly. In this way, the systems can increase their resonance towards each other. This is particularly important for the contact system, which serves as a main coupling mechanism between the client and consultant systems. One way of increasing the degree of structural coupling is by selecting who is to participate in the contact system. The selected participants can serve as potential points of reference for that system’s communications. By referring to the organisational roles of the different participants, the contact system (re)constructs the respective structures of the other two systems (Seidl, 2005). Even though this reconstruction is not a true representation of the other systems’ structures, the communication structures of the contact system nevertheless become adjusted so that they are more responsive to perturbations from the other systems. For example, if marketing and production specialists form the two organizations were participating in the communications of the contact system, ‘marketing’ and ‘production’ would be likely categories or topics of communication within the contact system – even though they would be understood differently than in the other two systems. Consequently, the contact system would be likely to possess particular resonance with regard to issues of marketing and production discussed in the two organizations.

Finally, a systemic consulting approach would emphasise the central role of the client in the consulting intervention. In contrast to the traditional notion of consulting, in the approach proposed here any effect of the intervention is entirely the client's own product. Since the consultant can only cause perturbations, this implies that it is the client's responsibility to decide what to make of the consultant's input. The consultant cannot help the client organisation directly to solve its problem.

Generally, such a systemic approach to consulting implies a different appreciation of the boundary between the consultant and client systems: rather than being perceived as a problem, it is acknowledged as an opportunity for the client to draw on a source of (fruitful) perturbations, which the client would otherwise be unlikely to receive (Luhmann, 2005). Interestingly, in practice there are some consultancies that have started experimenting with concepts derived from Luhmann's systems theory (Königswieser and Hillebrand, 2005), which would provide an interesting field for further empirical research.

Discussion and conclusion

Responding to recent calls for the exploration of novel theoretical perspectives on consulting, we have tried to demonstrate the insights that can be gained from applying Luhmann's systems approach to the client–consultant relationship. Given that Luhmann suggested some 'conceptual revolutions' (Luhmann, 1986, p. 178) it is not surprising that an application of his theory leads to novel insights that challenge established views on consulting. In the following we will discuss what can be gained from such a perspective.

The Luhmannian approach outlined here is characterised by two central conceptual decisions. First, in contrast to other approaches to consulting, according to this approach the principal elements are not individual human beings, i.e. consultants and clients, but communication systems, i.e. the client organisation, the consulting organisation and the contact system. These systems are not simply the aggregative result of the activities of individual human beings. Instead, social systems and individual human beings are treated as different systems that exist in the environment of each other (Luhmann, 1986). This does not mean that individual human beings are unimportant – on the contrary – but that the concrete influence they have on the social systems is determined entirely by those systems and therefore needs be analysed as such. Second, the different social systems (in our case: the client organisation, the consulting organisation and the contact system) are by definition operatively closed with regard to each other. This view contradicts particularly the network perspective, which assumes that the involved parties are generally open towards external influences (Werr and Styhre, 2003). Again, operative closure does not mean that these systems have no influence on each other – they are *interactionally open* after all. However, any influence one system may have on another is entirely determined by the 'receiving' system. The advantage of these two conceptual decisions is that the social dynamics of these systems can be analysed in their own right, without negating the existence of external influences. In addition to that – which is of particular importance in the context of consulting interventions – it cannot simply be assumed that one system exerts influence on another system. This has to be treated as a phenomenon in need of explanation; as a systemic peculiarity In other words, researchers who adopt this perspective are forced to analyse and explain how exactly and through what mechanism (i.e. various forms of structural coupling) it is possible for one system to have an effect on another (Luhmann 1995, p. 212).

For the conceptualisation of the client–consultant relationship this has important implications, particularly with regard to the way the boundary between the two parties is treated. Similarly to the approaches drawing on psychoanalysis and the theory of otherness or parasites, a social-systems perspective considers the distinction between client and consultant as constitutive. For Luhmann a dissolution or blurring of the boundaries would imply a dissolution of the systems. We acknowledge that this conceptualisation goes against a current trend in theorising the client–consultant relationship according to which the differentiation between consultant and client is increasingly done away with. For instance, Sturdy and his colleagues (2006, p. 933) write that "the traditional view of consultants as simply organizational outsiders and clients as insiders is being questioned more generally'. From the social-systems perspective such empirical phenomena are not negated. However, this does not imply a blurring between the systems. The same individuals might indeed 'participate' in different communication systems, but their influence is entirely determined by the respective systems; analogously to a person who plays different games, e.g. tennis and chess, without blurring the lines between the two games (Seidl, 2007). Thus, the systems approach distinguishes between the participation of individuals and the dynamics of the social systems in which they participate.

A central insight resulting from the social-systems perspective is the existence and role of the contact system. This resonates with conceptualisations of consulting as involving liminal spaces, in that it locates the contact system 'betwixt and between' the client and consultant organisations. However, in contrast to such conceptualisations, according to the social-systems perspective the contact system is neither a 'fluid and unsettled space' (Czarniawska and Mazza, 2003) nor a space partly structured in line with the client and consulting systems (Sturdy et al., 2006). Instead, it constitutes a clearly differentiated, autonomous system that establishes its own structures and processes. Thus, conceptualising the contact system from a Luhmannian perspective as an interaction system opens up new avenues for understanding and analysing the communication processes it is associated with. This seems particularly important as the contact system is the space in which consulting actually takes place. Hence, in order to understand the consulting process, it appears indispensable to understand the 'logic' of the contact system.

Furthermore, the social-systems approach challenges the way we conceptualise the possibilities of knowledge transfer. While the idea of a direct transfer of knowledge between different social domains is increasingly being questioned in organisation theory, the perspective presented here goes a decisive step further. Some scholars (e.g. Brown and Duguid, 2001) describe knowledge transfer in terms of a process involving the de-contextualisation of knowledge from the original domain and its re-contextualisation into the receiving domain. According to that view, the transferred knowledge is always a context-specific version of the initial knowledge. Others (e.g. Czarniawska and Sevón, 1996) go a step further, conceptualising knowledge transfer as a process of 'translation' and assuming that knowledge changes in this process.

In contrast to that view, in Luhmann's systems theory a transfer of knowledge between systems is entirely impossible because these are operatively closed. Different systems can 'merely' cause perturbations in each other. Instead of a transfer of knowledge, we can only speak of *misunderstandings* between systems that might be productive to some degree. This partly reflects Clegg et al.'s description of the parasitical role of consultants as 'a source of "noise" that disrupts established ways of doing and being by introducing interruptive action into the space between organisational order and chaos' (2004, p. 31). The concept of 'structural coupling' put forward by the social-systems approach is a fruitful means of analysing the ways in which such disruptions might be effected.

Conceptualising the client and consultant organisations as operatively closed systems that can only cause perturbations highlights the client's responsibility for the ultimate effect of the consulting process. This is in line with recent research that emphasises the active role and responsibility of the client (e.g. Sturdy, 1997; Fincham, 1999, 2003; Werr and Styhre, 2003; Bäcklund and Werr, 2005; Lindberg and Furusten, 2005; Mohe, 2005; Werr and Pemer, 2007). However, while most of these approaches call for a more sophisticated, formalised or rational approach towards consultancy, from a systems-theoretical point of view 'it is not possible for the company in search of management consulting to fully rationalise the choice of consultants and subsequently to fully rationalise how each should be treated' (Luhmann, 2005, p. 363). Instead, the client's role is much more fundamental in that any changes effected in the client organisation are the client's own product. What meaning is ultimately generated from the perturbations that are caused by other systems is determined entirely by the client organisation. One could argue, somewhat provocatively, that it does not take a consulting firm to introduce perturbations, since any external system, e.g. a group of students, is potentially able to perturb the client system (Kipping and Armbrüster, 2002). To use a metaphor by Teubner (2000, p. 409), it is the shell that produces the precious pearl, and not the grain of sand, which in this case causes merely an irritation in the shell. Thus, the concrete (positive or negative) effects of consulting projects on the client organisation have to be attributed entirely to the client rather than to the consulting organisation.

More generally, it is a particular strength of this conceptualisation of the client–consultant relationship that it is embedded within a broader social theory that aims at capturing the entire social domain – from individual interactions to society at large (Luhmann, 1995). In contrast to other approaches that are merely based on individual theoretical concepts (e.g. liminality, otherness, parasites) the social-systems approach also reveals avenues for appreciating and discussing consulting in its wider societal context – as called for by various scholars (e.g. Sturdy et al., 2004). For example, one might analyse the client–consultant relationship in the context of societal differentiation into different function systems (Luhmann, 1977) – legal system, economic system, educational system, political system etc. E.g. are client–consultant relationships in the corporate world different from that in the educational world?

To link this approach to other areas of Luhmann's theory we found it necessary to demonstrate in detail how it applies to the phenomenon this paper examines, rather than merely embark on a theoretical discussion '*inspired* by Luhmann's theory of social systems' (Kieser and Wellstein, 2008, p. 496; our emphasis; similarly, Kieser, 2002). After all, the strength of Luhmann's theory is the coherence of its different concepts, which allows us to discuss any social phenomenon in relation to any other social phenomenon.

In conclusion, it is worth stressing that, like any novel theoretical perspective, social-systems theory directs the attention of the researcher towards specific issues, which have not been properly acknowledged before, and away from other potentially relevant aspects. From a Luhmannian perspective, the emphasis is on the particular situatedness of meaning and knowledge, because of which communication barriers between clients and consultants are stressed. This has certain implications for the way in which one would approach concrete client–consultant relations empirically: first, one would have to identify the three different communication systems (client, contact system and consultant) and try to reconstruct their respective communication logics. Second, one would have to identify the specific mechanisms of structural coupling between the three systems. Third, one would have to try to examine how their mutual perturbations are internally (re)constructed. Through this approach, consulting projects present themselves to the researcher as processes that can be described as 'co-evolutionary knowledge-creation' (Kirsch and Eckert, 2008) between client, consultant and contact system.

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FIGURE 1: THE THREE SYSTEMS INVOLVED IN THE CONSULTING INTERVENTION

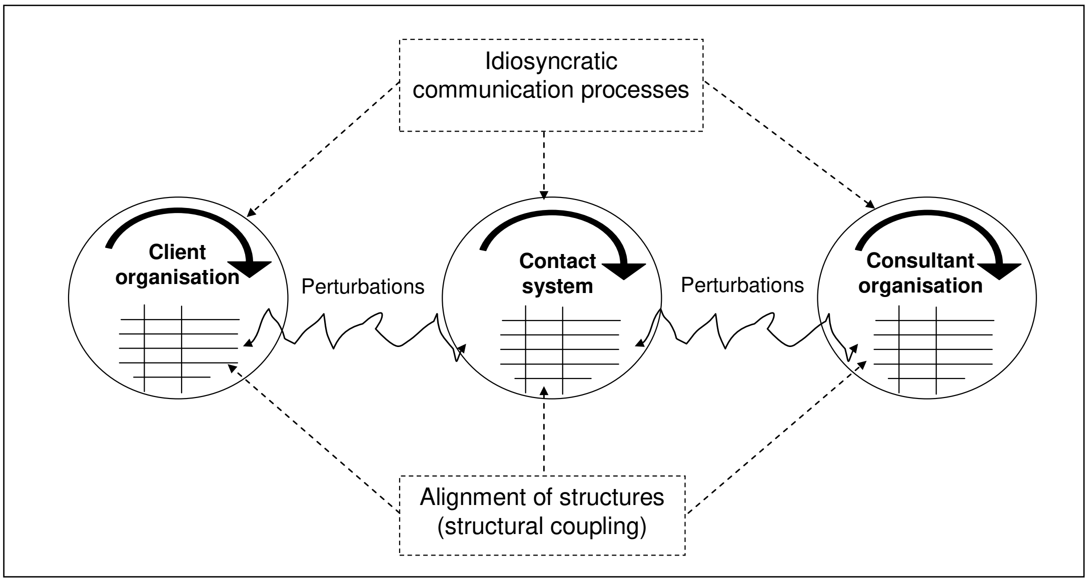

TABLE 1: DIFFERENT PERSPECTIVES ON THE CLIENT-CONSULTANT RELATION

Theoretical perspective	Role Theory	Agency Theory	Social Network Theory (Embeddness)	Rites Theory (Liminality)	Situated Learning Theory	Psychoanalytical Theory	Theory of Otherness/ Parasites
Indicative publications	Schein (1988); Kaarst-Brown (1999); Williams (2001); Hislop (2002); Kakabase et al. (2006)	Gallouj (1996); Sharma (1997); Fincham (2003)	Kitay and Wright (2003, 2004); Werr and Styhre (2003); Glückler and Armbrüster (2003)	Czarniawska and Mazza (2003); Sturdy et al. (2006)	Handley et al. (2007)	Eisold (1997); Czander and Eisold (2003)	Kipping and Armbrüster (2002); Clegg et al. (2004)
Focus	Individual (consultant and/or client)	Individual (client)	Individual (client and consultant)	Individual (client and consultant) and/or organisation	Individual (consultant) and/or communities	Individual client and consultant	Individuals and/or organisations (client and consultant)
Basic Assumptions	Client and consultant take different roles	Client and consultant have different goals and different information	Client and consultant have different expectations or understandings due to organisational boundaries	Consultants and clients are actors in liminal spaces	Consultants participate in different communities of practice with different norms, values etc.	Due to their distance, clients and consultants transfer preconceptions onto their relationship – potential mechanism of intervention	Difference between client and consultant is constitutive of the consulting intervention
Bridging	Matching processes	Governance Mechanisms	Social ties; institutional settings	Rites of passage	Participation, identity, practice	Counter-productive (depending on consulting approach)	Counter-productive

[i] We are grateful to the three anonymous reviewers and to Glenn Morgan as the responsible Editor-in-Chief for their help with developing this published version of the article.

[ii] In this review we focus on literature that is centrally – rather than peripherally – concerned with the client–consultant relation, as this is meant to serve as a background for the discussion of the Luhmannian approach presented in this paper.

[iii] The term ‘discourse’ is often used as a synonym for ‘social systems’. Yet, the meaning of the term is not to be confused with the way it is used by other theorists (e.g. Foucault).