

Temporary work service delivery - organizational and strategic effects on the consulting firm

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April, 2004

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Abstract

- Title:** Temporary work service delivery
- organizational and strategic effects on the consulting firm
- Seminar date:** 2004-04-19
- Course:** Master thesis in business administration, 10 Swedish credits
(15 ECTS). Major in organization.
- Author:** Magnus Johansson
- Advisors:** Dan Kärreman, Håkan Lagerquist
- Keywords:** Temporary work services, consulting firms, professional services, value creating processes, strategic position
- Purpose:** The purpose of this thesis is to analyze what role temporary work services play in consulting firms and how offering these services affects the offering and delivery of other services of the firms.
- Methodology:** The study is based on a combination of semi-structured interviews with professionals on various hierarchical levels and a participating research within consulting firms. The approach is qualitative, critical and reflective.
- Conclusions:** The short-term profits that supplying temporary work services can generate is an opportunity for the firms studied as it can act as a supplement to other services and generate assignments to non-allocated staff. It can also provide an opportunity for re-concentration or diversification. But supplying temporary work services effectively, seems to require other ways of working and organizational responsibility structures than other professional services. Consequently major shifts of service focus will affect the organization, the functional responsibilities and the input and output market on a long-term basis.

Foreword

This thesis is a result of impressions and knowledge gathered during several years in the industry and during my studies at Lund University. The first time I was confronted with the research area was when studying a small engineering firm when writing a thesis at Lund Institute of Technology. I remember finding the problems and theories of managing and organizing professional service firms fascinating at this point. During my first years working within various consulting firms I came across temporary work services many times, and although they seemed to play a vital role in the service portfolios of several firms, the theories that I up till then was familiar with, regarding professional service firms, appeared to be difficult to apply. When returning to Lund School of Economics and Management, to study organization at master level, the course that focused on professional service firms probably gave me the additional knowledge background needed and the initial idea to approach the problem area of this thesis.

I would like to thank my advisors Håkan Lagerquist and Dan Kärremann. In particular for their ability to supply me with additional theoretical sources that has further substantiated my discussion and increased the quality of the report. Furthermore, I would like to thank all of the interviewees for contributing to the study and for the interesting discussions during the interviews.

Although the main part of the empirical material, upon which this thesis is based, was gathered through the interviews, many people have influenced me in writing the report. Consequently I would also like to thank old colleagues and friends who have discussed the research area of this study with me.

Malmö, April 2004
Magnus Johansson

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Introduction

Knowledge intensive organizations, delivering services, are the focus of much of today's research. Of interest of researchers are the services that are based on an advisory relationship with the client and the role the knowledge of the individuals and the organization plays in delivering these services. Consulting firms are examples of professional service firms delivering services on an advisory basis, which is indicated by the label: "consulting firm". It implies an advisory relationship with the clients where much time is spent defining and solving a specific problem together with the client or where the consulting firm manages a project aimed at solving a problem or delivering a solution. Some of today's consulting firms and other knowledge intensive service firms, in addition to their advisory services, deliver services where the professionals act as temporary workers within the client organization.

Highly skilled professionals acting as temporary workers are common today and client companies have recognized the convenience of having temporary workers for activities during a limited period of time. Professional occupations are a significant part of the personnel supply services industry. The temporary workers can be provided by "help supply firms" that are solely providing placement service.¹ These firms can be called, for instance, engineering firms or staffing firms with a knowledge worker focus. But temporary work services can also be offered by consulting firms in co-existence with other services. Within the consulting firms these services often co-exist with the advisory and solution services and play an important role despite being of a different nature than the services that the knowledge intensive service organizations are primarily associated with, and which are of the main interest of researchers.

Problem

It is difficult to clearly separate advisory and solution services on one hand and temporary work services on the other, as they tend to be present in projects simultaneously, co-exist within a consulting firm and interact in generating new projects. The temporary work services of knowledge intensive service firms are often not a part of the marketed profile of the company although they might be an important part of the firms' service delivery. The success of selling temporary work services is as the advisory and solution services dependent on reputation, network resources, individual and organizational competence and marketing efforts. The sales and delivery process is different though, and tends to involve the skills and competence of the firm's personnel in different ways than the advisory services. How do the temporary work services co-exist and interact with the advisory and solution services from a service and a temporary work viewpoint?

Delivering advisory, solution or temporary work services require partly different ways of working and ways of acquiring, organizing and utilizing the internal resources of the firm. Since supplying temporary work services often is associated with supplying individual resources, the professionals face different challenges whether involved in an assignment with mainly advisory or temporary work characteristics. For instance, professionals might face a situation where they act within the client's organization under a longer period of

¹ Melchionno, 1999

time without interaction with the consulting organization and often without the autonomy that is a key characteristic of a consultant. This affects the knowledge worker regarding his/her development and his/her relation towards the client and the knowledge intensive service firm, which might affect the loyalty of the knowledge worker. Since retaining and recruiting personnel is highly important, as the personnel are the most significant resource of the knowledge intensive firm², delivering temporary work services positions the firm differently on the "input market"³ (the market for professionals/knowledge workers) than if delivering advisory services. How does delivering temporary work services affect the individuals and consequently the resources of the consulting firm?

The purpose of this thesis is to analyze what role temporary work services play in consulting firms and how offering these services affects the offering and delivery of other services of the firms.

Definitions and limitations

The concept of consulting firms is used mainly to describe the organizations in this study. Since my study is focused on consulting firms and primarily firms within IT, technology and management the analysis section will use the term consulting firms but other sections when referring to literature can use the professional service firm term since consulting firms are a subset of it. When describing the individuals within these firms the term consultant, worker and professional will be used.

The definition "temporary worker" and "temporary work services" is used primarily to describe the phenomena of supplying organizations with individuals acting as ordinary staff of the client. Among the interviewees this label is very uncommon and in order to represent their choice of wording and underlying cultural perception of the phenomena terms such as "resource consulting", "resource" will occur, primarily in the empirical section. Through the Analysis and Theoretical sections "temporary worker" and "temporary work services" will be used primarily.

Through the report a substantial focus is on the knowledge and competence development on an individual as well as on a collective level. Competence is defined by Sandberg et al⁴ as consisting of knowledge, skills and aptitudes, a definition which is also utilized by Löwendahl.⁵

The underlying competitive forces of the consulting firms on the external market as well as the market for professionals are prerequisites for this study and their characteristics will not be discussed in detail. This work will attach to the previous studies of professional service firms and consulting firms regarding external strategies, resource based strategic management and to some extent individual identity and the characteristics of professionals' and consultants' position and conception of their work. The study will

² Alvesson, 2000a

³ Maister, 1982

⁴ Sandberg et al, 1998

⁵ Löwendahl, 1997

primarily focus on the internal resources and the individual resources of the consulting firm.

The majority of the observations of this study have been conducted in the Nordic countries but in many instances within firms with international presence. Observations as well as reflections and information from several of the interviewees are consequently to some extent based on international experiences. The phenomena studied seem to be internationally present but considerations must nonetheless be taken for the partly limited geographical character of this study.

Methodology

General approach

For the last five years I have been studying, been in contact with, been working with or within several consulting firms, ranging from small consulting firms to larger consulting corporations. In 1999 I conducted a study, at the department of Industrial Organization, Lund Institute of Technology, of a small engineering consulting firm. After that I spent three years working for small to medium sized consulting firms with engineering, IT and management focus.

The research method in this study is qualitative since the purpose of the study and the problem studied requires reflection on, and analysis and interpretation of empirical data that is not measurable in a quantitative fashion⁶. The theoretical and practical background has resulted in a study of a service phenomenon that is linked to the individual professional partly differently than services as described in previous literature of professional service firms. Consequently this study in some instances carries with it critique on previous literature. This due to the fact that the role of the individual professional and the implications of cultural and social identity of the individual is intertwined with the strategic resource utilization and the service design and delivery. Hence this study has interpretative⁷ and inductive features but attaches to an objectivistic direction.

The qualitative approach is chosen to enable a critical, reflective approach towards the phenomena that arise when temporary work services are part of a firm's offerings alongside with services of more expert or solution-related character. As will be discussed later temporary work services are often not mentioned officially as part of the key offerings, although they may constitute a substantial part of the business. Consequently it is important to capture opinions regarding temporary work services that are not officially promoted and perhaps not initially mentioned or endorsed by representatives of the firms. The divergence between what is marketed or initially mentioned by the firms regarding service delivery and the actual characteristics is likely to be linked to the social and political realities of the firms. A critical approach (see critical theory⁸) in order to question the effects of these realities is therefore a necessity. The study has though been limited not to identify particular potential theories-in-use⁹ that might govern individuals in their actions within the firms. Including this discussion and consequently a much broader theoretical base is too extensive for the scope of the thesis.

⁶ Alvesson et al, 1994

⁷ Bryman, 2002

⁸ Alvesson et al, 1994

⁹ Argyris et al, 1975

Research design

Perspective

The perspective of the study is primarily on the firm level and in particular on the internal perspective of the firm. As this study discusses services associated closely with individual professionals it is inevitable to employ the individual perspective in order to establish the impact of the individual on the organization, its structures and its offered services. Through the analysis the perspective used varies from the firm and service level to the individual level, in order to understand underlying mechanisms, and back to the conclusions on the service and firm level.

A study can be static or dynamic¹⁰ and thus describe a "snapshot" or processes or changes. The need for professional services in general and specific services or service types will vary over time. So will the external factors setting the business environments of these firms. Service characteristics will also vary over time depending on how professionals develop and how they make themselves available to deliver services. Of that reason it has been impossible to disregard the dynamics and changes taking place in a consulting firm in order to describe the characteristics of these firms. The processes and the dynamics, as an essential part of qualitative studies¹¹, are vital in order to understand how the organizations have reached their current state. I have, though, not decided to choose specific periods of time or intervals to study, but describe processes and dynamic changes where they play an important role in the organizations considering the purpose of this study. In some instances I will try to describe how external factors affect the temporary work services/resource services offered by the firms.

Approach

During my time as a practitioner I have continuously studied the theoretical works of researchers in the field, while discussing the problems and characteristics of these firms with colleagues and friends. This can be described as a pre-phase or a first phase of the study. Hence, this study is initiated by the observations that I have done as a practitioner, of consulting services and the existence of service features resembling temporary work services. The second phase of the study has been a more thorough theoretical study in order to relate my observations as a practitioner to previous research in more detail. My observations as a practitioner and my literature studies have provided a knowledge framework for my interviews. The third phase has involved a number of interviews in order to gather more empirical material. The fourth phase is the analysis phase.

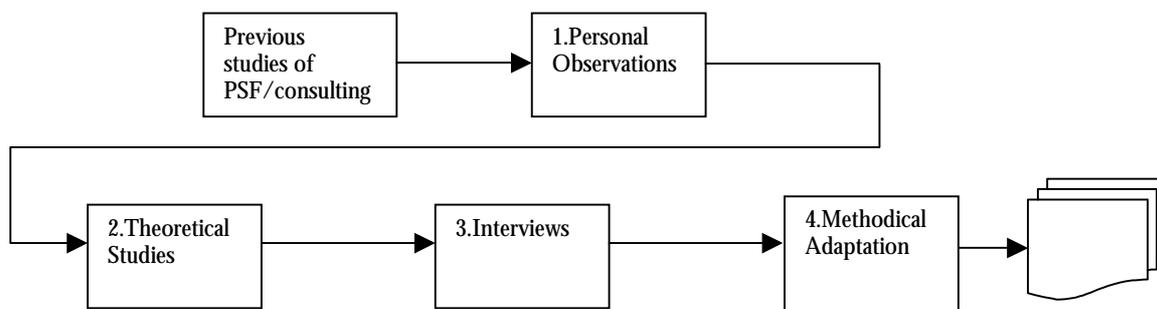


Figure 1 Process

¹⁰ Halvorsen, 1992

¹¹ Bryman, 1995

Literature and theoretical framework

Among the literature that I have studied and referred to in this thesis, some of it can be characterized as more practical as it revolves around the topics of the consulting profession and is mainly focused on providing practitioners with advice on how to manage a consulting firm or on how to consult. This literature can be seen as a complement to the empirical studies and some of its material might be viewed as secondary empirical material although much of it is very theorized by the authors and by that sense is not strictly empirical. Regarded as secondary empirical material I have tried to view it critically and to reflect on the background of the author. The importance of viewing secondary empirical material critically is one of the reasons why my primary material¹² plays a central role and the secondary primarily is used for introduction and clarification. Since much of the secondary material is not written primarily to be used for academic purposes, separating the author's theoretical contribution as well as his/her opinions from the empirical material is difficult.

In this report one of the purposes of referring to this literature is to introduce the reader to the world of consultants and consulting firms and also to introduce the reader to the view of the consulting profession, as provided by these writers. In some aspects it provides a theoretical contribution to aspects of the consulting profession. The small amount of published material on highly skilled temporary workers and services has been a limitation to the theoretical references within the area. On the other hand the lack of research within this area is one of the reasons why I feel that this report has an opportunity to contribute to the understanding and perhaps initiate further studies within the area.

My theoretical framework also includes work on professional service firms and consulting firms. Among the main contributors to this area that I have chosen to refer to can be mentioned *Bente R. Löwendahl, David H Maister and Mats Alvesson*. *Löwendahl's* use of resource strategy theories and her use of value creating processes in order to describe the link between the external focus and organizational resource base in professional service firms are of vital interest for this study.

Research methods

Participating research

The first part of the empirical research consists of, as previously indicated, participating research within a few consulting firms and through contacts with professionals and clients of consulting firms. My participation in the cultural settings of these firms without the primary objective of producing a study and on equal terms with other participants indicates that the first part of the empirical studies can be labeled as self-ethnographic¹³, i.e as an observing participant.

This approach differs not only from traditional ethnography but also from more closely related, and more spectacular, observational approaches such as the ones used by

¹² Halvorsen, 1992

¹³ Alvesson, 1999

Günther Wallraff or more recently Barbara Ehrenreich. The major difference in approaching the target of interest between the traditional ethnography and self ethnography can be indicated, as Alvesson puts it, in the way that the researcher asks “What in hell do they think they are up to?” or “What in hell do we think we are up to?”¹⁴, from a conventional and a self-ethnographic approach respectively.

Working within the consulting firms and being a part of the organizations has given me the possibility of, as an insider, observe actions, attitudes and reflections of the professionals in an intense way that quickly produces an understanding and a familiarity with the cultural surroundings and the organizational realities of the firms. The gathering of material through the participation has been done in an emergent-spontaneous¹⁵ approach. When working within the consulting firms where I gathered some of the empirical background material I was aware of several interesting topics for research but the focus of this study emerged gradually as I observed how delivering temporary work services affected the organizations. The fact that I no longer work within the organizations where I gathered material through participating research will, hopefully, have improved my ability to critically approach the material and not being inhibited by the local culture.

Interviews

The six interviewees were selected from a number of firms to represent several different firm sizes and types. They were also selected with consideration to position, experience etc in order to try to capture management as well as senior and junior consultants' views of the firms and the businesses they are part of. A few of the interviewees are people from the firms that I previously have studied, been in contact with or been working within. My choice of interviewees from a group of professionals with different amount of experience and different positions will hopefully have provided a broad spectrum of views on the firms and the problems, and will minimize the influence of my previous relations with these individuals. During my interviews this approach has revealed very individual ways of perceiving common phenomena, probably due to the individual personalities, knowledge and experience profiles.

Some of the firms were chosen because of my previous knowledge of them and that their service offerings included temporary work services. Other firms were chosen without knowledge of whether explicit temporary work services were part of the business. In some instances these firms provided a perspective on the phenomenon since the type of service was a rare part of the business or not isolated as an explicit service. Among the firms where temporary work services were known to be a part of the service offerings several interviews with professionals on various levels of hierarchy and experience were conducted. Unfortunately I was unable to interview representatives of a typical management-consulting firm. Some of the firms I studied had management or business consulting services as part of their offerings but none of them were solely dedicated to those services.

¹⁴ Alvesson, 1999, p 10

¹⁵ Alvesson, 1999

The interviews were conducted in a qualitative, semi-structured fashion and the questions were as far as possible asked in an open-ended form to maximize the width of the answers and emerging discussion topics, and the opportunity to discover unexpected information¹⁶. Questions were asked in a careful manner to enable the interviewees to use their own definitions and terms of describing phenomena of interest. A technique of selection and funneling was then used to incrementally cover interesting areas of the experience of the interviewees related to the subject of this study.

The interviews were documented through notes and a small recording device. None of the interviewees expressed any concerns by the use of a recording device, and as far as I could see it did not seem to affect the interviews negatively. The basis for the interviews was a set of interview areas or questions, complemented by an association structure to help the linking of topics emerging to other areas of interest (see appendix). These documents were seen only as support in order to cover areas that were of interest and during the majority of the interview sessions a very open and free discussion around the subject was dominant.

The interview material was then arranged in order to create a description of the interviewees' views on the firms and the businesses of interest. Notes from the interviews were first arranged into text. In the second stage of the arrangement of empirical material the recordings were used to complete the text. Recording the sessions provided a more extensive material, since quotes and other details that add to the readers impression of the individual perspective were not omitted. During the arrangement of the interview material I have taken a neutral position and tried to reproduce the opinions and descriptions of the interviewees and to disregard from my previous knowledge of the firms which the interviewees represent or have represented. Names of individuals and firms have been removed to limit the revealing of details that might be of a critical nature for the individuals or the firms they represent or interact with. The names have subsequently been exchanged by other names in order to help the reader to easily identify the specific interviews of the empirical section when reading the analysis section of the report.

Combining research methods

The combination of a self-ethnographic study and interviews gives the possibility to complement the spontaneous observations with, although semi-structured, focused interviews. The in-depth knowledge gained through the prior observations caves the way for, during the interviews, exploring special areas of interest and thus to create a more thorough empirical foundation. The familiarity with the business and organizational types can also be helpful when critically interpreting the interviews. By adding more organizations to the study it hopefully also can help avoiding the pitfalls of being stuck in the thoughts or ideas of one or a few of the cultural settings studied initially. This can be of particular interest when considering the organizational and societal context of the phenomena studied.

¹⁶ Lundahl et al, 1999

Disposition

- Theoretical background
- An introduction to the empirical material
- Analysis with examples from the studied firms
- Conclusions, abstraction and summary

Theoretical framework

The following chapter presents the theoretical base of the study. The section includes a discussion regarding value creating processes and professional service firm strategies as well as an introduction to the concepts of professional services, consulting and temporary work services. The description of the consulting role and the temporary worker as well as consulting firms and help supply firms also provides an image of two service and role extremes that highlight contrasts between different services and roles.

Professional service firms and knowledge intensive firms

The different categorizations of knowledge organizations that exist require an introduction. "Professional service firms" is often used to describe organizations such as consulting and accounting firms. Although the definitions of the terms tend to be somewhat imprecise¹⁷, professional service firms seems to be a narrower term than knowledge intensive firms is. Knowledge intensive firms includes organizations where the employees are not necessarily as tightly linked to a profession, as those of a professional service firm¹⁸:

"The category overlaps with the notion of a professional organization, but is broader and does not emphasize the features ascribed to a typical profession, such as code of ethics, a strong professional association, monopolization of a particular market through the regulation of entryism, etc."¹⁹

The term knowledge intensive organization differs from the professional service firm in another aspect as well, as it includes internal departments such as R&D organizations within corporations. My study is focused on consulting firms within IT, management and organizational issues and as such it falls under the category of professional service firm but empirically excludes law firms and accounting firms. I will refer to literature using the professional service firm categorization as well as literature using the wider categorization, knowledge intensive firms, if the conclusions are relevant to my area of interest.

Professional service firms can be defined according to the services being delivered by professionals. Löwendahl²⁰, in her definition, talks about professional services as a type of service instead of trying to classify the individuals delivering the services. In her definition a professional service has a set of characteristics:

- Knowledge intensive, the individuals delivering it having a higher education and a close link to scientific knowledge within the service area
- High degree of customization
- High degree of discretionary effort and personal judgement
- It requires a high degree of interaction with the client
- The delivery is taking into consideration the professional norms of conduct

¹⁷ Morris et al, 1998a

¹⁸ Alvesson, 2000a

¹⁹ Ibidem, p 1101

²⁰ Löwendahl, 1997

Professional business service industries can include for instance²¹: law-firms/attorneys, accounting firms, management consultants, technology consultants, engineering consultants, insurance brokers, investment bankers, marketing and PR services, advertising agencies, architects, personnel and actuarial services, suppliers/sub-contractors of computer designs and software, management information systems and computer science consultants, economists and development planners. This study's field of investigation is on management information systems and computer science consultants, engineering consultants, technology consultants and management consultants. The firms that I have studied are often working across the boundaries of these industry sectors.

The resource perspective and professional service firms

The following sections of the chapter attach to strategies of professional service firms. The first section is an introduction to the strategic resource perspective in general and in professional service firms in particular. The resource based strategy perspective has since the late 1980s been a central focus of interest. The resource based view regards the resources of the firm as the basis for the firm strategy and the primary determinants of profitability²². The resources of a firm as defined by Barney: "...all assets, capabilities, organizational processes, firm attributes, information, knowledge etc controlled by a firm that enable the firm to conceive of and implement strategies that improve its efficiency and effectiveness."²³

The resource-based theorists argue that through combining the resources into competences or capabilities generates a contribution to the competitiveness. Prahalad & Hamel's²⁴ "core competences" is a definition that identifies and distinguishes the competences and capabilities that are fundamental for the strategy and profitability of the firm. Teece et al emphasize the dynamic aspects of resources as they focus on development of the resources and competences as crucial in order to build sustainable competitive advantages. Applying the dynamic perspective involves studying the future of a dynamic environment in order to support the development of the internal resources²⁵.

The firm resources can be divided into tangible, intangible and human or physical capital, organizational capital and human capital resources²⁶. The tangible are represented by physical and financial resources; the intangible: technology, reputation and culture and the human: specialized skills and knowledge, communicative and interactive abilities, and motivation²⁷. An ever increasing interest has been shifted to the intangible and human resources and their importance.

²¹ Löwendahl, 1997

²² Grant, 1998

²³ Barney, 1991

²⁴ Hamel et al, 1994

²⁵ Teece et al, 1997

²⁶ Grant, 1998 and Barney, 1991

²⁷ Grant, 1998

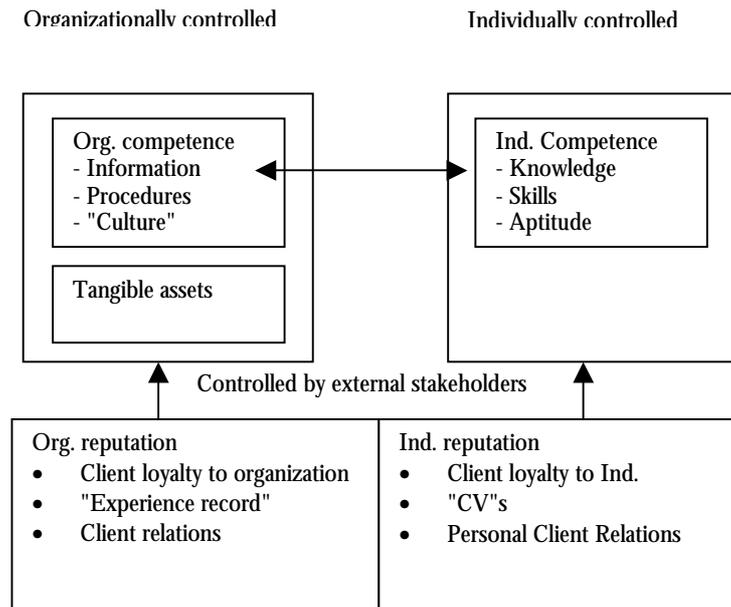


Figure 2 Controllability of firm resources.²⁸

Löwendahl discusses the issues of ownership and control of resources. She mentions that for professional business service firms one of the most important challenges of management lies in handling and managing competences and other intangible resources which are only partially controlled by the firm. Professional service firms rely heavily on intangible resources controlled by the individual professionals. The accumulation of these resources can be stimulated through training but the main source of accumulation comes from day-to-day work through assignments and other daily activities.²⁹

Professional service firm strategies

This section starts with the views of service categorization of some authors and the links to strategic issues and issues of profitability. A substantial part is based on the previous introduction of the resource based strategic perspective.

Sveiby³⁰ categorizes the services of the professional service firm as problem solving, body-shopping and outsourcing. The body-shopping services are aimed at providing professionals for clients with temporary understaffing within needed areas of competence. The outsourcing services involve taking over the responsibility of a function of the client organization. The external service perspective can be complemented by an internal service delivery perspective by Maister³¹, who describes how the utilization of the professionals of each category is linked to the project type that the firm is trying to pursue. Typically the project is initiated by the seniors, with the client responsibilities, managed by the project managers and the technical tasks are performed by the juniors. According to Maister the firms that can leverage their high-cost seniors with low-cost juniors and find a way to utilize the competence and skills of the seniors through the low-cost juniors can increase

²⁸ Löwendahl, 1997

²⁹ Ibidem

³⁰ Sveiby, 1996

³¹ Maister, 1982

its cost efficiency. Maister also discusses the profitability issues of the professional service firm and raises the question of goals and measures associated with the profitability and the tactics of the firm for increased profitability. According to Maister improving profitability has two distinct management components. Some elements, the short-term goals and issues get overmanaged and many long-run issues are undermanaged.

In line with the ideas of leverage are Löwendahl et al³² who discuss services, service delivery and internal resources. By referring to the work by Hansen et al³³ they point to two main value creation logics: "Expert economics" and "Reuse economics". The key characteristics of expert economics are high fees for highly customized solutions to unique problems, small teams with low ratio of associates to partners and high profit margins and of reuse economics frequent use of knowledge assets, large teams with a high ratio of associates to partners and focus on scale economics. Löwendahl et al³⁴ argues that firms can work in mixed modes and utilize both value creation logics in their work. Instead of categorizing firms according to the above view they suggest a categorization according to services and their degree of customization.

Löwendahl³⁵ presents three generic types of successful professional firms (A, B and C), partly inspired by the work of Maister³⁶ and in general attaching to the idea of leverage as the principal source of profits³⁷, but comprising a wider range of strategic directions. The strategic focus of the A firm involves the importance of a number of key individuals who have the central responsibility with clients. Löwendahl summarizes the individual priorities within these firms by mentioning, among others, the focus on autonomy, the low risk aversion and the primary goal as pleasing the client. This resembles the functionality of the firm as described by Normann et al³⁸, where the client/customer relationship is in focus in order to constantly be able to adapt the offerings to the changing/developing needs of the client/customer.

The second type (C) are the firms which focus on delivering creative problem solving. These firms are internally based on key experts within the area of firms business. The firm is dependent on these experts whose competence and ability to solve complex problems is impossible to convert from individual to organizational competence. The firm develops organizational competence to supplement the competence of the key individuals. The third type of firm (B) base their delivery on organizational capabilities to deliver adaptations of "ready solutions". Growth is based on delivering the pre-defined solutions to new markets and clients with needs that suit the solutions. The firms can have several people with low direct interaction with clients who are primarily involved in developing solutions and services.

Löwendahl argues that these three types of firms maximize their performance by combining their set of internal resources with a suitable strategic focus. The three generic

³² Löwendahl et al, 2001

³³ Hansen et al, 1999

³⁴ Löwendahl et al, 2001

³⁵ Löwendahl, 1997

³⁶ Maister, 1982

³⁷ Morris et al, 1998a

³⁸ Normann et al, 1993

type firms are subjected to tensions, pulling them from the optimal positions, related to internal resource (professionals) needs and wants, and organizational ways of standardizing and making the service deliveries more efficient.

Löwendahl provides us with a model that helps us connect the internal resource view of the firm with the external market and delivery focus. It seems though that when trying to apply the model to temporary work services and the special characteristics of those services, from an internal and external perspective, the connections are less apparent, partly due to the firm perspective instead of a more focused service perspective. The value creating process framework, developed by Löwendahl et al³⁹, is to a higher degree easy to apply to different service types. This is discussed further in the following section.

Value creating processes

The value creating processes in general and in professional service firms in particular has been described by several authors. Löwendahl⁴⁰ describes the value creating process of the professional service firm as consisting of three subprocesses. The first, "Ex Ante", involves the ability of the firm to sell a credible promise. The complexity of this process is dependent on the innovativeness of the service and the knowledge gap between the parties. The second subprocess involves the service delivery during interaction and the problems this involves regarding quality control and delivery efficiency. The third subprocess, "Ex Post", is the one where the firm learns from the project and tries to institutionalize the experiences from the project so that it can be utilized for future projects and services. According to Löwendahl the last subprocess involves problems such as how to keep the best professionals satisfied with their competence development and that they are allowed to work with interesting problems and simultaneously get them to invest in the collective procedures and approaches for future use. This description is a valuable help when analyzing the interaction between the professional service firm and its clients.

Löwendahl et al⁴¹ further develops the ideas of value creating processes and presents a "framework" consisting of the domain choice and the resource base of the firm complemented by the service delivery as the central components. These ideas on the subject of the value creating processes provides us with a good basis for analyzing professional service firms, particularly when taking into consideration service types. The strategy/domain of the model refers to a mapping of the customization of professional services from low to high customization. A low customization service can be certification services or information services whereas high customization services are complex projects with high interaction of the representatives and difficult coordination aspects. The model illustrates a snap-shot, i.e. a static description, but also highlights the dynamic aspects through arrows indicating the importance of dynamic value creating processes. The most fundamental component is the knowledge base since it is costly, time-consuming and difficult to change. According to the authors' view, knowledge development is critical, through its indirect effect on the services delivered, as indicated by the figure.

³⁹ Löwendahl et al, 2001

⁴⁰ Löwendahl, 1997

⁴¹ Löwendahl et al, 2001

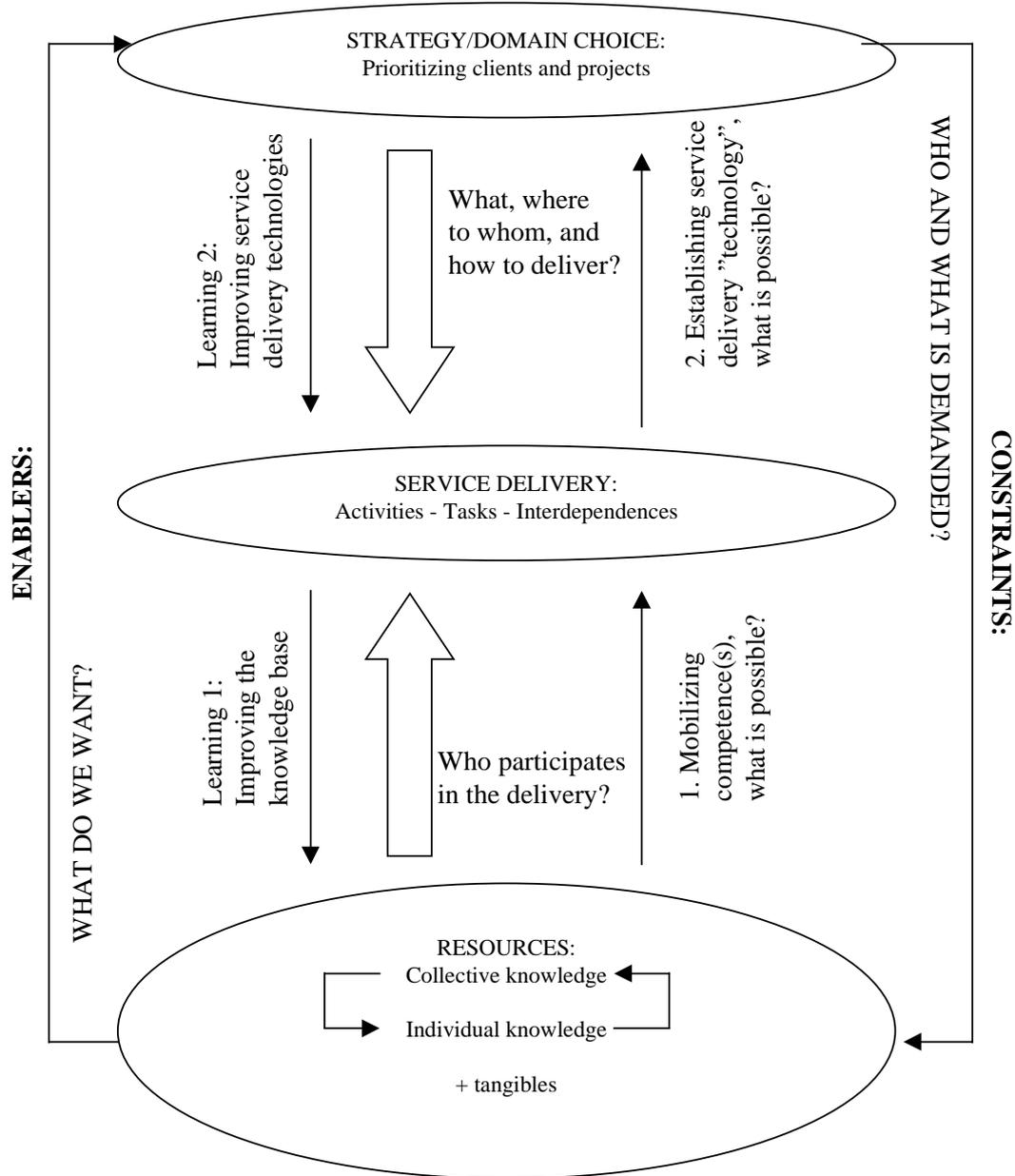


Figure 3 The value creating processes of professional service firms-framework.⁴²

For the processes of firms that are focused on temporary work services we turn to Melchionno's description of help supply firms. Melchionno⁴³ touches the subject of the value creating activities of help supply firms when discussing the nature of these firms compared to the problems of the clients. The function of the help supply firms is to provide a worker placement service for its clients. The clients value this rapid placement process of finding the right resources due to short-term projects, cycles of heavy workloads, or periods of staff shortages. By letting another firm handle the pre-hiring efforts and by committing to temporary workers for a limited time the client companies save time and money.

⁴² Löwendahl et al, 2001

⁴³ Melchionno, 1999

A general view on value creating processes is presented by Normann et al⁴⁴, who argues that the traditional value chain model and associated view of strategy is outdated. They claim that competition is between offerings that compete for time and money of customers as opposed to competition between companies. The relationships, that are required to produce these complex offerings that compete for the attention of customers, between companies, customers, partners, institutions, allies etc tend to become more and more complex and varied. The most attractive offerings are created when involving these players in new combinations. The key strategic task of the company, consequently is to continuously reconfigure relationships and business systems. And the key ability is to conceive the value creating system and realize it so that more activities among the players involved in the system are mobilized.

According to Normann et al companies create value when they make their customers and suppliers more intelligent and not only their offerings. In order to do this companies will have to reevaluate and redesign their relationships and competences to keep their value creating systems new and responsive. To be able to do this, companies must look to the social and business systems in which they are involved and not only within their traditional market. Two company assets are identified as being of vital importance: Knowledge and relationships or in other terms the company's competences and its customers.

To be successful the company must match competences and customers and enlarge the knowledge base continuously. By adding new competences and relationships the company will be able to integrate these into new offerings for existing customers or create new relationships with new customers. In this model the relationship with the customer is essential and competence is added to the company in order to supply every customer request. Value is reinvented in a dialogue between customers and competences.

Value creating process models in general and the model presented by Löwendahl et al in particular provides us with the tools for analyzing the service delivery and the underlying resources utilized in value creation. This analysis can be conducted independent on the type of professional service. The value creation process model presented by Löwendahl et al provides, to some extent, a general framework for the analysis section. My use of the model includes applying it to temporary work services. Although temporary work services have different interaction characteristics than other services it applies to the characteristics stated by Löwendahl et al⁴⁵.

Resources and competences

The competences of professional service firms can be divided into individual and organizational⁴⁶. The individual competences can include knowledge, skills, and aptitudes (talents). The organizationally controlled competence is the information, procedures and the culture of the firm, it thus includes databases, technologies related to clients, routines and methods. Other organizationally controlled resources include tangible assets and organizational reputation: client loyalty, experience record and client relations. The

⁴⁴ Normann et al, 1993

⁴⁵ Löwendahl et al, 2001

⁴⁶ Löwendahl 1997

individual resources also include aspects of relations to a client based on an individual, client loyalty and competence reputation.

The individual resources, the professionals, are the fundamental sources of service delivery capability. They set boundaries for the opportunities of the firm since they can refuse to do what they personally do not believe is appropriate⁴⁷. For the firm it is vital to match the service supply with the skills, knowledge, needs and wants of the individual resources, i.e. to match the output with the input market⁴⁸.

Within the professional service firm one can find different sets of individual skills, knowledge and resources. Sveiby⁴⁹ and Maister⁵⁰ categorize employees within knowledge-intensive firms. When comparing these to the consulting role it is worth noting that a consulting role requires a high amount of interaction regarding problem definition and sales towards the client as can be found in Maister's client and project responsibility categories, alternatively Sveiby's seniors and project managers. The interaction ability of the firm is an important quality for project success⁵¹. It is to a large extent based on the interpersonal skills of the individuals and the relationships they are able to build. The task professionals, on the other hand, are examples of professionals with a low-amount of contact with and responsibility for clients and complex problem solving towards the client. These professionals typically perform tasks as part of projects initiated and led by the seniors, and sales oriented professionals of the company.

The consulting role

As mentioned in the introduction, the title "consultant" is loaded with a set of characteristics depending on whom you ask. By some, being a consultant implicates a specific role towards the client in ways of working and in responsibilities. A common feature is the role of a consultant as someone who works on an advisory basis and is "consulted". Another keyword of the consultant is the position as an autonomous player, i.e. a position with a certain amount of freedom towards the client and power over the tasks and assignments that the consultant takes on. This section is intended to present the view of a few authors on the consulting role as an introduction before discussing temporary work services. The descriptions by the authors in this section to a large degree seem to be related to the role of consultants of management consulting firms. Since today's consulting firms provide a wider set of services that are not only "consultative", the term "consultant" is loaded with different meanings in the industry. This diversity seems to reflect either how limited the descriptions of today's consulting firms are in the literature, or how the consulting "label" is applied (intentionally or unintentionally) to more and more services and types of firms, perhaps due to lack of appropriate other labels.

The consulting role carries with it a set of approaches towards the client. To fulfil the role requires a way of acting that includes clarifying the role towards the client as to secure the

⁴⁷ Löwendahl et al, 2001

⁴⁸ Maister, 1982; Morris et al, 1998a

⁴⁹ Sveiby, 1996

⁵⁰ Maister, 1982

⁵¹ Alvesson, 2001a

independent position. The independent position is seen as a prerequisite to be able to solve the tasks agreed upon by the consultant and the client. It is important not to become a part of the client's organization but to act as an external source of advice and coaching. Andersson presents a few variables that he has found through interviews with consultants as having a certain importance to why they became consultants: Freedom, independence, and autonomy.⁵² Further he notes regarding the relation to the client that some clients treat the consultant as their personal assistant or as a new employee, which is contrary to his opinion that the consultant should be allowed to be autonomous and work according to his/her own judgement, and his/her own competence in accordance with the assignment.⁵³

The difference primarily lies in the power of control that the person has over the affected group, individual or organization. The consulting role involves giving advice and having an effect on people's decisions but without direct control. The function of the consultant as different from a manager has implications on the consultant himself and on the learning goals of the manager⁵⁴. Two needs are identified. The individual needs of the consultant, and the needs of the client to achieve learning (individual or organizational). One of the ways of the modern manager is to act as a consultant towards the organization to stimulate learning and change towards competitive advantage. This similarity between the external role as a consultant and the internal is noted by Block who argues that "... the terms staff work and consulting work as being interchangeable, ... people in a staff role really need consulting skills to be effective ..."⁵⁵

The consulting role carries with it a focus of transferring knowledge or guiding the client or the client organization in his/her/its learning process. For instance a consultant will take an advisory non-active role in an organization to make sure that the organization will consider and solve the problem on their own, guided by the consultant. The consultant might analyze the problem to be approached and find suggestions for solving it. But instead of presenting the solution directly to the client the consultant through several consulting techniques guides the client in his/her own problem solving efforts to certify client learning. This approach is intended to create a value through the learning process, which will sustain after the consultant finishes his project with the client.

Block⁵⁶ points to three sets of skills for consulting:

1. Technical skills i.e. expertise on the subject of matter.
2. Interpersonal skills such as assertiveness, supportiveness, listening etc
3. Consulting skills on how to handle a process with the client from initial contact to ending of a relationship. This also includes aspects such as how to deal with political issues of the client organization.

The role of the professional can during assignments vary largely from strictly advising to acting as part of the client organization. Edgar Schein was one of the first to describe the

⁵² Andersson 2002

⁵³ Ibidem

⁵⁴ Block, 2000

⁵⁵ Ibidem, p 5

⁵⁶ Block, 2000

roles consultants choose (in particular when acting towards line managers) based on management style, task nature and personal preference of the consultant⁵⁷. The changing of roles seems to be a natural part of the consulting reality as it is among personnel having a management function in an organization, be it project management, CEO, quality management and financial management that involves managing or interacting with staff and other players (compare with Block⁵⁸). The role of the consultant is in many aspects equal to the role of the manager taking the view of for instance Sandberg et al⁵⁹ where the coaching aspect is central in leadership. The primary function of the coach, as described by Whitmore⁶⁰, is to guide the coached in his or her problem solving process without teaching .

Temporary workers

A key characteristic of professional services and consulting services as described above is the close interaction with the client. The services of the knowledge intensive service firms are to a large extent characterized by the role the professionals have towards the clients. The role of a temporary worker differs substantially from the above description of the consulting role. The temporary work services require a different sort of interaction with the client than the advisory services. The advisory service is, by some, regarded as the genuine consulting service but a knowledge intensive service firm often offers a range of services where both service types are represented. Previously published material on temporary work services is in general limited and especially this is true for literature on the subject of highly skilled temporary workers equivalent of those of professional service firms. A few reflections from a market perspective exist such as the one by Cabbell⁶¹ who presents a number of reasons why organizations use temporary professionals. She mentions the need to: fill temporarily vacant positions, add more professionals to understaffed projects, temporarily hire professionals with specific competence profiles; or for probable new positions that need to be filled part-time initially, avoid full-time employment liabilities, technology conversion, staff quickly due to a surge in business, or to fill management positions in troubled business situations.

One of the very few authors who have approached the area from a supplier perspective is Melchionno. According to Melchionno temporary help supply firms provide temporary workers to companies on a contract basis. The temporary workers are under a client company's supervision but are paid by the help supply firm that bills the client company for the wages plus a fee for providing the placement service. Melchionno discusses the difference between temporary workers employed by temporary help supply firms as opposed to other nonpermanent workers and emphasizes the responsibility of the work finding process. The temporary professionals rely on help supply firms that find work for them whereas other nonpermanent workers must find work on their own.⁶²

⁵⁷ Referred to by Block, 2000; Schein, 1999

⁵⁸ Block, 2000

⁵⁹ Sandberg et al, 1998

⁶⁰ Whitmore, 1996

⁶¹ Cabbell, 1991

⁶² Melchionno, 1999

Individual autonomy, influence, identity and loyalty

The individual perspective is important when trying to identify how temporary work services differ from other services offered by consulting firms. In particular the individual in relation to his/her belonging to groups and organizations and career implications is important since the temporary workers spend time as integrated parts of the client organizations. This section presents ideas by some authors on individual autonomy, influence, identity and loyalty in professional service firms.

Tam et al⁶³ found in their study that in large firms knowledge workers sought advancement in two ways. Either through knowledge advancement and further specialization within the "enclave-like" teams that they work within, or via promotion opportunities through the corporation. Tam et al further discuss the counter-productivity of the centralized decision making, which they found present, in the knowledge intensive firms and found that the large knowledge intensive firms they have studied primarily used autonomy for the workers and extrinsic rewards as motivators. According to the study the autonomy in day-to-day work was high and was required to be high to enable the knowledge workers to solve problems in a complex and unpredictable project environment. Although the influence and autonomy was high in day-to-day work they found that the amount of influence above day-to-day task-level was minimal.

Note the difference in the use of the term autonomy in Tam et al's study versus Andersson⁶⁴. Tam et al use the term to describe the individual autonomy towards the firm (the employer) whereas autonomy for Andersson/Block is used to describe the consultant's autonomy towards the client.

Alvesson⁶⁵ talks of the social identity as involving comparison with other groups and the way of relating to work as a criteria in this comparison. He further discusses the fact that not only social identities associated with the company itself but with other categories such as work units and positions can be more relevant to take into consideration in relation to work tasks and the interaction between individuals. In his summary on loyalty and management he points to different ways to achieve loyalty in a corporate context. Some ways are associated with social and emotional aspects, pride and social belongingness. Social groups and the company can be a source of social identification and self-categorization. Other ways involve career structures, pay, promotion and partnership possibilities. Another important aspect is the work tasks of the professionals and that they are considered as interesting and stimulating, and that the professional work environment is positive. The prospects for learning is one of the key factors to the way in which loyalty or the possibility to leave the firm emerges. Löwendahl⁶⁶ also emphasizes the importance of professionals being satisfied with their tasks and their personal involvement in interesting and developing work assignments.

⁶³ Tam et al, 2002

⁶⁴ Andersson, 2002

⁶⁵ Alvesson, 2000a

⁶⁶ Löwendahl, 1997

Marketing and client relationships

As the previous sections have discussed, the abilities of the individual professional in interaction with the clients are essential to reach project success alongside with the technical know-how. Within a consulting firm management must rely on the consultants to establish positive, long-term relationships with the clients and thus make way for new assignments.⁶⁷

Marketing and attracting new clients is discussed by Maister⁶⁸ who proposes the use of marketing techniques associated with direct small-scale interaction with the prospects. Maister's focus, at least regarding marketing issues, is on firms which are primarily delivering advisory services. Thus the marketing techniques he sees as favorable are the ones that can demonstrate the advisory abilities of the firm and the individual professionals. Among the ones he mentions as effective are small-scale seminars, industry speeches, articles in client-oriented press and proprietary research. Among the ones that are not effective are cold calling, publicity, brochures, direct mail, advertising and sponsorship activities. As observed by Alvesson⁶⁹ a discrepancy can exist between the externally and internally marketed purpose and services of the company and the delivered services. (Internal marketing is focused on internal promotion in order to enhance the external market and service attitudes of the staff⁷⁰.) In Alvesson's study the IT consulting firm in their purpose claimed that the company would provide services combining management, strategy and IT services. When confronting the managers of the firm one of them said that the mission of the firm primarily was used as a marketing and image-building tool but not to describe the actual business of the firm. The primary focus according to the interviewed managers was on the IT-projects. Alvesson notes that one of the managers seemed mainly to be working with providing IT-personnel to their clients and could distance himself from the original mission statement. The discrepancy between the statement and what was actually delivered is related to in Alvesson's later work where he discusses ambiguity within knowledge work⁷¹.

Maister states that there is a common misconception that marketing and selling are specialized skills possessed by a limited number of professionals (rainmakers). He argues further that marketing instead requires a set of very different activities and skills and that marketing of professional services and practice development is a team activity.⁷² Marketing and selling in industrial environments is an art of establishing a relationship with the client. The development of buyer-seller relationships can be divided into

⁶⁷ Gummesson, 1998

⁶⁸ Maister, 2003

⁶⁹ Alvesson, 2000b

⁷⁰ Grönroos, 1996

⁷¹ Alvesson, 2001a

⁷² Maister, 2003

sequential steps.⁷³ The development of the relationship is directly related to the trust between the parties and the commitments. The subprocesses initiated during one of the initial phases, the exploration-phase, continue through the exploration phase and thus the exploration-phase is central for the establishment of the relationship.

⁷³ Usunier, 1996, Dwyer et al, 1987

Empirical foundation

This chapter provides an introduction to the firms studied and the interviewees. A particular focus is on presenting the service offerings of the firms and the internal, general views of the interviewees on temporary work services.

Solutions, projects and resources

Considérable is a rather large organization in the IT-sector. Considérable offers a set of predefined software solutions with associated services and development of highly customized IT-solutions and resources. The firm is present on many international markets and the focus is on software development in general and technical resource and development, primarily within electronics, within many different industries.

Characteristics:

- *International presence*
- *Several subsidiaries*
- *Services include outsourcing large project delivery, products, solutions and temporary work services/resource services*

The part of the organization where I conducted my interviews was previously part of an independent company that was acquired quite recently by a bigger firm. My interviewees work in the same office location but within different sections with slightly different service offerings. One of the interviews was conducted in the local office of the firm. The office spaces were recently expanded despite the recession and the offices gave the impression of housing a firm which seemed to be of importance yet with the individual touch of the engineering firm, i.e. less strict than the average management consulting firm.

The management view

Cadot is a manager of a section within Considérable delivering IT-related services. The primary offerings are outsourcing of development of IT-systems and the supplying of professionals to the client organizations. Some expert services such as advising in specific areas are also offered.

The sales side of the section is associated with taking the first contacts. Previously the firm had been able to rely on its brand and reputation and contacts were often taken by the prospects, which contacted the firm. The ways of working today have a higher focus on actively visiting clients and prospects and informing them of the services of the firm. Other changes of ways of working include a stronger focus on involving the project managers earlier in the contacts with the clients. The previous late involvement has affected the project execution negatively.

The project focus is partly associated with a long-lasting relationship with a key client organization. Major projects are usually initiated through a formal request. Since Considérable is a well-known major firm it is most often part of the formal request process. The firm then interacts with the client/prospect through a set of formal stages in order to display its competence and its solution to the presented problem. The services typically consist of projects conducted for the client or the outsourcing of a function

including the development project. The projects are often approaching the problems that require integrating and merging IT-solutions that are the outcomes of previous projects or the development of other companies. The firm takes the full analysis, project management and staffing responsibility for these projects.

Alongside with the project related services the firm also supplies resources, in the form of professionals that work within client projects. Cadot has a long experience of supplying resource services and claims that the market for resources is highly dependent on the fees. The growing focus of the section to deliver resource services, alongside with the other services, is according to Cadot a higher cost awareness, i.e. allocating as many of the consultants available as possible. According to Cadot smaller firms with low overhead costs are successful on the market today. The market demand and price levels have undergone a drastic change going towards and through a recession. According to Cadot professionals tended to leave the consulting firms for the client organizations when approaching a recession. During this period and into the recession the industry saw mergers and acquisitions and a price war leaving the large firms with heavy investment in office spaces with difficulties towards the smaller firms with flexible or no office spaces. According to Cadot smaller firms or firms that minimize their fixed costs and minimize the overhead costs can be tomorrow's winners.

Within the organization salaries are set according to the project position of the consultant, i.e. project manager, analyst etc. According to Cadot other firms set their compensation levels according to the experience and competence levels of their consultants. The compensation levels are associated with titles such as expert, senior consultant etc.

The consultant view

Combes is a consultant within one of Considérable's sections delivering services mainly associated with a series of IT-solutions/products. The service and the product organization are partly separated as are the engineering/consulting departments and the sales department within each organization. The service organization provides the work teams for implementations and adaptations of the products that are developed and marketed by the product organization, but the service organization can also provide services to clients independent of the products/solutions of the firm.

Within the section of Considérable the resource services represent 20 to 30% of the revenues (depending on market need and buyer resources). Previously the resource services could represent as much as 50% of the revenues but according to Combes the market's need for resource services fell considerably during economic decline. Resource assignments typically consist of 1-5 people acting as temporary staff within a client organization as opposed to projects associated with the solutions of the firm, which typically consist of 20 or more professionals and are led by a project manager from the firm. The resource assignments are typically at client site as part of the ordinary client organization. The solution-associated projects on the other hand can be performed partly within the firm's offices.

The resource services are to some extent a part of the services offered officially but the primary focus is on the pre-developed solutions and the services associated with these.

Contracts for resource assignments are generated from marketing and the reputation of the firm. Combes mentions the firm's brand as an important factor in the process. Previously established relationships as well as cold calling among identified prospects also contribute to generating sales for these services. The sales process associated with resource services can be initiated by the sales department or by the department managers. After the contact is established the department manager is often the relationship responsible and offers the client a set of profiles to suit the needs of the organization.

Delivering the resource services often means spending your time at client site as part of the client organization as long as the project lasts and being a part of the client staff. The individual professional performing the task finds himself in a position where he is able to expand his personal network within the client organization but simultaneously finds himself (at least) temporarily locked out of the possibilities of competence development within the internal firm structure. Since the internal firm projects are associated with the pre-defined solutions, and the temporary work services often linked to another very special type of problem, the technical competence development acquired as a temporary work is of low value internally, according to Combes. Working within the client organization also creates a feeling of not belonging to any of the organizations since the temporary workers often are not allowed to participate in meetings regarding business critical issues such as strategy, etc in the client organization. The responsibility of the professional working as temporary worker according to Combes is typically to deliver in accordance to the position and the assignment and to represent the firm in a proper way. The professional is seldom involved in marketing and sales activities towards the clients. His/her task is to perform well in order to make sure that the client is satisfied with the services delivered.

A medium sized firm going through changes

A senior consultant's view

Delaeter is a senior consultant within Divisé, a company that delivers services related to development processes for IT-related companies. Divisé has offices in several European countries and in the US. Although the firm is rather small in size it has a history of working closely with several large industrial international firms. The firm is considered as having a unique, niched focus of its services and the profiles of its employees.

Characteristics:

- *Some international presence*
- *Medium sized firm*
- *Primarily expert services and resource/temporary work services*

Delaeter has been a consultant with the company for several years and considers himself primarily working as expert consultant in particular fields. The local office where Delaeter is located has gone through a series of changes during the last five years. Previously the main services of the local office were related to expert consultants, each with a wide network within a specific industry. The competence profile of the local office was limited

to a few areas and the networks related to these areas were significant, according to Delaeter.

Traditionally the sales responsibility was placed on the individual consultants. As the organization grew a few consultants were appointed Key Account Managers, but every consultant had a responsibility to generate sales opportunities and to market the firm and its services towards prospects and clients. The services of the local office were related to techniques, methods and procedures and the consultants acted as experts within these fields. The client representatives were primarily parts of the networks in which the expert consultants acted. Competition typically came from internal departments of the client organizations.

Today's local organization has some of the previous characteristics but 40-50% of the revenue is generated from what is referred to as "resource consulting". The revenue corresponds to approximately 25% of the personnel who are primarily involved in assignments of that particular kind. The market approach is more widespread and the competition is more diverse. Within different service areas the firm competes with several different competitors. Apart from the resource services, the firm still offers services that are associated with the expert competence of the individual consultants. The characteristics of these services have changed somewhat as they now are shorter and are offered to a wider range of client types. In general the firm has a very low degree of codified collective competence and Delaeter notes that the firm lacks proper "knowledge management".

For Divisé the sales process of its resource services involves a few clients, mainly previously established relationships, and the attempt to provide more individual resources. The difficulty of establishing new relationships is the reason to this approach. According to Delaeter the clients usually want few suppliers and long-term relationships with them. Delaeter stresses the importance of creating a clear image of the competence profile of the firm and the difficulties of establishing trust with completely new client organizations. The sales process is tightly linked to the individual competence profile of the suggested professionals and when the need is established the lead-time to delivery is short.

The advisory services are often generated through rumors, networks or informal contacts and the clients are more often new to the firm. The project is more linked to the project arrangement or suggested solution. Compared to the resource services the lead-time from need to signed contract is substantially longer.

After joining the client organization - a retrospective view of changes

Dejong has recently joined one of the client organizations of Divisé, after working as a consultant within the organization for a longer period of time. When he started at Divisé he had just received his university degree and consequently acted as a junior during his first period of time. His impression of the firm during all the time he was employed was largely that it consisted of a group of individuals sharing a common interest and a common set of values. Although they had a common set of values he describes them as a

rather diverse group in some aspects, who worked with areas in their fields of interest, within the limitations of the firm.

Many of the consultants of the firm were connected to professionals within client firms through their field of interest and these were the prime target group. It was allowed for the individual to take on whatever assignments as long as he/she was allocated to a project/assignment. The sales managers and the individual consultants marketed the firm and themselves respectively to the same target group but on different hierarchical levels.

According to Dejong the consultants were acting primarily as resources within the client organization and secondly as a source of ideas and creative solutions. During the first period of time during which Dejong worked for the firm the "rhetoric" among the consultants was that they were not "resource consultants" but process improvement consultants. The seniors of the firm were working more as experts than the juniors and could to a larger extent be faced with projects where the client had a specific problem that the consultant was contacted to solve. Teamwork and projects led by a consultant from the firm with other members of the firm were very uncommon during the whole period for which Dejong worked for the firm. Very few seniors wanted to work with the juniors in joint projects. Project assignments of this kind were not promoted through management incitements and the consultants usually wanted to work on their own.

For a longer period of time the company was showing a net loss, which was accepted by the management and the owners. According to Dejong the president of the firm valued the firm according to growth figures based on staff numbers. The investors saw the firm as a strategic asset and believed in the strategic plans for future growth that the president presented, and thus accepted the financial loss.

During a period of time associated with the demands for growth, ideas of packaging services into products arose. These ideas were never fully explored. The sales were primarily based on one relationship and demands from this client organization were minimized suddenly in association with an economic decline. When the market demand for the firm services fell rapidly the firm lost many of its clients and also lost key sales responsible individuals and tried to hire sales staff from the outside. According to Dejong the externally hired sales staff never managed to understand the services offered by the firm and did not achieve sales results of any significance.

The survival of the firm was due to the return of some old clients to the firm and that some of the senior experts were assigned projects. According to Dejong the assignments were more and more shifting into more of the resource character even among the seniors. The consultants were acting as employees within the client organizations and according to Dejong many of the consultants wanted to be treated as resources due to the previous crisis. When acting as resources within client organizations the interest from the firm management and sales function about sales opportunities and the competence development of the individual was very low, according to Dejong.

Dejong's last assignment for the firm, which finally led him to being employed by the client organization, was a long-term assignment. Since the client treated him very much as

an employee he was allowed to participate in many of the activities and meetings of the client firm such as kickoffs and meetings where strategic issues were discussed. He was allowed, which he finds surprising, to interview other consultants for assignments within the organization and handle budget issues. Divisé started activities during this period in order to increase the feeling of kinship among the consultants. According to Dejong these activities were minimized after a while and finally almost disappeared. One of the reasons of the failure was the lack of informal communication before these events as no expectations or plans were made by the consultants themselves since they did not meet on a daily basis.

Reflections and reorganizing with focus on client processes

Association is a firm that has sprung from one of its present key clients and offers everything from business consulting services to technically based service delivery within its field. The company is mainly present on one national market but works together with its clients on an international level.

Characteristics:

- *Some international presence*
- *Services include outsourcing large project delivery, products, solutions*
- *Very limited temporary work services*

Among the professionals who worked for Divisé is Armel, a former senior. Among the positions he had in Divisé were vice president, business area manager and principal consultant. Some tasks he had were strategic development as well as sales and project management as well as the responsibility for starting a few of the branches in Europe. Today he manages a large division of a company delivering system solutions and services for telecommunication operators related to telecommunication and IT. According to Armel, the roles of the professionals in the two firms are fundamentally different due to the size of the organizations. The professionals in Divisé had to take on several different roles in their work, such as project manager, expert and participant in projects. Within his current organization the professionals have much more distinct and clearly specified roles.

Armel believes that the change of service focus of Divisé was due to market demand decrease of the services previously supplied. This decrease had many reasons, one was focusing cost and expenditure when the IT market shrunk. He is certain that the shift towards supplying resources was a wise reaction to the decrease in demand for the traditional services of Divisé and that the external hiring/recruiting of a sales executive was an essential step in pursuing this strategic shift. As being one of the key sales and project responsible individuals (as identified by the other interviewees, and partly by himself) he believed that, him leaving the firm probably had a low impact on the firm's results.

In his current position as manager of a division of Association he is responsible for the financial result and has the final delivery responsibility towards the clients of the division and the company as such. According to Armel one important business model of the company is to supply "a functionality" as agreed with the client organization. This delivery ambition implicates a responsibility of supplying the clients' clients with services. Armel claims that it is a key task of the firm to interact directly towards the clients' clients in

order to certify that the functionality delivered as part of the clients' offerings to their clients is qualitatively satisfactory. Association also interacts with several partners and suppliers to deliver a complete offering of functionality.

Recently the company has gone through reorganization, this work comprising design and implementation was led by OO. Input to the organization redesign was mainly based on intense discussions with clients and the charting of their needs and ways of organizing their services and supplies of services and products, i.e. the business processes. Association consists of four divisions with different focus on typical processes of a telecom operator. Sales responsibility is assigned to a separate unit consisting of key account groups. Each one of these key account groups acts towards distinct market segments. Often the project groups consist entirely of staff from one division but quite often project members are gathered from across the divisions as well. The Key Account Managers of the sales organization all have a long history either from within the organization or the client organizations.

Within each division a manager is assigned for handling offerings. His responsibility stretches beyond the formal boundaries of the divisions and in close interaction with the sales organization and the clients, the position includes redesigning offerings and redesigning and developing the underlying competence structure. Of vital importance is the responsibility to continuously monitor changes in needs among the clients that subsequently will affect the offerings of the firm.

Each unit is made up of staff ranging from system engineers and system architects to business consultants/business architects. Armel describes the business architects as the ones primarily involved with the clients on a day to day basis apart from project managers, business leaders and the sales organization. The business consultants are also generating additional sales towards the client due to their intense interaction with the client and the interaction on a decision making level.

Assignments are divided into projects, development projects of a considerable size as well as unit working only with application management both functional and technical. Jobs assignments are sometimes performed at client site, often additional services in association with previous deliveries. Armel uses the word "resources" to describe system and engineering staff allocated to projects. Project staffing sometimes requires relocation of personnel. Using CVs and competence descriptions supports the project staffing procedure. It is uncommon that individuals act as "resources" within the client organization according to Armel. It might occur occasionally, then mainly because of the fact that the firm previously was a part of one of the client organizations and have a high competence of their operation processes. Some individual profiles are well known and demanded within the client organization. This is though not a specified part of the services and offerings. In some instances the business consultants, according to Armel, can be viewed as taking more of a resource role in their assignments as they sometimes actually perform part of daily business planning in the client organization alongside with their advisory role.

Armel claims that Association should be a consulting organization which means having a high service level and the importance of every employee (disregarding support functions) having a high service ability towards the client organizations and always being prepared to answer questions regarding the services and products delivered.

Restarting a local office

Ecomard is a fairly newly appointed regional manager of Expérience, a small technical consulting firm with approximately 16 employees divided into three offices. The firm consists of professionals with at least eight years of experience within the industry and recruiting is based on contacts and word-of-mouth within the industry. The local office that the regional manager represents has three employees including the manager. The aim of the local office is to grow into maximum 20 consultants.

Characteristics:

- *Local/national presence*
- *Small firm*
- *Delivers temporary work services and sometimes expert assignments*

The services offered by Expérience were said to be the delivery of resources represented by experienced engineers within software development in technical projects. The engineers in the firm have an average of approximately 10 years of experience and the recruiting of new professionals is heavily based on being sure that the recruitment prospects have sufficient experience that the experience is well known and can be established through personal contacts. Assignments are typically between six and twelve months. A new assignment can initially be negotiated for one month but is on nearly every occasion prolonged for a minimum of another five months. Establishing a completely new relationship with an organization is related to a very long sales and marketing process including prospect identification, cold calling and visiting identified organizations. Once a need is identified and a basic basis for trust is established between the two parties, the negotiation and assignment specification is performed rather rapidly. Matching a consultant with the need of the client is based on the competence profile of the professional, reference to previous experiences, buzzwords describing technical competence areas and time of experience. If a match is established a meeting typically follows this subprocess where the consultant and the client organization representative get together. An assignment can be related to a specific task to be performed by the professional or to act within the organization as one of the other employees for a specified period of time but with no precise definition of the tasks to be performed. The assignment can be specified according to geographic location and a very brief general work description.

The local presence is reestablished after the previous staff left the company. The company had a focus on a certain knowledge/competence area but locally that knowledge base is replaced after the key competences within this area have left the firm. The image of the firm as being strong within the previous competence area is still generating leads. These leads are difficult to follow up due to the fact that this competence area is not strongly represented locally. The focus of the new manager consequently is to rebuild the market. The absence of individuals representing the competence profile historically associated

with the firm limits the possibilities of the firm to explore the old reputation and competence profile associated with the firm.

The tasks of Ecomard in particular is aimed at consisting of approximately 80% external assignments as a consultant and 20% sales and marketing and personnel administration. Sales and marketing are the responsibilities of the regional manager. This double responsibility in association with the assignments where Ecomard acts as a consultant is seen as being the source of a difficult position. In some instances Ecomard finds it difficult to negotiate his own assignments and to market himself as a resource. Being a consultant and part time sales manager, Ecomard could identify a difference regarding the sales and marketing approach and ways of working between him and a sales representative of a major firm supplying individuals for hire to act as resources. When discussing the need with the client he understood that according to the client representative he had a better understanding of the problem and the competence needed than the sales representative of the bigger firm.

The consultants were described as "lone wolves" and their primary interest regarding their career as having the possibility to control their own competence development through suitable assignments and training. The consultants are working partly on commission, which is related to the amount of time allocated to projects. According to Ecomard the consultants' roles within the company could be described as small companies within the firm and that the benefit of staying within the firm is that they are allowed to focus on their technical area of interest and their assignments leaving administrative and sales tasks to others. The services offered by the firm are seen as resource services, but the consultants, being highly experienced within their field, are sometimes seen as sources of knowledge within the client organization when acting as temporary resources. The consultants can put a "veto" on the assignments they are proposed. According to Ecomard this is a prerequisite to be able to deliver quality services as it requires individuals who are interested in the assignment and thus are able to perform well. Ecomard compares the organization of the firm with his experiences of working in non-commercial organizations, where the key driver is the individual interest of the participants and not the direct orders of the manager.

The goal of the marketing and sales activities is to generate an assignment for one of the experienced consultants that will generate trust for the firm and the individual consultant and enable future assignments. The major part of the marketing and sales work is on the identification of prospects that are suitable compared to the competence profile of the consulting resources and sales activities through communication with key individuals, typically technical managers. During the initial phase of communication, with a new contact, emphasis is put on the history, references and characteristics of the firm and not primarily on the individual profiles of the firm. The competence profile between the offices varies, which is seen as a problem when using reference projects during sales and marketing. While the experiences and references is an asset during the initial sales stages they might not be consistent with the local competence profile. This divergence between the individual competence profiles and the firms overall profile is experienced as a problem by Ecomard. It is not uncommon that prospects or old clients ask for professionals with a certain competence profile which can not be supplied by the firm.

Although these requests are not being attempted to be provided for it is uncommon that an attempt is done to supply these resources from outside of the innermost circle of partnership companies.

A sales case of the firm is typically associated with the reputation of the firm, an individual consultant or the competence profile of an individual consultant. Depending on if a prior relationship existed with the client the client asked for a specific consultant or for a specific profile based on the needs identified by the client himself. The reputation of the individual consultant is equally important as the reputation of the firm in generating new sales. During the interview Ecomard reflects on the problem of trying to sell as many consulting hours as possible and at the same time identifying that the needs of the client might not be to hire that amount of consulting hours.

Within one of the other offices of the firm a project was started for those not allocated to a client assignment at that moment. The result of the project was a product with a visual effect associated with a software solution of a problem. This product has not generated any projects directly linked to the product itself but has in some instances appeared to be a valuable aid in marketing and sales as it helps visualize the possibilities of the technology in which the professionals are experienced. According to Ecomard the product can be valuable when trying to book sales meetings with technically interested managers within prospect organizations. Having something "to display" is very important and can act as a "key" in getting through to a prospect but is not crucial in determining whether they will win the assignment or not. Having something visual to display that differentiates the firm from the competitors and also has a long-term effect in that the prospects can associate the firm with something tangible - an "eye-catcher".

Service delivery

This chapter deals with the service perspective of the firm and the way that the firm organizes its work, its procedures and responsibilities. It begins with an introduction to types of services offered by consulting firms and the discussion continues by taking a comparative view of temporary work services vis-a-vis other services of the firms.

Service types

All firms studied viewed themselves as consulting firms or having a consulting orientation. From the services offered it is difficult to determine whether the consulting label truly describes the business of these firms. It seems though that the "consulting" label, from the perspective of the interviewees, can include many various types of services with more or less consultative parts. Among the services offered by the firms studied, four types of services can be distinguished based on the needs of the clients.

- Resource services/temporary work services
- Advisory/Expert services
- Services with project management responsibilities, large projects with problem solving responsibility where the consulting firm contributes with competence that is not part of the core competence of the client. Often outsourcing services.
- Product/Solution related services

All these service categories resemble the descriptions of generic firm types as discussed by Löwendahl⁷⁴. In order to make a direct comparison with temporary work services I have chosen to utilize a service perspective and identify services offered. It is likely that each type of firm offers the corresponding service type although it is impossible to claim that all of the services offered are of the corresponding type.

Product/solution related services resemble the strategic focus of Löwendahl but here the primary focus is directly on the external display of the ready solution and not only on the internal resource utilization into ready solutions. The large project services are in the interviews represented partly by the services of one of the sections of Considerable and especially Association where the services delivered are highly dependent on an intense relation with a few clients. The interaction responsibility of the organization is heavily placed on senior professionals with very high experience of the technical problems as well as the client organizations and processes.

Expert/Advisory services are based on consultants possessing a set of competences that are not normally present within the client organization. Professionals apply these competences to perform the advisory service and/or transfer knowledge to the client organization. The temporary work services are initiated by a resource need being established by the client through internal analysis followed by the recruitment of a temporary worker. The negotiation of a temporary work project is to a smaller extent based on a problem within the organization than on the need for a specific resource. I.e. the need of the client firm has already been identified and the consulting firm is only

⁷⁴ Löwendahl, 1997

involved in the later stages of the process contrary to the more consulting focused assignments where the problem definition is a key part of the project. The advisory/expert services alongside with the services where the consulting firm has a major project management responsibility often requires a longer interaction and the participation of a senior/expert of the firm in order to properly identify the needs of the client and contribute with interaction and project management experience.

My interview with Combes of Considérable shows how solution related services interact and co-exist with the resource services. But the organizational changes where the solution planning and development was separated from the implementation services show that solution related services are based on pre-defined, pre-developed entities that set these services apart from others. The development towards solutions had within this section of Considérable led to the division of the section into two organizational groups. This way of organizing the firm had been a topic of discussion within the firm for a long period of time. Previously the products and solutions co-existed along with the service offerings within the same organizational units.

The differences between the services and how they are viewed upon can be exemplified by Cadot's management view (of Considérable). Cadot says that the company has been influenced by the recent acquisition by the larger firm. The tradition of working with larger projects, developing solutions in-house and relying on a few very strong relationships with clients was being replaced to some extent by the service focus of the acquiring firm of supplying the clients with professionals (primarily juniors) acting as resources. The acquiring firm was in order to deliver resources organized into small entrepreneurial units. These mixes of cultures had, according to Cadot, affected his department and although it still worked with larger projects, supplying resource services was more common now.

To clearly identify if a project, staffed entirely by the consulting firm, that is performed at the client site should be considered a temporary work service can be difficult. But it is important to separate the temporary work services from outsourcing services where the responsibility of the project clearly is assigned to the consulting firm (although it can be performed at client site). Cadot identified the sources of resource and project assignments as fundamentally different. The resource assignments are the effects of clients initiating projects where they want to have control and take the responsibility. They buy resources to staff the project. According to Cadot the sales process associated with such assignments is simple and performed quite rapidly. The second type of assignments regards a client need that is not associated with the core business and hence the client assigns the project responsibility to the supplier. Within his department staffing of projects is primarily the responsibility of a key staffing professional, who has acquired knowledge of the available consultants and their competence profiles. This is complemented by individual competence descriptions.

Ecomard of Expérience provided some reflections on the differences between resource related and expert related services. In some instances some of the consultants were hired by clients to act as mentors for the client staff, especially within organizations with a junior profile. Although this was a rather special type of service, since the focus was on

delivering resource related services; the mentor services were not associated with unusually high fees. In some cases the clients demanding these services were only willing to pay a lower fee than the one usually charged for a resource consultant. In the office with the most experienced staff the average fee surprisingly appeared to be lower than that of the other offices. The firm had not been able to find any explanation for this. Ecomard exemplified by mentioning one of the most experienced consultants of the firm who's average fee was lower than anticipated given his experience and the client satisfaction compared to other consultants. The very experienced professionals working as mentors towards the clients had the same low amount of interest in and responsibility of participating in the sales and marketing activities as other professionals. I.e. their primary interest was in their special technical area of expertise and their primary goal was to develop the competence related to this through training and interesting assignments. This individual focus of the consultants is contrasted by the responsibilities of the regional manager, which links him closely to the goals of the firm. The goals of the firm were secondary to the consultants but are nonetheless a part of their reality as an expanding firm (this being one of the goals of the local office).

The services that the interviewees refer to as "resource services" are largely to be considered as tantamount to "temporary work services" as they to a large extent fulfil the criteria in the previous sections. In general the interviewees seem to be able to distinguish them from other services of the firms, partly due to the criteria above.

The delivery of temporary work services can be found to be highly knowledge intensive, delivered by people with higher education and a high regard to the professional norms. It also involves a high interaction with the client. These characteristics seem similar to those defined by Löwendahl⁷⁵ for professional services in general. Those who might differ are the ones requiring personal judgement since working as a temporary worker will include personal judgement but the responsibility of the professional as a source of judgement is smaller.

Compared to Löwendahl's⁷⁶ categorization of strategic focus, temporary work services differ substantially from the ready-solutions and the problem solving categories. It also differs from the client relation category since although selling temporary work services requires a relationship, the professionals can to a much larger extent be juniors who work independently from the seniors within the client organization. And there is a difference in the responsibility to find new assignments. Compare for instance with the definition by Melchionno⁷⁷, who defines temporary workers as relying on the firm to find work for them, contrary to other professionals who must find work on their own. Through this definition we can find a lead to distinguishing the temporary work services, within consulting firms, from other consulting/professional services: The individual role of the professional carries with it a lower sales or "workfinding" responsibility when acting as a temporary worker than as a consultant.

⁷⁵ Löwendahl 1997

⁷⁶ Ibidem

⁷⁷ Melchionno, 1999

A set of characteristics seem to separate the temporary work services from other services within the firms:

- Often a lower degree of knowledge transfer
- No information transfer
- Problem identification and sales effort functionally separated from the assignment
- Low responsibility for sales and marketing of the firm for the task professional/s
- The professional/s is/are part of the client organization during the assignment

In the discussion above we can distinguish how the temporary work services differ from other services in their characteristics. The next section takes a first step into trying to clarify the temporary work services delivery process in consulting firms.

Delivery optimization

The temporary work projects can be performed by linking the competence of the individual to common currently attractive knowledge areas such as technical standards and systems, process standards, management techniques etc. They serve as a common way of identifying a need of the client and hence the buyer has a clearer view of his/her needs and does not need the consulting process to guide him/her through the problem identification and sales process by the consultant. Through my interviews and my discussions with people in firms supplying temporary workers it is clear that the sales process, from the request to the supply of the suitable individuals is typically short, and the matching of competence is enabled by using "buzzwords" and other common indicators. This implies a standardization in the way of describing competences which enables a more cost efficient delivery with very low involvement of seniors. The classification or standardization of technical competences can be based on technical platforms or development tools (for information technology fields), processes, methods or management methods that are established as industry standards by an external (from the firm's view) organization.

The use of standards and its importance can be seen in the Divisé example where the importance and demand for a standard that previously had been a source of sales disappeared almost completely. Other standards emerged as important but the firm chose not to certify its consultants within the new standards which resulted in a weaker market position. According to Dejong the certifications were important for generating new sales since the displaying of competence was easier to perform through the standards.

Combes described the allocation process where the individual professional to a large extent was chosen based on an evaluation of the experience of the professional in association with a set of "buzz-words" labeling the appropriate technical competence. The sales process, from an established need to agreement, was very short in relation to the length of the assignment. The sales and management staff had a low degree of involvement in establishing the agreement and managing the assignment. The value for the buyer consists of getting staff on a short notice, and being able to hire on a temporary, project basis and being able to (to a certain extent) tap in on the competence of the consulting seniors of the firm (the technical expertise). Combes describes this as being associated with the selected marketing profile of the firm. The firm claims to be an expert partner within a specific technical/business field, including products and

competences. Clients demand resources services from the firm because of the reputation that the firm has on having a strong competence profile within a particular field.

In the product/ready solution oriented section of *Considérable* the relationship with the client was the responsibility of sales personnel and the department managers of the service organization of the firm. The fact that the service and the product areas were separated in this firm (but worked together in implementation and adaptation projects) might be interpreted as a firm consisting of two coupled organizations where the service part delivers jointly with the product/solution department towards external clients. On the other hand, from an internal perspective, the importance of personal competence development in line with the solutions indicates that the solution perspective characterizes the whole firm. It can occur that firms are actively seeking new markets or clients to whom they can offer their individual professionals on a temporary basis. But as the interviewees stated, the goal of providing resource services, is to establish long-term relationships, as clients are reluctant to change supplier of temporary workers. A longer relationship with a particular client will mean stronger links to the client and a more customized competence development. This is contrary to the standardization tendencies of competence descriptions.

The use of buzzwords and standards to describe the knowledge and experience profiles of the professionals appears to be very common, especially among firms which business is associated with areas of standardization and technology. Although consulting firms are less attached to the professional model of formal knowledge regulated by external parties, than for instance accounting firms, the association of knowledge with industry models and concepts, sometimes formalized by an external party, is important, especially when considering temporary work services. The temporary work service knowledge set, thus attaches to the view of a technical-rational knowledge base, attached to general principles⁷⁸, which can be deep, due to specialization, but is usually narrow in scope⁷⁹.

But the degree of standardization of knowledge and experience description seems to vary. All of the interviewees tended to believe that the use of standardized descriptions had to be complemented by personal knowledge of the individuals. Within *Considérable* one of the solutions to the need of personal knowledge in the allocation process, was solved through an allocation coordinator, who could provide an overview as well as have a good knowledge of the characteristics of the individual professionals. Association's offerings did not include temporary work services, as a significant part, but the organization seems to have an organizational allocation function, based on formalized competence descriptions, that enables project staffing that utilizes resources from various geographical locations. This indicates an organizational ability that goes beyond individually based informal staffing and can handle allocation to large projects.

In short: The temporary work supplying firm strives to establish long-term relationship and long-term projects which leads to customized competence development of the temporary workers/consultants. But a standardization of competence profiles and experiences seems to be necessary in order to perform new sales and allocation effectively

⁷⁸ Torstendahl et al, 1990

⁷⁹ Lam, 1997

from an organizational perspective. The ability to allocate competences quickly and correctly is an important delivery capability. It is independent of whether the final delivery is a project associated with a ready solution, a complex problem solving or a temporary work service.

The temporary work standardization can be compared with the reuse economics⁸⁰ and ready solutions⁸¹ in that scale economics is pursued: Low costs of sales & problem identification and the use of seniors through the standardization of competence profiles. The basis for the reuse economics is partly the competence of the sales and management personnel but it also relies on the external bodies of standardization or organizations of trust (trust and competence basis enablers) that produce the technical/theoretical standards that are lucrative. The professionals who work on a temporary basis are primarily used as task professionals (compare Maister⁸²) within a particular field i.e. they are not part of the sales process since the problem definition step is eliminated due to the common standard of competence profile. How is this related to the value creation process of the professional service firms?⁸³ By supplying professionals for temporary needs the temporary work sellers can provide value without knowledge transfer, which is a strategically different way of approaching the clients. Acting as a temporary worker can on the other hand be a source of learning for the individual professional.

Organizational characteristics

The traditional view of the professional service firm and the roles of the professionals involve a career incentive to a large extent based on sales and relationship responsibilities. Organizations that focus on delivering temporary work services tend to be more probable to have a staffing and functional responsibility structure that differs from this concept. Often technical competence is the highest ranked professional quality among the consultants and the personnel involved in sales and relationship activities are to a higher degree recruited entirely for sales purposes without having direct experience as professionals within the firm or from a similar firm.

Consequently, delivering temporary work services enables the individual professionals to focus on their technical expertise without the need to develop their sales and interaction skills. The sales responsibilities of the temporary work services on the other hand have a high amount of interaction with the client and can over a longer period of time become valuable resources of the company. This implies that the individuals focusing on the technical or expert aspects of their individual development have a different internal strategic importance compared to the ones focusing on developing their external professional client network. It is most clearly illustrated by a type of business network that consists of one entity focusing completely on the sales aspects of supplying temporary workers, and several one-man firms taking on the assignments generated. When working as a consultant and marketer I met one of the representatives of the sales focused firm within such a network. Here the two key competence sectors form separate companies, and through their collaboration they supply the same set of clients as a single consulting

⁸⁰ Hansen et al, 1999

⁸¹ Löwendahl, 1997

⁸² Maister, 1982

⁸³ Löwendahl 1997

firm delivering temporary work services. The network organization here enables the sales and marketing entity to specialize in its task and the small supplier of temporary workers (often one-man firms) to specialize in their technical knowledge field, quite similar to network supplier specialization that lowers costs⁸⁴.

Combes's description of the roles within his section of *Considérable* illustrates how clear the distinctions between the roles can be in the minds of the staff. In general Combes claims that the functional roles are quite clear: Either you act as an engineer/consultant, a manager or sales executive. The sales and consulting areas have different hierarchical levels and partly different career paths. The sales personnel are recruited based on their sales abilities and although sales staff can be recruited from junior consultants it is common that they are recruited externally based on their sales experience. The seniors among the consultants can have project responsibility or act as office managers or department managers but their primary career development is focused on becoming technical experts in their field.

The examples from *Divisé* contrast from the traditional consulting image of smaller firms vis-a-vis the sales role. According to Dejong sales responsibilities were previously shared between managers and consultants but the consultants were only interested in and obliged to make sales efforts on behalf of themselves, primarily to prolong their assignments. The office manager (also acting as vice president) was the prime sales responsible and generated approximately 60% of the sales. During the sales process the individual consultant was present, but mainly to display his competence not to participate actively in the sales process or project definition process, according to Dejong. This passive role of the consultants in sales interactions led by the sales responsible was largely independent of the seniority of the consultant. According to Dejong the individual consultants of the firm had no sales interest apart from generating assignments for themselves that were in line with their personal area. Management promoted this attitude and supported the idea that it was accepted to do what ever assignments that one was interested in as long as time was allocated to the client. According to Delaeter, as the firm went through changes due to internal and external pressures, the individual consultants were freed from sales responsibilities which was seen as a relief.

The strict separation of roles is also apparent in *Expérience* where consultants according to Ecomard were entirely focused on their tasks and had almost no sales and marketing responsibilities besides acting as good representatives of the firm and performing well and thus making way for more assignments. According to Ecomard the engineers were primarily interested in the development tasks of the assignments and not the sales and relationship functions of the firm. The sales, marketing and relationship activities were entirely allocated to the manager of the region. Even during the assignment period, the relationship responsibility was entirely on behalf of the regional manager. According to Ecomard the contact within the client firm often changed during the sales and assignment process and during the interaction period several functions and individuals could be involved as key contacts. Handling these contacts and performing quality checks was the responsibility of Ecomard. That was partly to certify that consultants acting within the

⁸⁴ Jarillo, 1988

client organization were relieved of these issues so that they could focus on their area of interest and on performing the tasks. The consultants were rewarded partly on commission related to their allocation percentage.

In the smaller firms, such as Divisé or to some extent Expérience, with a strategic focus on relationships, the temporary work services can co-exist with the expertise or relationship role of the professionals. These firms are likely to have a higher ratio of seniors to juniors and the professionals' role towards the client can vary from an autonomous expert role to a temporary work role. In the larger organizations with predefined solutions the primary group of professionals delivering temporary work services are the consultants with some interaction and technical experience but who have not reached a senior position, as described in the Considérable case. In the larger organizations the establishment of a sales force dedicated to sales with its own career paths is often an effect of the development of ready solutions. Although the standardization of competence descriptions and competence profiles tend to facilitate delivering resources or temporary workers to clients, the effect it has on establishing relationships on firm to firm level seems to be small. Among the interviewees where these services exist the importance of establishing long-term relationships seem to be very strong. The interviewees point to the fact that the client often chooses very few firms as suppliers of temporary work services. Delaeter of Divisé claims that the firm relationship on the macro level is more important for temporary work services than for consulting or advisory services where the focus was more on the solutions/project design of the assignment. Establishing a new relationship involves creating a trust in the delivering firm whether advisory, ready solution based or temporary work services are supplied. The difference is mainly apparent in the next stage where an effective standardization of competence profiles facilitates the sales process when supplying temporary work services. The sales process often includes personal interviews with the professional but compared to advisory services the sales process seems to have a significantly lower senior involvement.

	Advisory services/problem solving	Temporary work services/resources
Client interaction responsibility	Senior professional	Manager/Sales executive
Delivery responsibility	Senior professional	Seniors and juniors
Service characteristics	Solution	Individuals as resources in client organization

Table 1 Responsibility areas

External image

Temporary work services exist side by side with other offerings and the co-existence displays advantages as well as disadvantages from an internal delivery perspective. This section will briefly touch the subject of how the external image is affected by the delivery of the disparate services, as perceived by the professionals of the firms.

Cadot of Considérable claims that the merger the firm has undergone with a resource service focused firm, has affected the brand, forcing the acquired organization to change its brand into the same as the acquiring firm. According to Cadot this has led to a confusion among the clients as to what the firm delivers and what clients it serves. Previous the merger the section of Considérable had mainly delivered outsourcing services and project services but the acquiring firm had a strong focus on temporary work services. My interviews with Divisé further exemplify the problem of a divided image. Within Divisé advisory and resource services were offered to the same clients and resource and advisory services could be delivered simultaneously to the same organizations. According to Delaeter this was not without complications though, since the client faced two different images of the service provider. The image that the client had of the firm did not correspond to the fact that he/she was offered two services where the firm acted quite differently. This complicates the possibility of delivering the second type of service after delivering the first type. If resource services are initially delivered the client often has a hard time accepting the price differences between the services (advisory service fees are usually higher) and different price models (per hour vs. fixed project pricing). According to Delaeter, trying to deliver resource services to clients, with whom the relationship is based on advisory services, might be somewhat easier. Still this sales process involves some confusion from the client side, due to the fact that a representative of the consulting firm now will act within the client organization as a resource, as opposed to the previous advisory services where the consultant acts autonomously towards the client. The two types of services can though generate valuable leads for the other type of service. Resource services can, due to their long durability, provide valuable insight into the client organization, which might reveal needs for advisory services.

The marketing and sales process of Expérience indicates that when approaching a new prospect the collective resources and the general competence/knowledge focus are exposed first in order to gain confidence and to establish a basis for trust. Only in the next stages are individual competences exposed as to match a possible need. The overall initial image the prospect gets of the competence focus of the firm seems to be of substantial importance. It appears that independent of whether the firm has a ready solution, advisory or temporary work service focus, the initial image establishment revolves around the collective competence image.

This chapter has illustrated what makes temporary work services unique and what separates them the most clearly from other services. It has also presented how temporary work services differ from the other services in terms of delivery characteristics, ways of organizing for delivery, and finally how they can affect client interaction and marketing. In the next chapter the attention is turned towards the fundamental basis of service delivery - the individual professionals.

Skills, needs and wants of the professionals

This chapter deals with the resource perspective of the firm. The first section is focused on the skill profiles of the studied firms and the second explores the individual perspective. In particular, the discussion revolves around the competences and skills of the individuals and the individual perception of the role of the professional in service delivery.

Competence and skills for service delivery

When looking into the differences between a typical temporary work service and another type of service it is possible to distinguish differences in the required competence sets. When delivering temporary work services there is a more or less strict separation of the sales and problem definition stages and the execution stages. I.e. typically a senior, management or sales focused employee defines the task and negotiates the assignment while the technical specialist becomes part of the client organization in executing a defined task. This does not typically mean that the professional performing the execution does not interact with the client or the client organization. The executing knowledge worker is often working as a part of the client organization and hence must have interaction and interpersonal⁸⁵ skills and a good ability to co-operate in new environments. When looking more closely into the competences of professional service firm employees we can distinguish:

- Technical skills (related to the area to be solved i.e. business process competence, change management competence, technical area competence etc)
- Interaction skills (interacting with new people, able to handle a different organizational and general environment)
- Market skills (the knowledge of the industry and clients⁸⁶)
- Consulting skills (skills related to coaching and giving advice to clients)
- Sales skills (the ability to communicate lead clients through sales situations through various sales techniques often related to coaching techniques (questions, funneling etc))

The more traditional consulting role as being an advisor is heavily relying on interaction abilities. The underlying techniques of coaching and advising are basically the same as those of complex sales interaction. The more complex the offerings become the more the ability of the sales responsible, in close interaction with the client identifying problems and needs, seems to be important.

The personnel primarily involved in the execution of temporary work services has a smaller amount of sales skills and problem definition skills and a smaller amount of contacts on a problem definition and decision making level. Knowledge on how to interact with clients, partners and other players and to identify problems and guide clients from an autonomous position towards learning is dependent on interaction and sales process knowledge. In association with a temporary work service these qualities are to a large extent not necessary since the problem definition phase is performed by the client in

⁸⁵ Alvesson, 2001a

⁸⁶ compare with Morris et al, 1998a

an earlier stage and the need often is established and communicated through a set of buzzwords and variables describing the needed competence.

The utilization of specific technical competence sets can be exemplified by Divisé. The services of Divisé as described by Dejong were mainly focused on helping the clients improving quality and their processes within the particular field. The tasks of the consultants were to help the clients with the improvements and to help them promoting the improvement projects internally. The main responsibility of these improvements was entirely on behalf of the clients. A large amount of the services were based on and generated in association with standards, and one standard in particular. Among the individuals of the target group the standard was known through media covering the particular area and reporting of the gains of working in accordance to the standard. Divisé had a reputation of knowledge within the field and thus generated assignments through the standard. Several of the services offered were based on this standard such as training etc. The reputation of the firm as being experts within the field was very good due to word-of-mouth effect. The main parts of the services supplied were basically providing individual consultants within the competence area of the standard. The consultants were supplied primarily individually and based on fees related to the charged hours.

Temporary work services utilize the organizational knowledge of the firm in delivery to a much lesser extent than other services. Compared to Löwendahl et al⁸⁷, the temporary work services can utilize the organization knowledge through the codified knowledge that might add value to the client. But primarily among the firms of my study the clients value the set of competences and the expert individuals that are available to support the temporary worker if complex problems should arise. The use of other collective knowledge is low since the norms, routines, ways of doing things, shared culture, corporate identity etc can be an asset for the temporary worker but might as well be a liability when the professional is working within the client organization without an autonomous position.

As discussed in the theory section, with reference to authors such as Block⁸⁸ and Sandberg et al⁸⁹, many aspects of the advising consulting role resembles the role of managers in association with leadership problems. One of my interviewees (representing Divisé) points in that direction when he claims that the consultants that aim at performing advising services need to be a driving force. I have during my time as a practitioner seen the request for entrepreneurial spirits among applicants for management consulting firms. The traditional professional service organization, as described by Maister⁹⁰ for instance, has a career ladder construction that greatly emphasizes the project management and sales ambitions and abilities of the employees. This can of course be a result of the management/business related focus of the business of management consulting firms as opposed to engineering consulting firms where the technical competence of the professional is not directly related to management and sales abilities. The absence of technical competence incentives, i.e. sales and management being part of

⁸⁷ Löwendahl et al, 2001

⁸⁸ Block, 2000

⁸⁹ Sandberg et al, 1998

⁹⁰ Maister, 1982

technical competence profile, within the engineering or IT consulting firms can be an explanation for the organizational phenomena where the sales function partly separates from the delivery function of the firm.

Despite these industry specific differences the firms studied indicate that the individuals acting as temporary workers primarily rely on their specific technical skills and their interaction skills when acting within different client organizations and projects. Since temporary workers constitute the basic resources of the service, understanding their perception of their position helps us establish more properly how temporary work services differ from and resemble other services offered by consulting firms.

Individual perspective

Depending on the nature of the assignments, the organizational resources of the firm, the sales and marketing strategies and the functional position of the knowledge worker the individual will experience his/her autonomy and influence on his/her work differently. If the organization has characteristics of a larger organization regarding a high degree of associates vis-à-vis partners, and consequently a large amount of professionals performing small predefined tasks in various projects, the individual has a smaller amount of influence above task level as shown by Tam et al⁹¹. If the professional is acting as a temporary worker at a client site his/her influence on the day-to-day tasks will probably be the same as in internally managed projects.

I believe that this view is illustrated by the interviews of this study. During the interviews and my time as a practitioner the use of the word "resources" to describe professionals, "acting as a resource", "resource services" appears to be widespread and common among managers and also by the professionals for hire. The use of the "resource" label, not only for internal projects, I believe, indicates that the professionals acting as temporary workers are primarily viewed from their set of knowledge and experiences in order to fulfil a predefined task or take on a predefined role. The fact that the professional is a "resource" acting almost as an employee at the client site also weakens the link between the knowledge workers and the consulting firm as the knowledge worker spends lots of time within the clients' organizations and not in internally managed projects. As indicated this also makes the knowledge workers more inclined to pursue other possibilities outside the firm.

Within firms such as *Considérable*, *Divisé* and *Expérience* there was evidence of a clearer separation of career paths between sales and consulting departments. This separation of functional roles was also indicated in the interviews by a conception among consultants of the sales and consulting functions as different, not only according to work tasks but also indicating that social identification could involve comparisons between consultants and sales and marketing staff. This can be compared to the changes of incitement structures of *Divisé*. In *Divisé*, according to Delaeter, the sales incitement was almost completely removed for the individual consultants and a sales manager was recruited externally. As previously mentioned, the staff gave a "sigh of relief", according to Delaeter when no longer facing the responsibilities of sales assignments.

⁹¹ Tam et al, 2002

The consultants of Divisé, delivering expert or resource services, were often represented by different individuals. Although the same professional could perform both types of services some were more often involved in one of the types. The consultants preferably taking on resource assignments enjoyed longer projects and were less willing to drive and lead projects but were more interested in taking an active part in the day-to-day work of the client, according to Delaeter. Previously this group of consultants were juniors. The consultants taking on advisory assignments were to a larger extent risk takers. They appreciated the external role towards the client and were driving forces. Individuals could be more or less forced to act as resources although it was not in their primary line of interest.

When Maister⁹² presents how sales professionals are viewed as "rainmakers" he also states that this way of organizing should be replaced by team based efforts. Sales activities associated with temporary work services seem deliberately allocated to specific sales professionals and as the interviews within Expérience and Divisé indicate, the temporary workers often want to relieve themselves of the sales tasks. In fact, in these firms and in Considérable the social identification is related to comparisons with the different characteristics of the sales professionals. As noted by Alvesson⁹³, social identification is closely linked to the loyalty aspects. For the professionals striving to act as temporary workers one of the key drivers is the ability to change work place, project and to choose assignments (see the labeling of the professionals as "lone wolves", in Expérience). Furthermore, acting as a temporary worker means seldom meeting your colleagues of the firm and temporarily identifying more with the client organization. Despite this fact I believe that social identification exists between the colleagues of the firms through their common strive for independence and their identification with the technical profile as opposed to the sales oriented profile.

The professionals involved in temporary work service delivery indicated that delivering these services often meant being at the lowest hierarchical level of the client organization with low influence on other things than the day-to-day tasks (none of the studied firms supplied management-for-hire, which is one of the areas identified by Cabbell⁹⁴). When comparing this with the value creation process as described by Löwendahl⁹⁵, it seems that the professional can have a low influence on other things than day-to-day tasks during service delivery, but has a certain possibility to choose his/her assignments, and is not pressured to contribute to any collective competence "Ex Post". On the individual level, prior assignments are nonetheless seen as important. As observed by the regional manager of Expérience, the individual reputation of the consultant is important and previous individual relationships with clients can generate new assignments for the individual⁹⁶. But compared to firms focused on expert services the sales responsibility of the help supply firms are allocated to the managers or the sales executives and not on the individual experts whose services are demanded.

⁹² Maister, 2003

⁹³ Alvesson, 2000a

⁹⁴ Cabbel, 1991

⁹⁵ Löwendahl, 1997

⁹⁶ compare with Morris et al, 1998a; references to Nelson, 1998

The main reason for being employed by temporary work focused firms seems to be the relatively high degree of autonomy. The professionals are often allowed to choose if they want to participate in the projects suggested, although forced participation may occur. But, when applying the concept of autonomy it is crucial to distinguish it from how Löwendahl uses it⁹⁷, in her descriptions of individual priorities, and how the authors who describe the expert-consulting role use it⁹⁸. The concept of autonomy does, in those descriptions, carry with it a responsibility of managing the relationship with the client to a larger extent than a temporary worker does. The autonomy of the temporary worker revolves around the independence towards a single work place and the possibilities to experience several different client organizations and projects. The possibilities of choosing assignments can vary depending on the size of the temporary work service supplying organization. As for other professional service firms⁹⁹ the inexperienced professionals are probably more likely to choose larger firms with less ability to choose assignments but higher security, whereas the more experienced choose firms such as Expérience to maximize their ability to choose assignments.

In order to describe more in detail how the characteristics of a temporary work service delivering organization differs from firms with other strategic foci, I will in the below table present what individual priorities characterize temporary work services using the priority areas as discussed by Löwendahl¹⁰⁰.

Individual priority type	Temporary work services oriented firm
Priority	Ability to choose assignments and change workplace, increasing personal experience
Risk aversion	Medium. Depending on experience.
Goal setting	Individual
Primary goal	Pleasing the client + gain experience on technical level
Authority	Client decision maker + sales mgmt professionals
Reference group	Client + functional group (delivery or sales function)
Status/Rewards linked to	Client satisfaction/sales
Demand from organization	Sales & Marketing
Degree of autonomy preferred	Independence and influence on the choice of future assignments
Primary conflict resolution mode	Exit

Table 2 Individual priorities

The unattractiveness of sales and marketing and administrative responsibilities for the temporary workers indicate that reward systems of promotion are less applicable to this group of professionals. The loosely coupled networks of one-man professional service firms could further indicate a way of organizing in order to generate rewards, which fit

⁹⁷ Löwendahl, 1997

⁹⁸ Andersson, 2002; Block 2000

⁹⁹ Löwendahl, 1997

¹⁰⁰ Ibidem

this group. As observed by White¹⁰¹, knowledge workers are likely to prioritize several types of rewards other than monetary and promotion. He mentions among others, the possibility to choose work site and to work with intellectually interesting problems. Through the loosely coupled systems the individual can maximize his/her influence on choice of assignments while simultaneously relieving himself/herself of sales and marketing and associated administrative tasks through the small sales entity of the network. Thus the network/loosely-coupled organization retain resources by facilitating individual influence, that enable a focus on individually prioritized technical knowledge areas, and supply network/organizational support in specific areas, as opposed to knowledge retention through promotion¹⁰². The organization's collective knowledge dimension is not as important as a point of reference for the individuals, in a firm focusing on temporary work service delivery. Instead the individual knowledge area prioritized is the starting point for the individual's choice of assignments.

The last two chapters have applied a mainly static point of analysis, although some reflections on dynamic changes have been made. The following chapters will discuss how consulting firms are likely to be affected by a shift towards temporary work services.

¹⁰¹ White, 1991

¹⁰² compare with Morris et al, 1998b

Moving towards temporary work services

This chapter is focused on the contrasts between temporary work service delivery and other services, and in particular the short-term and the long-term strategic perspective of the studied firms. It focuses on the attractiveness of temporary work services from the firm perspective and reflects on the impacts of temporary work services on client interaction and competence development.

The phenomenon of temporary work service delivery within a consulting/professional service firm context and co-existing alongside with other services has through this study revealed ways of organizing, delivery processes and functional groupings. Here a particular focus is on the drivers behind the re-concentration or diversification towards temporary work services and the key consequences following such strategic actions.

Temporary work services are seldom mentioned in the mission statement of the firm or marketed internally or externally as a service although they are a vital source of income for some of the firms. In Alvesson's¹⁰³ study as well as in mine interviewees stressed the importance of volume of the sales as opposed to the more high-end services implied by the mission statement of the firm. In my study the temporary work services constitute a cost efficient way of delivering a service since it:

- Requires a short, inexpensive sales effort after the initial stage
- Requires a low involvement of project managers/client interaction responsible

As the interviews have shown, temporary work services can be a deliberate part of the firms offerings, compare the parent company of Considérable or the change of service focus of Divisé, or services that are offered when the possibility arises. Temporary work services can be difficult to clearly distinguish from other services and for the individual consultant, some of the work he/she performs can be of the temporary nature alongside with, for instance, his/her expert/consultative assignments.

Consequently temporary work services can be offered exclusively by a business unit as the main service focus or be a part of a set of offerings. Adding temporary work services can thus be done as a service re-concentration or through diversification. In both instances the firms will have to consider how the temporary work services will interact with other services or business units offering consulting services. This can be compared with the classic strategy concept of strategic fit and single business strategies of differentiation and focus¹⁰⁴.

Short-term and long-term service focus

One of the most interesting examples of a temporary work service and other services within the same firm was during my time with a previously large IT-firm, which had cut down heavily during one and a half-year when I joined them. The firm had a history of combining several competence profiles from management advisors/business developers to project managers and IT-development staff. The firm had produced several award-winning solutions for its clients but had been struck heavily by the latest recession. When

¹⁰³ Alvesson, 2000b

¹⁰⁴ See for instance Grant, 1998; Thompson et al, 1989, including the references to Porter, 1985

I joined the firm several professionals had left the firm. The key projects doing well were large projects associated to a product/solution developed for a particular client. The staff that was still with the firm was a mix of IT-specialists and sales managers.

A few months before I joined the firm a new CEO was recruited externally. He had a background from IT-consulting firms which had, as I understood, a high focus on supplying temporary workers. He told me about his experience from his previous position. Within the consulting firm where he previously worked as a local manager, a high focus was put on the allocation results and the results of the local divisions. The divisions were encouraged to compete against each other and try to accomplish the best financial result based on billable hours. Since the local demand for the services were high he staffed projects and temporary positions with clients with staff from other divisions when all of the local staff were allocated. The divisions supplying the extra staff were compensated by a lower hourly rate than his division charged the client. This procedure later had an effect on both the corporate incitement and the billing procedure of his division.

One of the clearly stated ideas that the newly appointed CEO had was to make the previously product and solution oriented firm into a "consulting firm". He was facing a situation with demands for quick positive financial results. Among the measures that he initially took were to encourage the employees to pursue as many certifications within technical areas as possible. He further encouraged the sales staff to pursue new sales opportunities within a short-term perspective. He wanted the staff to act within the client organizations as opposed to the previous in house focus. This change of service focus was difficult since many of the professionals were used to internal projects and working in-house.

The shift of focus of the organization towards "consulting" services seems to me in retrospective as a shift towards supplying temporary work services. Encouraging the employees to certify themselves indicates a way of formalizing competences in order to more easily market individuals for temporary work services. Although this approach was mixed with assignments with a more consultative/advisory focus the short-term profit focus seems to be linked (in this case) to a shift towards temporary work services.

As a company develops (not necessarily growing, but often likely) it seems that depending on the resource base; individual competences and values, culture, a consulting firm can partly separate its sales and delivery functions either through productization and standardization of solutions or to some extent by standardization of competence profiles. The two types of standardizations are not mutually exclusive as one can co-exist with the other (see Considerable example). Developing solutions or products is a long-term commitment that can generate unique competitive advantages. Aiming for large-scale temporary work service delivery is more likely to require less long-term investment. What type of path a company will choose is consequently dependent on the long-term financial prerequisites and ownership structures.

Knowledge and competence development

A re-concentration towards temporary work services can in the longer perspective cause the competence profile to diverge as well as the client portfolio. A more diverse competence development of the firm can weaken the resource base as well as the diverse client base within the temporary work area can weaken the strategic focus. On the other hand the strictly technical experience of day-to-day problems will probably develop among the professionals involved in temporary work services as it seems that these are the tasks that are dominant. And since they often are relieved of sales, marketing and project management tasks they are allowed to focus entirely on the technical tasks.

If the temporary work experiences of the professionals are seen as an asset and a valuable source of information for the firm, both regarding the market and potential clients, the business opportunities and development within areas linked to the key competence areas of the firm, temporary work services can be a part of the value creating process. Within the smaller firms where the ability and the resources to manage and provide professional development opportunities for the junior consultants and the consultants without several years of experience is limited, providing temporary work services can be a way of providing technical and interaction training for the juniors. This can be done in line with the technical competence focus of the firm and thus can help to build a stronger base for improving the services of the firm.

One of the interviewees of *Considérable* believed that smaller types of firms were among tomorrow's winners due to their low overhead costs. When comparing the competence development in these firms with the ones of a more solution based firm it seems that the diversity of the technical competences can be more widespread. On the other hand it appears that since the first stage when exposing such a firm towards the market relies on a collective profile, spreading the competence development and acquisition could be problematic. The case of *Expérience* indicates this as the new profile of the local office differed from the general, which limited the utilization of previous market contacts of the firm.

Client interaction

As mentioned explicitly and implicitly by the interviewees, for instance the local manager of *Expérience*, there is a difference in the marketing and sales exposure of the qualities of the consulting firm depending on the stage of the client - consulting firm relationship. The first stage involves the establishment of a common awareness of the two parties without specifying the direct needs of the firm. The second stage has generated enough interest and attraction and some basis for trust to expose the needs of the prospect for the consulting firm and for the consulting firm to approach these needs. The qualities that the consulting firms expose during these stages vary depending on the services offered.

Table 3 Marketing & sales message and interaction focus.

	Advisory/ Expert services	Temp work services	Large projects/ problem solving	Solution/ Product services
Stage 1	Individual/Coll- ective	Collective competence	Collective competence	Solutions
Stage 2	Interact./consu- ltative	Individual competence	Interact./probl- em solving	Solutions

The interview with Divisé exemplified the difference between the marketing and sales of solutions and resources. While the marketing and sales of temporary worker services involve exposing the competence profile, collectively in stage one and individually in stage two, the marketing and sales of solutions involves exposing the solutions directly. The marketing and sales of advisory/expert services seems to be to expose the collective competences and then approach the client in interactive sales/consultative fashion in order to establish underlying needs that the client organization have not identified properly by itself.

Providing temporary workers to key clients can also be a way of increasing the presence within the client organization to generate sales possibilities. The responsibility of the professional then exceeds the ones of a temporary worker employed by the help supply firm in that it carries with it the responsibility to act as a marketer of the firm's services and to actively contribute to the sales and relationship building of the organization. In my studies the incentives to perform sales and marketing activities as an individual consultant has differed widely. Dejong, who previously worked for Divisé, indicates that, when acting primarily as a resource, he experienced that the incentives for the individual professional to perform sales and marketing tasks were, according to his opinion weak, and that the benefits for sales generating activities were low.

A change in strategic focus in order to generate short-term profits might affect the individual resource base and consequently put the firm in a different strategic position. Thus shifting service focus significantly towards temporary work services will in the long-run affect the delivery of other services that require different functional structures and a different individual or collective delivery resource base. A more standardized sales procedure might affect the sales of other services that require a higher amount of interaction through the sales and problem definition process. These tendencies attach to the opinion of Maister¹⁰⁵ that in general, the short-term goals are overmanaged vis-a-vis the long-term goals.

¹⁰⁵ Maister, 1982

Abstraction and conclusions

Functional and process characteristics

In this study, firms that have the highest degree of temporary work services in their offerings, such as *Expérience*, tend to have a more centralized sales structure. The part-time marketing function¹⁰⁶ of the temporary worker is mainly limited to delivering a good service and thus acting within his or her specified role. The sales and marketing process is the responsibility of a particularly assigned member of the firm. It is not uncommon that this individual has a background that is related to sales and marketing techniques and perhaps not as strongly to the problems or particular business area that the firm is approaching when delivering its services.

This separation of technical and sales oriented personnel is contrary to the professional service firm career and functional organization where the sales responsible has a long-term experience of the services of the firm and the client problems. It seems that this functional role arrangement leads to a sales focus on assignments where the problem definition phase of the assignment included in the sales effort is lower than in the traditional functional and career structure. The attitude of the professionals acting as temporary workers towards this arrangement in quite a few instances seems to be that marketing and sales is not an area of interest for them. They primarily want to focus on the development of their technical expertise. The differences identified by the interviewees between the consultants and the sales staff, can indicate the will to identify socially with the group of "service deliverers" or technical experts and through comparison with the sales subgroup/functional group¹⁰⁷.

The interaction process with the client goes through two primary stages. A first contact is established through exposing the collective competence profile of the firm, references etc. Once this stage has been successfully passed the next stage is initiated by the prospect that has identified a need for a specific competence profile in the organization. A search for a matching competence profile is then done through competence and experience descriptions. The standardized descriptions tend to be important and in for instance one of the departments of *Considérable*, the individuals who administer the competences that are available play a significant role (compare with *Expérience*). The interaction levels of the delivery professionals and the sales staff are often quite different as the sales responsible staff respectively interact on a decision making level of the client firms and the delivery professionals act as staff within the organization.

An advisory service delivery organization has to a large extent a more widespread sales and marketing responsibility function. Sales and marketing and client interaction is the responsibility of seniors (supplemented sometimes by marketing functions) who are also the more experienced within the technical areas/problem areas. A sales process is more focused on helping the client identify the problem and thus the sales responsible has an active role in establishing the need as opposed to the temporary work service delivery.

¹⁰⁶ Gummesson, 1998

¹⁰⁷ compare with the study by Alvesson, 2000a

What is interesting is that juniors in these organizations often have a low direct interaction with the client firm, since the project responsibility is allocated to a senior representative of the firm, which is quite opposite to the temporary work services. From this perspective, the marketing and sales functions are to a larger extent integrated with the delivery function as opposed to the functional arrangement of temporary work service delivery.

From a resource development perspective the tendency of a separation of responsibilities regarding sales and interaction and delivery responsibility respectively, might have a long-term impact on the competence development within separate groups and individuals of a firm. Several of the firms in this study have undergone minor or more important changes regarding the strategic focus of the firm, the services delivered and the way of working. External pressures such as market and demand changes, ownership pressure and internal resource changes have initiated the changes of the firm.

Through the interviews, and from my time as a practitioner, it has been difficult to determine the direct origin of changes. These observations resemble the framework model by Löwendahl et al¹⁰⁸ of value creating processes. My studies have involved a subfocus on the phenomena of social identity, which can provide an indication of the organizational characteristics that accompany different services. When several service types co-exist in a firm it seems that interest groups associated with the specific service characteristics emerge. Temporary work services, and product associated services tend to be associated with role and responsibility structures of firms that show evidence of separated career paths and social identification, including comparisons towards other functional groups of the organizations.

Stressing these issues in the Löwendahl et al¹⁰⁹ model expands the focus of the model to include the roles and responsibilities of marketing and sales alongside of service delivery of the firm as affecting and being affected by the knowledge base, how it is distributed individually and the importance of the social and cultural groups. In the enhanced part of the original model, the interaction of the resource base with the input market is also emphasized, since changes in service offerings will affect exit and recruitment and vice versa.

¹⁰⁸ Löwendahl et al, 2001

¹⁰⁹ Ibidem

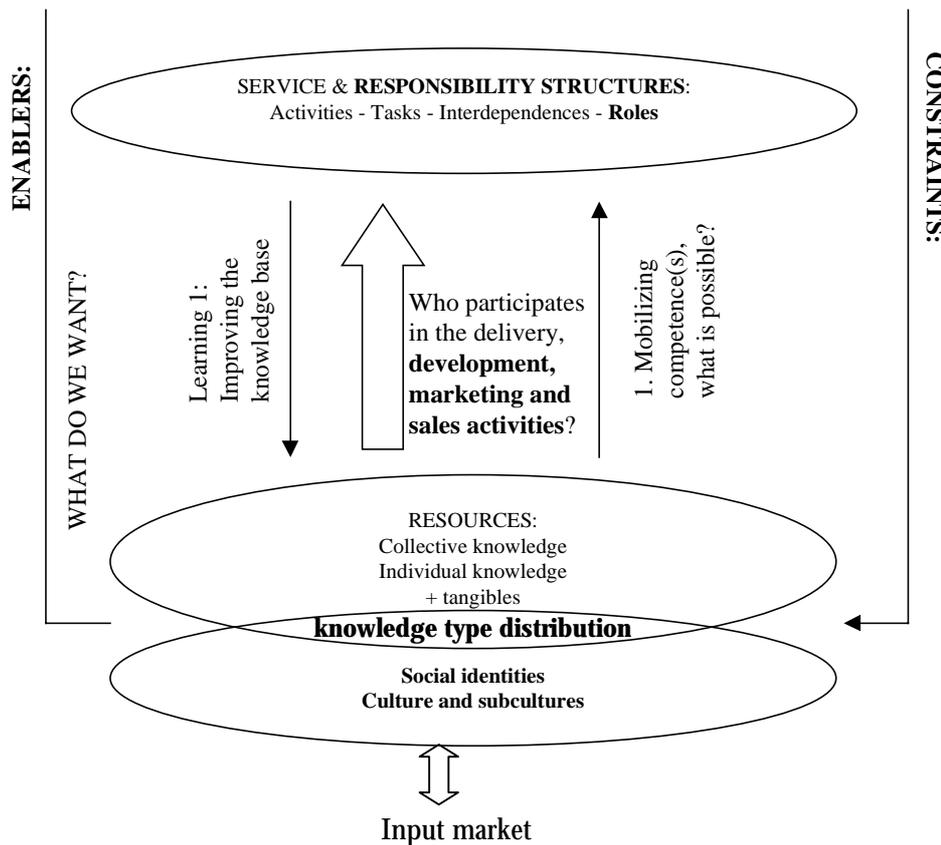


Figure 4 Enhanced model, resource roles

The enhanced model (additional entities in bold) indicates the importance of service delivery as well as the responsibility structures and the roles of the professionals associated with the delivery process. It also stresses who is involved in the delivery, development, marketing and sales activities respectively and consequently **how and which** knowledge types are distributed among the individual professionals. Tightly linked to the knowledge types are the social identities and the cultures and subcultures of the organization as they can help us understand the distribution patterns.

A change of external focus/service characteristics and a change in functional organization, procedures and available resources tend to affect each other. A change towards a more formalized and isolated sales function within a professional service firm, which is characterized by a more standardized way of offering services and exposing them, and more specialized delivery functions will put a pressure on the individual resource base of the firm. The set of competence and skill profiles demanded for the functional organization will generate exits and/or recruitment of new professionals. A change in the other direction will subsequently affect the resource base similarly but towards another set of individual resources. The following model is an attempt to illustrate two extremes of separation and integration of project execution/delivery and project generation/interaction in the service delivery and the resource base, based on the previous model.

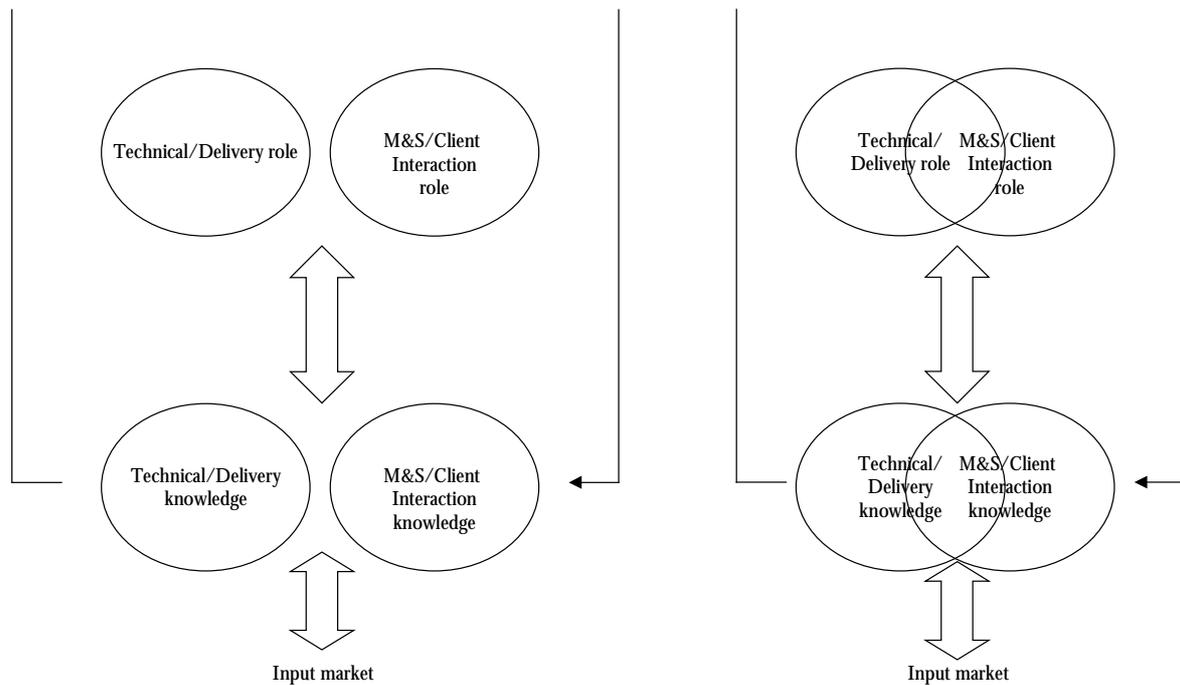


Figure 5 Responsibility extremes

The higher degree of mixed roles among the professionals of the latter type in the above picture originates from the more intense **and** complex client interaction of these firms. This is due to the higher degree of customization of the services. It might be argued that a temporary worker is the professional that is interacting the most intensely with the client, but he/she is often acting as almost a member of the client organization and often on a lower level of the client organization hierarchy. When a professional for hire transfers larger amount of information or knowledge in his assignment, his/her role is more of an expert role and the corresponding service must be considered as such.

Service types and delivery resource base

By combining the perspectives of customization and individual and collective resource utilization we can map the services of the studied firms as below. This classification helps identifying the similarities and the differences between services of the studied firms and will act as a foundation when analyzing the complications and possible synergy effects between services offered by the same organization. The "delivery resource base" - dimension is not identical with the resource base dimension of Löwendahl's matrix since the Löwendahl matrix is more focused on the key resources associated with the type of firm. I.e. a firm with service deliveries involving large project structures can have an individually controlled key resource base since the important client contacts are allocated to a few key professionals. In the above figure the focus is on the collective effort that is required in delivery. Furthermore, the model is developed from a service perspective first and foremost.

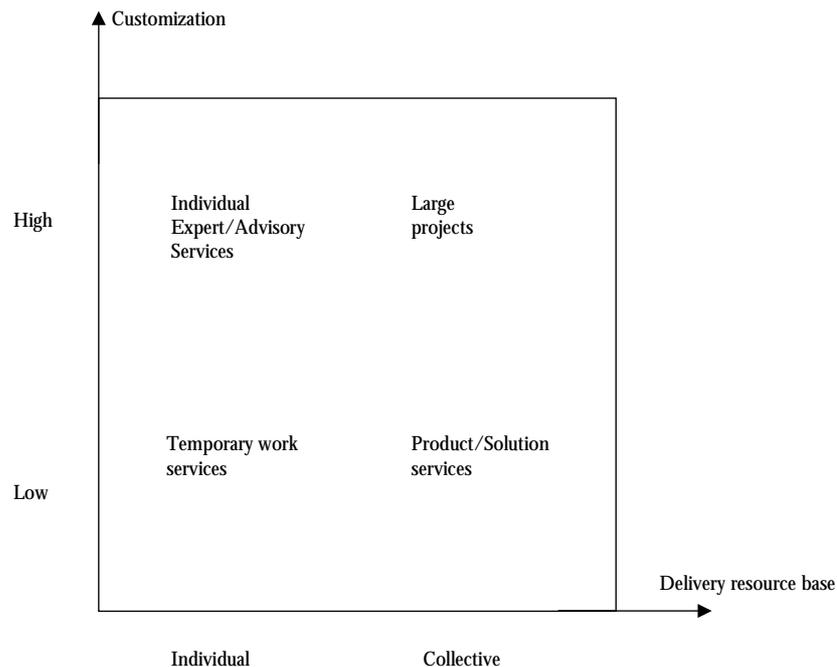


Figure 6 Service types and delivery resource base

As shown by the discussion of resource utilization for temporary work services vis-a-vis other services, a shifting service focus towards temporary work services will affect the resource base on a long-term basis. These differences between the service types seem to indicate that the temporary work services are fundamentally different from the other services (compare with the concept of substitutability¹¹⁰). Although the services are different they do co-exist in the studied firms and they do so successfully in some instances, especially on a short term-basis.

For the services utilizing a collective resource base the synergy effects¹¹¹ with temporary work services are particularly apparent when considering the allocation procedures/abilities of the firms. Product/solution related services and large project/problem solving services require efficient allocation procedures and resources (compare "efficiency enhancement"¹¹²) to create large project teams. This allocation efficiency is similarly crucial for delivering temporary work services in order to, from a large individual resource base, allocate the right individual with the right competence profile to the client organization. This seems to be one of the reasons why these firms seem to be attracted by the delivery of temporary work services, when the opportunities arise. And the client relations generated from delivering non-temporary work services give the firms these opportunities and they can be utilized in order to generate temporary work service assignments. But taking advantage of these opportunities can have negative effects, as discussed previously, due to the long-term effects on the resource base and the external image. Consequently the mutual utilization of the client relations from the different service perspectives is not solely beneficial.

¹¹⁰ see for instance Grant, 1998 or Hooley et al, 1993

¹¹¹ see for instance Grant, 1998

¹¹² Löwendahl, 1997

Below is an illustration of some key capabilities associated with the different services. Focus is on the most essential capabilities and it should not be interpreted as if the expert/advisory services do not require collective delivery capabilities, but that their importance is comparatively lower. The model illustrates the allocation capability as a common denominator for the services. It is here presented as a unique capability instead of as a part of the collective delivery capabilities. For the service furthest to the right, the dotted line around expert competences indicates the stronger focus on a collective R&D rather than on individual experts in value creation. For the expert services, depending on firm size and organizational design, the allocation capability will primarily include the matching of competence areas with less emphasis on the problems of allocating individuals into large project structures. This is due to the more autonomous position of the individual resource and the advisory service characteristics.

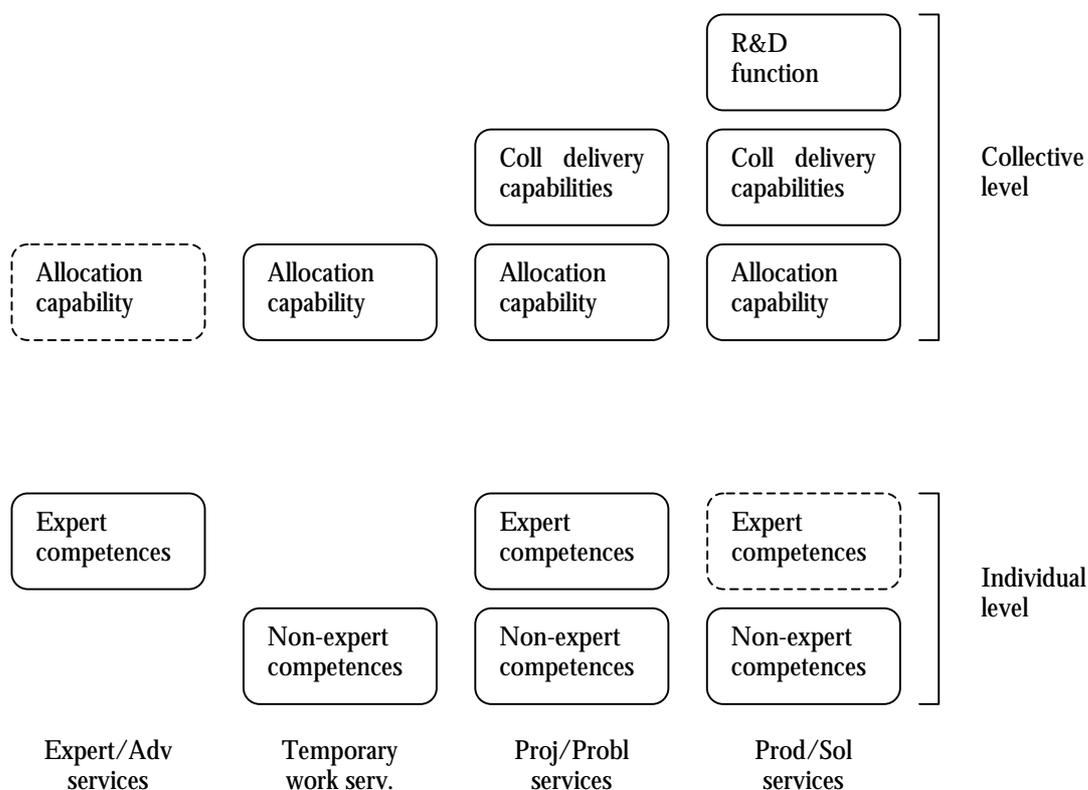


Figure 7 Competences and capabilities

Temporary work services in relation to service types

The following sections discuss the strategic differences between the traditional services found in consulting firms and temporary work services in more detail. Each section also presents the possible benefits and negative effects of adding providing temporary work services alongside with each respective service in detail. These consequences are of interest when exploring the possibilities of re-concentration or diversification towards temporary work services.

Temporary work services and product/solution related services

Due to the different foci on individual and collective knowledge and competence development, delivering temporary work services tend to create a diverse competence/knowledge development as opposed to the strongly focused competence/knowledge development around the product/solution. For the individual professional acting as a temporary worker this can be seen as a highly unattractive situation as well as being part of a client project instead of an internally led project, which might affect the loyalty and increase exit probability.

The sales organizations resemble each other in that the career paths and functions of the sales & marketing and the delivery (and development for product/solution related services) are quite separated from each other. This functional and competence separation seems to create or strengthen the appearance of groupings that identify socially with each other and compare themselves towards the other functional group.

From the organizations studied it has been difficult to conclude if the firms that provide these sets of services simultaneously have been able to utilize the similarities in organizational functional responsibility structures, apart from the allocation structures. Although the sales and delivery of these services to a high degree relies on communicating via a standardized framework it seems difficult, as described previously, to use individual competence descriptions in the early communication stages with prospects which seem easier with services based on a formalized solution.

The projects associated with the ready solutions are often larger ones involving whole groups of professionals. One could argue that allocating precisely the whole workforce through these projects is difficult and non-allocated professionals would consequently be available as temporary workers directly referring to a client organization. Since temporary work services often mean allocating a not necessarily experienced professional quite quickly and with low senior and management involvement delivering these services when opportunity arises and professionals are available should be common although it is not the main service focus of the firm.

The relations acquired throughout the marketing sales and delivery of the ready solutions/product services can be a source of temporary work services delivery opportunities. As mentioned, establishing a relation or a basis for trust seems to be vital before being able to promote individual competence profiles.

Temporary work services and large project/problem solving services

This combination of services seems to have the least in common, regarding the two dimensions. The temporary work services are primarily based on the individual professional resources and the customization is in a sense low which is reflected in the way that sales and marketing is performed. The large project services are on the other hand focused on solving a client's problem. It requires rather intense interaction and even though in several industries the services are delivered according to a specific specification the delivery requires high amounts of knowledge and sometimes information transfer. These services also require the participation of skilled project managers as well as expert professionals that have the ability to interact with the clients in order to specify the needs.

This interaction process reveals a sales and delivery process which is harder to separate as in the case of temporary workers and thus the sales and marketing function will either be working closely with the delivery side or they will be fully integrated.

Despite the differences it appears that compared to the more ready solutions oriented services discussed previously, the competence and knowledge development associated with this area can be more diversified as it is not as closely linked to pre-defined areas associated with solutions/products. This may make the individual less reluctant of acting as a temporary worker within a client organization as the effects on the competence development of such an assignment is more likely to fall into the more generous boundaries of the competence development associated with the large project/problem solving services.

As for the prior service combination discussed the relations and the contacts acquired through the large project/problem solving services can act as leads to providing temporary workers. It is important though, to note that the tradition and culture of these services can be quite contradictory as professionals, particularly the seniors with an expert profile, usually assigned to projects that require interaction with the client dealing with complex problems and working in teams formed internally, can be reluctant to act as temporary workers. For the juniors the differences can be smaller as they are usually not that interactive with the clients and get pre-defined project responsibilities that could equally be part of a client project. Nevertheless the temporary work services require acting within the client organization as opposed to being part of internally led projects. These differences can if the focus is transferred to temporary work services have an effect on the loyalty of the professionals. For the firms with a focus on larger projects, as for the ones related to ready solutions/products, delivering resources can be a way of trying to maximize the utilization of the available resources that are not allocated through the larger projects. The project process/service delivery is complemented by the one of delivering temporary work services.

Temporary work services and expert/advisory services

Both of these service types demand a particular focus on the individual professional is dominant. The expert/advisory services delivered typically involve one or a few professionals, with low junior involvement.

The resource/temporary work services can be used in order to allocate juniors and to maintain their competence development. But, as discussed previously, a temporary work assignment is relying primarily on the technical knowledge and competence side of the individual knowledge and competence profile. The expert/advisory service on the other hand is largely based on the interaction abilities of the professionals and their ability to, in interaction with the client representatives, establish the needs of the clients and prospects and thus market a problem solution ability by acting in a consultative fashion through the marketing and sales stages. The skills and aptitudes demanded of those delivering expert/advisory services appears to differ in this aspect from the temporary worker professionals. A shift towards temporary work services of an expert/advisory service focused firm will have an effect on the individual resource base and its structure. As for the other service combinations, a shift where professionals are forced to participate in the

delivery of services, that they are not used to or do not see as their primary strength, can affect loyalty and exit probability as the possibility to choose projects that are in the interest of the professional is a very strong source of job satisfaction.

Providing both of the service types can be a problem as they tend to be associated with different ways of charging. Furthermore the role of the individual professional towards the client is quite different, which will limit the possibilities of a single individual taking on the two roles within the same client organization within a shorter period of time. As noted by the consultant of *Considérable* the presence of temporary workers/consultants on a day-to-day basis can be a vital source of information for further assignments. The utilization of this information seems to be limited, though, since the temporary workers often have a low sales and marketing interest and incitement.

A comparison with the generic firm types

In order to position the strategic characteristics of temporary work services, this section will utilize the framework provided by the Löwendahl matrix and compare it with a temporary work service focused firm. In the beginning of this report I stated that the Löwendahl matrix is difficult to apply to temporary work services offering firms. One of the reasons is how the resource base is utilized in service delivery. The amount of teamwork controlled by the firm in actual service delivery is very small, due to the service characteristics.

Consequently the type C-firm of the Löwendahl matrix is directly inapplicable to a firm focused on temporary work service delivery, whereas the type B-firm only to a certain extent resembles the characteristics of a help supply firm with highly skilled professionals. The type C-firm revolves around the gathering of project teams as a key characteristic in order to solve complex problems and the B-type firm is based on R&D-efforts that supply common employed solutions. None of this is apparent for a temporary work service delivering firm. An important common feature though, is as explained above the allocation capability.

But Löwendahls fundamental ideas of combining the resource perspective with the external service focus can be applied in general to temporary work services. Even for temporary work services the forces to standardize and enable some sort of scale economies are present. As I have shown previously these advantages rely on the standardization of profiles and the allocation capabilities of the firms. It seems though, that it is difficult to pursue such a strategy for highly skilled professionals as the placement procedure is likely to be more complex than for help supply firms providing non highly skilled workers. The more complex the knowledge associated with the services, the more difficult it should be to market in a standardized way. As Alvesson puts it: "Knowledge does not exist in a vacuum as something fixed and packaged, ready to be sold and distributed."¹¹³

Consequently the characteristics of a temporary work service focused firm is likely to most resemble those of a client relation-focused firm. The following table displays the

¹¹³ Alvesson, 2001a, p 872

configurations of a temporary work service focused firm in accordance with the Löwendahl¹¹⁴ presentation. It reveals that a temporary work service focused firm has many characteristics common with a client relation-focused firm but some resemble the other two firm types.

Status and authority	Client relation/hierarchical management
Management focus	External sales
Control	Price
Coordination	Low. Higher through allocation phase
Performance evaluation	Client satisfaction
Organizational design	Loosely connected single entities with centralized M&S
Organizational flexibility	High
Service complexity	Low-Medium
Ownership	External/Internal
Key assets	Individual resources + allocation and M&S capabilities
Vulnerability	Exits
Strategic focus	Target clients/assignment types

Table 4 Configurations, temporary work services focus

Strategic implications

A friend of mine, employed by a large telecommunications firm and often working with consulting firms, told me one of the impressions that he had of one of the biggest world-wide consulting firms. Working with them on an advising basis often meant clear attempts from the advising consultants of initiating projects that could be staffed with or run by the consulting firm.

The fact that consulting firms promote an advisory and expert image, but that their main delivery consists of high volume temporary work or outsourcing services is discussed by for instance Alvesson¹¹⁵ in his study of a large IT-consulting firm. As discussed above there are three main reasons for consulting firms to deliver temporary work services as a complement to their ordinary services: Temporary work services can generate short-term profits with a low involvement of management and sales professionals, the necessary allocation capability is already present and the firm is exposed to sales opportunities through its existing client relations.

Through this report I have shown that temporary work services have many characteristics in common with other consulting services but that they also differ in many fundamental aspects. These differences are likely to affect the long-term position of a firm that chooses to provide temporary work services instead of, or as a complement to other services. The main reason for this can be found at the individual level where a typical temporary worker tends to prioritize other rewards than the professionals who prefer working with other services. Consequently the personnel, who are the most significant resource¹¹⁶ and thus

¹¹⁴ Löwendahl, 1997

¹¹⁵ Alvesson, 2000b

¹¹⁶ Alvesson, 2000a

the underlying resource base, will be affected by a shift of service focus. Similarly the pressures associated with temporary work service delivery will influence the organization and its delivery processes.

Despite the problems with delivering temporary work services alongside with other consulting services, should it not be possible to deliver temporary work services on a longer perspective without the negative implications on the primary business of the firm? Keeping in mind that temporary work services are primarily associated with a client relation strategy, offering temporary work services to a client could be one of the components of a strategy aiming at creating a better fit between the client's value creating activities and the abilities of the firm¹¹⁷. But pursuing such a strategy in association with temporary work services requires a clear definition of services, roles and resource utilization to make sure that output and input markets are not negatively affected. With this follows the necessity of, within the organization, recognizing the uniqueness of temporary work services and the characteristics of temporary work service delivery. First when the long-term consequences of supplying temporary work services are understood and incorporated in the processes, possibilities arise of supplying them alongside other services and to take full advantage of the mutual benefits between the services.

In order to explore such long-term opportunities on a larger scale, the firm must go through a fundamental change of the core competences associated with, especially, the individual resource base. It will also have to adjust existing functions or create new entities that take advantage of the related experiences of allocation and the existing client relations. Pursuing a change of this kind, that will have an impact on the cultural setting, will be in conflict with short-term goal setting¹¹⁸.

But the possibility of making short-term profit is, as discussed, one of the main reasons why a firm chooses to turn towards temporary work services as a complementary offering in some situations. This phenomena is visible primarily in the firms such as *Considérable* and *Divisé*, where temporary work services is not the main business and where the offerings of such services does not necessarily mean a conscious strategic shift towards a focus on such services. Here the turning towards temporary work services tend to undermine the main strategic direction of the firm due to its impacts on the input and output market. And the shift in offerings can in these firms to a larger extent be initiated by managers, than in firms such as *Expérience*, where temporary work services is the core business. The utilization of temporary work services for short-term benefits resembles the observations by Jackall¹¹⁹, of "squeezing resources"¹²⁰. Here the resources squeezed are the knowledge of the individuals and the relationships with the clients which affects the position of the firm with the clients and the position on the input market. In this study these tendencies are indicated, for instance, by the forced participation in temporary work service delivery, which was most apparent in *Considérable*, the largest of the firms and perhaps the most likely to resemble the bureaucratic organizations described by Jackall.

¹¹⁷ compare with the aspects of value creation by Normann et al, 1993

¹¹⁸ compare Hamel et al, 1989 and the study by Watson, 2001

¹¹⁹ Jackall, 1998

¹²⁰ Ibidem, p 91

Summary

The inconsistency between the stated mission of the firms, the main marketing message of the firm and on the main part of the delivered services, is represented by the use of the word consultant and the word consulting. One senior, running his own firm, where I was employed for a period of time, claimed that the words are misused by many firms and that professionals call themselves consultants although they are working directly within the client organization without an advising or consultative role. From a marketing and sales perspective it seems that the use (misuse) of these words and their associated values reflect and represent the symbiosis between the advising and temporary work services. As professional service firms which explore their position as advising consultants in order to deliver high volume projects, it appears to be a deliberate strategy to maintain a "consulting" image, in order not just to deliver high volume project services but also to deliver temporary work services.

The approach of exploring an advising position in order to generate high volume temporary work services delivery has benefits from a strategic marketing and sales perspective of the consulting firm. But the combined service approach can result in image problems as the clients face two fundamentally different services supplied by the same firm. This problem is exemplified in the interviews of this report (compare Divisé).

For other firms, the temporary work services are offered alongside with services that are based on collective resources where the client interaction traditionally is limited to a few seniors. These organizations often characterize themselves as consulting organizations although they resemble traditional product/service organizations since the majority of the professionals work internally.

From an input market and competence development perspective, temporary work services will affect the image of the firm and create opportunities as well as limitations for the professionals depending on their preferred ways of working and preferred types of assignments. If the temporary work services are supplementary services, for instance to ready solutions/products or large project management services, individual professionals assigned to temporary work services can consider it as being temporarily outside the core business and it might affect their loyalty. For professionals expecting advising, consultative assignments, being assigned temporary work positions within the client organizations can have a similar effect.

The short-term profits that supplying temporary work services can generate is an opportunity for the firms studied as it can act as a supplement to other services and generate assignments to non-allocated staff. It can also provide an opportunity for re-concentration or diversification. But as discussed, supplying temporary work services effectively, seems to require other ways of working and organizational responsibility structures than other professional services. Consequently major shifts of service focus will affect the organization, the functional responsibilities and the input and output market on a long-term basis.

For managers on various levels of consulting firms delivering temporary work/resource services alongside with services of other kinds it is important to bear in mind the implications that delivering these services can have on competence and knowledge development. Typically how this is related to training, recruitment and of course the strategic choice of projects as this is fundamental for the long-term strategic direction of the firm¹²¹.

Other aspects to consider are the effects on the functional responsibility structures of the firm and the effects that this can have on the identities of the professionals and their view of the firm's attractiveness as an employer and the exit options. Hopefully the summary of interactive characteristics between the services of the firms studied in this report and the model suggested to map the characteristics of these services could be valuable in order to analyze the service offerings and their implications on internal and external characteristics of the firm.

¹²¹ Löwendahl, 1997

Suggestions for further research

This study was inspired by my observations from consulting firms that I worked for or whose representatives I had the opportunity to work with. Since previous research in the area of highly skilled temporary workers is limited, doing this study has raised several questions around adjacent problem areas. Especially regarding the individual role versus the firm perspective and service types.

My study has almost exclusively applied the internal perspective (including the individual). It would be of interest to examine the client views (with client representatives as primary sources of empirical material) on temporary work services more thoroughly, and especially the ambiguous image that seems to arise when a firm is supplying temporary work services alongside with other services, to a client. Of particular interest would be the client perception of the delivery organization and the roles of the individuals involved in service delivery. Within this area it could be interesting to study the ambiguity of stated and delivered services, as discussed in the study, in general. Is this type of discrepancy particularly common in professional service firms, in special types of professional service firms, and what are the general effects on the strategic positions of the firms?

Another area of interest is related to the short-term profit characteristics in some firms, related to temporary work services. What role do ownership structures play in short-term and long-term goal setting, and what is the relationship with service type prioritization? Are temporary work services more frequent in firms with specific ownership structures, and under which circumstances are they more frequent?

The third and final area, that I would like to mention, is associated with the management view of service types in general and temporary work services in particular. In my study I chose to disregard from the specific theories-in-use of managers within the firms. It would be interesting to explore how managers value and evaluate different service types and what theories are used in decision-making situations that relate to service and project types.

Research in the above areas could provide a more in-depth understanding, not only of areas associated with temporary work services, but also of professional service firms in general.

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Appendix

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Interview questions

Personal questions

- Background (education, work experience)
- Position?
- Functional role?
- Tasks in association with clients?

Business and services, solutions etc

- Business idea, vision, mission etc?
- Services offered? Pre-defined?
- Which services are pre-defined and actively marketed?

Organization

- Functional roles of the organization?
- Career ladders? Hierarchical levels?
- Sales responsibilities/client interaction responsibilities?
- Task & project management responsibilities?
- Key competences, skills & network assets for respective role?
- Ratio: Task professionals to seniors?

Organizational temporary resources

- Codified knowledge system or Communication facilitation? (Pre-def services or client relation focus?)

Services and temporary work characteristics

Are the following bullets applicable to any of the services and to what extent?

- Individual assignments or with no project management responsibility.
- Low autonomy towards the client.
- Low knowledge transfer or information transfer.
- Low knowledge gap between professional and client.
- Short sales and problem definition process.
- Low or short involvement of seniors/sales responsible.
- Performed at client site.
- Professional's competence in line with clients core business competence.

- What would you define as temporary work services?

The importance of temporary work services

- What ratio has these assignments to other services?
- Are services as the above part of the official strategy/services of the firm? Are they "bonus" assignments/tasks adjacent to other services?
- Profitability of these services?
- Pay-off, profit margin etc?

Effects on internal temporary work development

Temporary work services assignments effect on:

- Competence development
 - Individual
 - Organizational
- Relationships between:

- Firm and client
 - Professional and client
 - Professional and firm
 - Loyalty?
 - Exit opportunities? Depending on functional role?
-
- Who are the professionals assigned for these tasks?
 - Sales and marketing/client interaction responsibilities?
 - Task role?

Selling temporary workers, strategic relationships with external standardisation organisations

- Who performs the sales and initial client interaction activities?
- How are the relationships established?
- Are sales conducted on the basis of previously established or externally established standards of competence etc?
- Is it possible to deliver/sell temporary work services without prior relationships or marketing?
- What are used as information or standard certifications? Licenses, standards, products etc?
- What is the ratio between the use of internally developed products/standards and externally for temporary work selling?
- Expenses associated with external standards?
- Are assignments generated through external standardization organisation?
- How are these relationships handled and the assignments generated?
- What is the importance of the external organization to gain and generate trust towards the client?
- Is a temporary work delivery which utilizes a previously established relationship, based on a more traditional, problem solving effort/image, harmful to the relationship? In what way? What might be the outcome?

Interaction with other services

- Emergence of delivering other services: Ready solutions or expert/client customized services?
 - Historically? Through temp work services or other projects?
 - Now (new temp work assignments as part of developing competence and relationships for further strategic use)?
- Interaction with other players (other consulting firms, sources of competence)?

External standards competence and temporary work development

- How are the competences of the firm (individual and organizational resources) developed according to the external standards?

Temporary work service delivery
- organizational and strategic effects on the consulting firm

Appendix

Interview association structure

