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Towards an abductive mode of thinking in management consultancy

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Abstract

Managers face an important paradox today, that of capitalizing on the benefits associated with strict knowledge systems and procedures without suffering however from its rigidity-inducing effects. Management consultancy should take that into account and rather use an abductive ("may be") approach , instead of a deductive ("must be") or inductive ("is") approach. As a facilitator, the consultant should teach his clients to master and adapt the frameworks/solutions, after the consultant leaves the company.

1. Introduction

In a recent review article on consultancy's impact on management, Sturdy (2011) finds that in terms of expertise building, consultancy often helps in providing companies with a common language and a focus for organizational reform, while at the same time allowing them to formalize management knowledge through making information and procedures more explicit (see also Clark and Finchham, 2002).

Two knowledge management strategies are often at place, a codification strategy, in which all common (more explicit) knowledge is stored and reused and a more personalized strategy, in which networks are developed for linking people so that tacit knowledge can be shared (Hanssen et al. , 1999).

Managers however face an important paradox today, that of capitalizing on the benefits associated with strict knowledge systems and procedures without suffering however from its rigidity-inducing effects. Organizations that successfully navigate in today's rapidly changing environment will be those that perfectly balance between

control and imagination as they construct their strategic trajectories of action (Szulanski and Amin, 2001; Kaplan and Orlowski, 2007).

Today's knowledge management therefore is not about choosing between a strict codification or (less strict) more personalized strategy, but about combining them: using and sharing/learning, exploiting and exploring, etc.

2. What does it mean for consultancy practice?

This means that consultants (if hired by managers) should provide solutions that allow clients managing today and tomorrow (exploiting and exploring) (Buono et al. 2011). Evidence shows that this is an important element in consultants' communication today (see examples in table 1 of some consultancy companies).

Table 1: Examples of consulting companies claiming to offer sustainable solutions

Consultancy company	Communication statements
Ernst & Young Advisory services	"*Today's achievement is tomorrow's expectation*. But as targets increase, so do risks. We help your business to make and *sustain improvements*, while responding more quickly to change".
Boston Consulting Group	"Our customized approach combines deep insight into the dynamics of companies and markets with close collaboration at all levels of the client organization. This ensures that our clients achieve *sustainable competitive advantage*, build more capable organizations, and secure *lasting results*".

However consultancy practice itself is often not entirely in line with the objectives of coming up with really sustainable results, as it is often driven by a deductive and/or inductive approach. In a deductive approach, the consultant applies existing models/frameworks to problems, almost irrespective of the contexts in which he finds them . Some consultants reformulate the problem in terms of their skills (Craig, 2005, p. 150). Some consultants make a lot of money collecting experience from their clients, which they sell in other forms to other clients. They devise the idea , repackage it and resell it (O' Shea and Madigan, 1997, p. 13 and 148). However, using strategic schemas or templates that helped in other circumstances may lead to a dangerous situation (Nadkarni and Narayaran, 2007; Jensen and Szulanski, 2007). Moreover, the more routine and standardization are used, the less knowledge will be developed by the consultant himself (Skjølsvik et.al. , 2007). The knowledge which is often transferred to the client mainly takes on a codified character (Ciampi, 2008).

In an inductive approach on the other hand, the consultant starts from specific observations and hence doesn't come in with a well-developed framework or plan (O'Shea and Madigan, 1997, p. 200). This approach is driven by the assumption that typologies do not 'fit' all organizations in all industries (Thomas, 2003; Bloodgood and Morrow, 2003; Grandy and Mills, 2004; Nadkarni & Narayaran, 2007). Moreover, this type of consultancy often focuses on strong individual relationships, where collaborative interaction is crucial (Glückler and Armbrüster, 2003). The knowledge which is transferred mainly takes on a personalized character.

However, in today's rapidly changing environment, a consultant's client should be able to implement and adjust the consultant's framework, after the latter left the company and after some important hypotheses of the framework (for instance external conditions) change. This demands an abductive ("may be") consultancy approach rather than a deductive ("must be") and/or inductive ("is") approach . Abduction (a term from the domain of logic) is a logical way of considering inference or "best guess" leaps (Powell, 2001; Kolko, 2010). In a deductive ("must be") approach, the decision maker often relies upon a predetermined logic, often based on "past" experiences (see table 2). In an inductive/evolutionary ("is") approach the decision maker makes observations with respect to the issues studied (present driven). Deductive and inductive modes of thinking often rely upon linear time logics, staying on one time path. An abductive ("may be") approach starts from imagination, combining deductive and inductive principles and relying upon multiple paths when reasoning (as in branching logics), which is also different from a visionary and more absolute "will be" approach, in which the final destination is known.

It is this skill of reasoning that clients should adopt from consultants, that of being able to understand and control a framework on one hand "and" reframe it or reinterpret it on the other hand, if certain conditions or objectives change.

Table 2: Temporal/logical modes of thinking in management consultancy

Past oriented	Present oriented	Future oriented	
What must be	What is	What may be	What will be
Deductive	Inductive	Abductive	Visionary
Normative	Descriptive	Predictive (uncertain)	Predictive (certain)

3. Implications and conclusions

The abductive consultancy approach proposed in this short article, builds further on what Ciampi (2008) calls meta-consultancy, in which knowledge is not transferred from the consultant to the client, but "knowledge building" is learned .

By learning to control and adapt his own frameworks, the client becomes less dependent on the consultant, after the latter leaves the company. Consultancy may even be restricted to less time consuming and less expensive E-consulting support (asking and answering questions about the frameworks in use through E-mail, videoconferencing/skype, etc.), making it less expensive.

For example a company like "Dynamic management solutions" states it as follows:

"We do not simply leave clients with a report of recommendations. Instead, we work alongside staff and managers to train them, leaving our clients with a culture of continuous improvement that pays dividends long after the project is complete and our team has left your organization".

Or to conclude it is about getting yin and yang in clients' knowledge systems ("understanding/control" on one hand and "learning/creativity" on the other hand, see www.logicalmanagement.be). ■

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