One can not know everything, but together we know a lot

Conditions and Restrictions in consultancies for KM based CRM

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Abstract

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Purpose
This study seek to complement the existing literature on KM based CRM by providing contextual insight in how consultancies can create value for their clients and thereby develop and sustain long-term B2B relationships.

Main research question
What are the conditions for a KM based CRM initiative to work in consultancy firms with the objective of creating and sustaining long-term relationships?

Sub research questions
What factors and activities are important for generating customer value within consultancy, and what are the pitfalls in this endeavor? What acquired knowledge should be used in CRM initiatives to strengthen customer relationships? How could a consulting firm apply this knowledge in reality to nurture existing and new B2B relationships?

Methodology
This master thesis of 30 ECTS is based on an explorative case study conducted at a established consultancy firm. Primary data was collected through 1 focus group, 2 pilot interviews and 18 semi-structured interviews. The study was supported by secondary data through literature from the fields of customer relationship management, knowledge Management and relationship theories.

Findings
Identification of focus for a KM enabled CRM that address the conditions of the affected stakeholders and restrictions within the context of consultancy.
Foreword

This report is the result of a diploma work conducted at a consultancy firm in Sweden during the spring term of 2018. This thesis is our concluding part of the Master Programme in Industrial Management and Innovation at the University of Uppsala.

First of all, we want to express our gratitude towards the consultant company were this research was conducted. We want to give some special thanks towards all individuals that we had the pleasure of meeting and who offered their time in order to help us with this study. Finally, we want to thank Marcus Lindahl who acted as our subject reader at Uppsala University. And to Andrea Perna who offered valuable help and insight during the duration of this study.

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1 Introduction

This study will investigate a consultancy firm in Sweden and its practices in efforts to develop and sustain long-term relationships with its clients. Consultancy firms operate according to a business model that rent out specialized consultants on contract basis to other companies where they usually work on site. As consultancies engage in a highly competitive market, the importance of establishing strong customer relationships is paramount for company performance. From literature regarding the context of relationship within businesses one of the more protrusive concepts is that of Customer Relationship Management (CRM). It can be traced back to the nineties, to literature such as Stone, Woodcock and Wilson (1996). The concept of CRM is a business strategy with focus on establishing and developing value creating relationships with customer by using knowledge (Garrido-Moreno and Padilla-Meléndez, 2011). In order to generate long term, mutually beneficial and loyal relationships with the customer it is required to orient organizations and their processes towards the customer with focus on personalizing its products and services for them (Ibid).

CRM have been defined by Eppler et al. (1999) as a knowledge intensive process, consisting of knowledge for, from and about the customer (Lei & Tang, 2005). Knowledge management is considered to be constructed of four processes, knowledge -creation, -storage, -sharing and -usage (Holzer and Marx, 1979). However, there are recurring problems within these, found both in the empirical study and also stated in literature (Alvesson, 2011) concerning dilution of databases, incentive for sharing, time restriction and no distribution channels. These issues will be addressed in the context of consultancy and its mission for successful relationships with customers. As consultants work in close proximity to the client company, it presents an interesting opportunity to explore the possibilities of utilizing the consultant and their function to deploy CRM practices with the assistance of supporting KM systems. The methodology deployed entail analyzing the perspectives of the involved stakeholders of a consultant assignment through the scientific lens of well researched areas such as CRM and KM. Consultancy firms possess collectively massive amounts of knowledge and competence, and has been acknowledged as a key factor in creating competitive advantages (Salmador and Bueno, 2007; Beijerse, 1999).

1.1 Purpose and research question

There is a demand within the consultant industry for a conceptual framework that shows how CRM initiatives can help a firm develop and maintain sustainable relationships. Much of the research on CRM is quite broad and generic in its nature, making it hard to apply to today’s consultancy organizations. By analyzing and utilizing the unique situation that consultants experience as a key component in merging KM and CRM, this study seeks to complement the existing literature on KM based CRM by providing contextual insight in how consultancies can create value for their clients and thereby develop and sustain long-term B2B relationships. Thereby, the research questions of this study are as follows.
What are the conditions for a KM based CRM initiative to work in consultancy firms with the objective of creating and sustaining long-term relationships?

Three sub questions have been constructed that together encapsulate the scope of the main question. The sub-questions represent the focal points of this study and if addressed appropriately, it should answer the main question satisfactorily.

1. What factors and activities are important for generating customer value within consultancy, and what are the pitfalls in this endeavor?

   The first sub-question has been constructed in correlation with what Garrido-Moreno and Padilla-Meléndez (2011) identifies as the core of CRM, which is the value-creating aspect. If the nature of what the customer values in a relationship with a consultancy can be identified, then the focus of the CRM strategy can be concluded.

2. What acquired knowledge should be used in CRM initiatives to strengthen customer relationships?

   With the identification of the value-creating factors and activities the second sub-question is aimed at answering what knowledge is in direct enabling and/or enhancing these factors and activities. Furthermore, what stakeholder should be responsible/most suited to give/gather this knowledge.

3. How could a consulting firm apply this knowledge in reality to nurture existing and new B2B relationships?

   The third sub-question is aimed at, with the restriction and opportunities discovered within consultancy during the empirical data gathering and analysis, identify the best approach for how the knowledge in sub-question (2) should be shared and internalized within a consultancy firm in order to enable strengthen the CRM according to the focus of sub-question (1), value.

1.2 Research setting

   The selected case company is an international consultancy firm that is currently operating in 12 countries and has a workforce of 3900 individuals. The study is not spread out over the entire organization, instead the researchers decided to focus on their regional branch in Uppsala that was established in 2014. The subject of the case study is therefore relatively young and hasn’t developed any fixed strategy for CRM processes nor KM initiatives. With a staff of roughly 20 consultants and two CMs, the sample group of this study will constitute a fairly representative picture of the consultancy. The consultants are contracted by their clients, initially on a limited time-frame that may get extended depending on the performance and the needs of the client. Usually this entail being located at the client company to solve a specific problem, work as an extra resource, or assigned a project. However, in this thesis a consultant placement at a client company will be referred to as ‘assignment’.
1.3 Delimitation

It is not the researchers’ intent with this study to in depth investigate how business should structure or implement a CRM software, as this have been covered in numerous research already (Kostojohn, Johnson and Paulen, 2011; Kumar and Reinartz, 2012; Perna and Baraldi, 2014). However, the study will address the already implemented CRM software and the usage of it and potential changes deemed appropriated in combination of theory and empirical findings.

1.4 Popular Science summary

Deregulation, privatization and outsourcing change the environment for project-based organizations and the engineers who carry out the assignments. One of the most prominent trends is the fragmentation that occurs due to the increased use of consultants, where smaller consulting firms are emerging with various front edge competences that increase market competitiveness. In order to maintain a successful long-term relationship with clients and customers in the consulting industry it is essential to have personnel that can appeal to their clients in a unique and personal manner to develop customer trust, commitment and good communication between organizations that entail customer loyalty.

What separates the services provided by engineering consultancy firms from most other business is that consultants are the de facto “products” used to deliver the services, acting as an intermediate between the firm and the clients. This dynamic between these three stakeholders have implications that affect the outcome of one specific consultancy-client relationship. Furthermore there are no current applicable models in the management paradigm for how this kind of consultancies should include knowledge management to enhance customer relationships. Hence, this study was of interest for both the subject firm and the researchers.

Embarking on this study, several assumptions about the engineering consultancy industry was behind the motivations behind this thesis. Firstly, customer relations are imperative for succeeding in providing this kind of B2B service. Secondly, the engineers and sales personnel that interact with the clients frequently obtain knowledge that could be useful in further develop and create new business relationships that would ultimately allow the consultancy to become more competitive. Finally, creating value for the customer of the consultancy firm is the primary objective for the consultancy and in turn, is the best way to progress the customer relationship. These assumptions lie at the foundation of why the researchers deem it necessary his type of research should be conducted.

Value for the customer is a central subject of this thesis and can be, according to the results of this study, defined by the most obvious actions such as the consultant performed well on their assignment, to more basic and trivial actions such as routinely express and communicate expectations between the stakeholders. By identifying what the customer values, the industry can adapt their approach to effectively increase their success in obtaining and retaining customers and
avoid situations that would irritate or displease the customer. The ambition of this scientific
enquiry is for it to have practical rather significant applications that affect multiple parts of an
engineering consultancy organization. The concluded model shows e.g. what factors could induce
sharing of knowledge within the firm so that consultants can become the strategic framework for
solving problems or more practical uses like how to improve the sales processes.

The consolidation of knowledge within organization can be a time consuming and often wasteful
process that becomes tedious and ineffective rather than helpful and self-driven. To identify the
barriers for sharing the right type of knowledge when it is needed to the appropriate person is a
considerable challenge but is a vital step in improving the performance of the consultants to
increase the value for customers and therefore, market competitiveness.
2 Theoretical framework

As described by Schumpeter (1947) “Capitalism […] is by nature a form or method of economic change and not only never is but never can be stationary”. This factor implies that organizations must see the importance to adapt to changing markets. In order to develop a sustainable organization in the business market today the transition have begun from previously and indeed still present product oriented business strategy to customer oriented (Sawy and Bowles, 1997). The transition has resulted in the importance of not only focusing on price and quality differentiation but also to incorporate that with customer requirements to strengthen the competitive advantage (Muther, 2002).

2.1 Customer Relationship Management (CRM)

Customer relationship management can be traced back to the nineties, to literature such as Stone, Woodcock and Wilson (1996). The aftermath and adoption of CRM lead it to become a key tool for business management (Ngai, 2005). An important tool for the continuous changing and competitive environment for businesses, were it is highly valuable to both acquire new customers and maintaining the existing ones (Etzel, Walker and Stanton, 2007). The development of the concept, used as a strategic process has enabled businesses and organizations to approach and maintain customer relationship systematically and efficiently (Ibid).

Despite the widely adoption of CRM by businesses (Foss, Stone and Ekinci, 2008), and the fact research field have increased significantly over the years (Romano & Fjermestad, 2003). The scholars have struggled to find consensus for a clear conceptual framework regarding the concept of CRM (Zablah, Bellenger and Johnston, 2004; Saren, 2006). Hence the different standpoint on what the definition truly is, researchers must choose the definition most in line with their own opinion. This paper will adapt the definition of Garrido-Moreno and Padilla-Meléndez (2011) who summarize the concept of CRM accordingly:

“CRM is a business strategy that aims to establish and develop value-creating relationships with customers based on knowledge. Using IT as an enabler, CRM requires a redesign of the organization and its processes to orient them to the customer, so that by personalizing its products and services, the firm can optimally satisfy customer needs and thereby generate long-term, mutually beneficial, loyalty relationships”.

The researcher’s argument for following the definition as stated above is with reasoning of the focus for this study which is restricted within the nature of consultancy, where interaction and the deliverance of one consultant is systematically forging the overall B2B customer relationship. They are in need of molding their services and engagements to fit customer needs and value-perception by relying more on intuition and interaction with the customer then on IT and pre-stored information/knowledge. However, in contradiction pre-stored knowledge could enable
value-creating for the customer but it is seen as per definition as the enabler and not the focus of CRM. Boulding et al (2005) stated that the core of CRM is “dual creation of value”, emphasizing that CRM should be used not to solely with the purpose of instilling value for the firm but to create value for the customer.

2.1.1 CRM processes

It is more common than not, that CRM is incorrectly equated with CRM technology and systems. This is a misconception that has been present for the majority of the CRM lifespan (Khurana, 2010; Boulding et al., 2005). CRM is an approach for business to initiate and sustain customer relationship, whilst CRM technology acts as a facilitator of the approach and associated CRM processes.

Reinartz, Krafft and Hoyer, (2004) present a multi-level model of CRM process and entail the systematic and proactive management of relationship as they move through the primary stages of the CRM process (relationship initiation, maintenance and termination). This model limits its view of the CRM Process through the prism of one of the three levels of scope that exist in the current paradigm of CRM. The levels are (1) functional, (2) customer-facing and (3) companywide, where the second (2) is the focal point of the model and this study. The perspective at the customer-facing level includes constructing an overview of the customer across all contact points, as well as the distribution of customer intelligence to all business functions that interact with the customer. This conceptualization is intended to measure how systematic, firms are in practicing the activities of the CRM process. The study emphasizes the importance of capturing the systematic aspects when implementing CRM Processes. The findings from their study indicate that the implementation of CRM processes is associated with better company performance in the two initial stages, introduction and maintenance. While the latter of the two had by far the strongest effect (Reinartz, Krafft and Hoyer, 2004). The relevance of Reinartz, Krafft and Hoyer, (2004) focus on the systematic essence in implementation of CRM processes is prevalent due to the stated circumstances in chapter 2.2 where the research settings dictate a newly formed regional branch with little to none existing structure or systematicity in their KM initiatives or CRM processes.

Building on these assumptions, adopting a systematic approach for CRM initiatives is of great relevance when observing consultancies in their efforts to attract and retain customers. As this study is looking at consultants and its customer-facing role in CRM processes, parallels can be drawn to the model of Reinartz et al. (2004) as well as similar multilevel models in the literature (Brady and Cronin 2001).

2.1.2 CRM software

CRM system or software can according to Raman et al. (2006) be categorized into operational or analytical. Operational CRM focuses on reducing operating cost whilst improving areas of
functional services in order to provide a higher value towards the customer. It incorporates sales force automation (SFA), customer support and marketing and the view of making these functions as efficient as possible. As an example, it could be providing sales personal with information of a customer and history of their relationship in order to offer the right product or service. Analytical CRM is focusing on collected customer information and the analyzing of it in order to improve and guide the managerial decision and actions. It forms a basis for planning, marketing and cross/up-selling.

2.1.3 CRM processes and software implementation

There seems to be a recurring standpoint amongst researchers that there is no recipe for a successful CRM implementation, there are too many different driving factors amongst firms that has to be considered. This results in the acknowledgement that implementation should be conducted accordingly with the firms’ characteristics (Perna and Baraldi, 2014; Reinartz, Krafft and Hoyer, 2004; Da Silva and Rahimi, 2004). Even though CRM system are used extensively there are many companies struggling with the implementation, resulting in high failure rates (Garrido-Moreno and Padilla-Meléndez, 2011). There are numerous factors behind failure of implementation, the research produced by Rigby et al (2002) suggest that one factor is that executives simply do not understand what they are implementing nor the width of the implementation concerning costs and time. This is concerning since a CRM implementation is often united with change of the business process combined with new information technology that require good and effective leadership (Galbreath and Rogers, 1999).

Many organizations resources are inadequate in order to develop their own CRM software, this results in them having to outsource the majority of their CRM solution (Bull, 2003). When outsourcing an CRM solution, organizations often allow the vendors of said software to dictate the approach to customer management, or tweak an existing customer strategy in order to correlate with the purchased CRM technology (Rigby et al, 2002). According to the findings in their research, Reinartz, Krafft and Hoyer (2004) discuss that it is not sufficient to only implement technology or CRM software in order to ensure profitability of a CRM program. There is a need to reward employees for their engagement in CRM activities and customer oriented behavior. A big hinder in the implementation of CRM is the resistance of new technology (Zablah, Bellenger and Johnston, 2004). According to Craein (2007) resistance to change is a result of people wanting their surroundings to be familiar and comfortable, hence that result in them feeling capable and confident in their work. Resistance can occur in a later stage, after the CRM implementation has been concluded. This could be as described by Perna and Beraldi (2014) that sales personal has indicated a perception of CRM being time consuming, where the resources required to transfer information does not correlate with the output. They continue to state that “CRM initiatives will be successful only if employees perceive the system as useful in organizing activities and resources to handle customer relationship, and if they become committed to the system”.
2.2 Knowledge Management (KM)

As many industries are turning to consultancy services rather than hiring experts or specialized engineers themselves, the consulting industry has grown significantly in recent years. Large consulting organizations such as CapGemini, Accenture and McKinsey & Co all invest heavily in knowledge development and competence. This development shows an increased awareness of the importance of sharing knowledge within the organization and efforts for standardizing approaches, checklists, methods and tools that are meant to standardize the consultants approaches and centralize their collective knowledge (Hansen et al. 1999). However, based on research on both consulting and systems management show strong indication that actions and decision-making of consultants are largely intuitive and is therefore difficult to specify or narrow down to a range of tools or structured methods (Löwstedt and Stjernberg, 2006).

Knowledge management have been advanced into a broad concept (Alvesson, 2004), which according to Ruggles (1998) describes anything from database management tools to organizational learning. However, in general it’s a approach to achieve added or creation of value by leveraging the know-how, judgement and experience found within the organization. The foundation of Knowledge management is revolving around four enabling processes (Holzner and Marx, 1979), knowledge creation, storage, sharing and usage. The four processes dates back to the seventies, however they are still today correlating with the usage of KM (Martinez Soto et al., 2010).

2.2.1 Knowledge creation

According to Massa and Tessa (2011) knowledge creation is “…the process of generating knowledge internally and/or acquiring it from external sources”. The current paradigm contains two dimensions of knowledge creation - epistemological and ontological. The epistemological dimension represents the distinction between tacit- and explicit knowledge (Polanyi, 1958) where tacit is personal, context-specific, and hence hard to communicate and formalize. Explicit or “codified” knowledge refers to knowledge that is simpler to be transmitted in a systematic and formal language. Nonaka (2001) distinguish the importance of tacit knowledge and how it relates to the interpretive nature of human cognition, as people acquire knowledge by actively creating and organizing their own experiences. The ontological dimension of knowledge creation assumes that knowledge is exclusively created by individuals and that organizations cannot create knowledge without individuals. Therefore, organizational knowledge creation should be understood as a process that synergistically amplifies the knowledge created by individuals. The process acts in an environment of ‘community of interaction’ that expands beyond the boundaries of intra and inter-organizational levels. (Nonaka, 1995).

2.2.2 Knowledge storage

According to Massa and Tessa (2011) knowledge storage is “…the processes of structuring and storing knowledge in order to make it more formalized and accessible”. Du Plessis (2005)
acknowledge that individuals tend to ‘hoard’ knowledge when there is no outlet, channel or database for it to be placed in. However, a distinction Alvesson did in his case study (2001) is, if input of knowledge is done whilst there is no clear structure of what knowledge is needed by the users, knowledge databases have a tendency to become diluted with low-quality knowledge.

2.2.3 Knowledge sharing

According to Massa and Tessa (2011) knowledge sharing is “…the processes of transferring, disseminating and distributing knowledge in order to make it available to those who need it”. Importantly, according to Alvesson (2001) is that effort towards knowledge sharing is instilled with incentives, e.g. increased affinity. Within knowledge management the sharing of knowledge is contributed by usage of formal and informal channels (Gharakhani & Mousakhani, 2012). According to (Zahra & George, 2002) “Informal mechanisms are useful in exchanging ideas, but formal mechanisms have the advantage of being more systematic”.

2.2.4 Knowledge usage

According to Massa and Tessa (2011) knowledge Usage is “…the process of incorporating knowledge into the organization's products, services and practices”. Within consultancy the usage of stored knowledge has the possibility to instill value both towards clients and the consultancy firm, by compensating limited competence amongst e.g. newly graduated consultants by introducing them to an easily accessible knowledge base (Alvesson, 2001). This could potential enable a competitive advantage as the consultancy firm can offer a consultant for a lower tariff with the same knowledge/competence access than the competitors.

2.2.5 KM in CRM

CRM have been defined by Eppler et al (1999) to be an intensive knowledge process. What knowledge that should be used is depending on what type of business that is conducted and what the aim of the CRM process are. Knowledge for CRM can however be structured into three categories according to Lei and Tang (2005) which are.

- Knowledge about the customer: The information that reflects the customer has to be described from relevant knowledge and one that is up to date which implies continuously adapting and changing the view of the customer as the customer change.
- Knowledge for customer: By using the gathered information correctly from knowledge about the customer it is possible to offer useful information to the customer.
- Knowledge from customer: The information is gathered direct from the customer and the success of gathering this information is the frequency and simplicity in relation to the communication with the customer.

According to Stefanou, Sarmaniotis and Stafyla (2003) CRM is directly related to the concept of KM, as sufficient and up to date customer knowledge is crucial for the success of a CRM
initiative. This could be one reason why companies integrated their CRM and KM efforts as they are directly affiliated as described by Dous et al. 2005 study (cited in Garrido-Moreno and Padilla-Meléndez 2011). Despite the connection between the two concepts there is still lack of an overall framework that with simplicity integrate CRM and KM (Beijerse, cited in Garrido-Moreno and Padilla-Meléndez 2011).

2.2.6 SECI model

The knowledge-based view of the firm is one of the most recent developments in the theories of a firm that suggest that a firm is a knowledge-creating entity, and that the most important source of a firm's capability to sustain competitive advantage is knowledge and the ability to create and utilize such knowledge. (Nonaka 2000 p.1) The knowledge-creating view of the firm differs from existing theories of the firm in that it requires to look inside the firm to reveal how it produces knowledge. Therefore, the firm's activities, structure, strategy and culture are of major concern. (Ibid p.4)

Nonaka’s work on knowledge creation and management suggest that tacit- and explicit knowledge are not mutually exclusive but rather mutually complementary entities. They transform and are converted as they interact with each other through the process of creative activities of human beings (Nonaka, 1995). This is called ‘knowledge conversion’ and has been conceptualized in to four modes of knowledge conversion; Socialization, Externalization, Combination and Internalization. (Ibid.) Also known as the SECI-Model see figure 1. This model shows how knowledge generated within an organization can be fully integrated within the company’s knowledge base and will prove useful in identifying key activities within consultancies that allow for knowledge to spread in a systematic design, much in line with Holzner and Marx (1979) four KM processes.

Figure 1: SECI model

Socialization: From tacit to tacit
The process of socialization entails sharing experiences to create tacit knowledge such as technical skills or shared mental models. The key to acquiring tacit knowledge is experience. It is extremely difficult to fully comprehend another individual’s thinking process and project the information in the right context to successfully transfer tacit knowledge without misinterpretations (Nonaka, 1995). As an apprentice learns from its master through observation, imitation and practice, the skills become a part of his/her own tacit knowledge base by “socializing” into the craft. However, socialization presents its boundaries as a knowledge
creating process since neither the apprentice or the master gain any systematic insight into their craft knowledge. (Nonaka, 1991)

Externalization: From tacit to explicit
Externalization is a process that allows tacit knowledge to be articulated and packaged into explicit concepts. By converting tacit knowledge to comprehensible forms such as metaphors, analogies, concepts, hypothesis or models, it can be taught of a broader scale and with higher consistency. (Nonaka, 1995)

Combination: From explicit to explicit
Combination is the process of systemizing concepts into an existing or new knowledge system. As individuals exchange and combine knowledge through meetings, telephone conversations, IT-communications or social media, it is being added, sorted and categorized by other explicit knowledge that can lead to new knowledge creation. This type of knowledge creation is particularly common in formal education systems. This mode of knowledge conversion is prominent in business when middle managers break down and operationalize product concepts, business concepts and corporate visions. (Nonaka, 1995) With the help of advanced IT-communication services, databases and networks, the combination mode can be facilitated by centralizing and distributing explicit knowledge.

Internalization: From explicit to tacit
The final stage of the SECI-model is embodied in the Internalization mode of knowledge conversion which is anchoring the explicit knowledge from the combination mode to organizational tacit knowledge. For explicit knowledge to become internalized tacit knowledge it requires to be well documented and communicated through most levels of the organization's hierarchy. Through the re-experiencing of colleagues and other professionals experience by different kinds of communication channels, the categorized explicit knowledge can manifest itself in the employees as values or mental-modes that will become a foundation of how a body of employees’ act, operate and assess different business situations. The knowledge has now become fully integrated in the business culture.

2.3 Value in relationship
Management of customer relationship has been studied extensively with focus on finding meaningful aspects of relationships that can be defined and examined. Naudé and Buttle (2000) reveal that the quality of customer relationships is dependent on an array of factors such as the level of trust, profit and mutual integration of needs. Furthermore, the main dimensions of customer relationship have been identified by Ford et al. (1998) as relationship atmosphere founded on the level of trust and commitment between parties, relationship history and current status. Furthermore, management of customer relationship will, according to Ford et al. (2006) require a grip on key tasks and manage interdependencies, power, conflicts, distance and
communication. The relationship and the key activities can somewhat be bundled together as the concept of value. For example, how good the consultancy manage conflicts with the client will directly instill a value. The factor of value has been recurring during the literature review concerning relationship management and the overall business success, according to Baker (2006) value is regarded as highly important, “...the distinction between success and failure in competitive markets may be reduced to two basic issues, first, an understanding of customer needs, and, second, the ability to deliver added value”. A relationship and the commitment between the parties is highly affected of what value the relationship contributes to the other. However, value has been conceptualized under different assumption and differ widely depending on the different goals of the parties and what they seek to gain from a business relationship. However, current consensus in marketing literature assert that value is defined by what the customer perceived it to be, rather than objectively determined by the seller. The main differentiation in perspectives is between a uni- or multi-dimensional constructs of ‘perceived value’ where the former approach is defined by a regularly cited definition by Zeithaml (1988) “...the consumer’s overall assessment the utility of a product or service based of the perception of what is received and given” and is simply a trade-off between benefit and sacrifice. The latter and more complex multi-dimensional construct posed by other authors suggest that ‘perceived value’ contain a variety of notions such as utility, price, quality and benefits/sacrifices). Reinartz, Krafft and Hoyer (2004), have explored the conceptualization of perceived value through a systematic review of the different extensive research streams, and what is not agreed upon is the differentiation between value and its definite correlation other constructs such as utility, price and quality. Although it is clear that they have an impact on the concept of value in varying extensions. Therefore, they will not be explicitly utilized in the analysis of this study. Finally, Ulaga and Eggert, (2006) have further expanded on the subject of value in the context of relationship and concluded that competition will adjust the perception of value in the customer’s eyes. As a result, this study will adhere to the following assumptions about perceived value.

- Value is a subjective concept
- It is conceptualized as a trade-off between benefits and sacrifices.
- Benefits and sacrifices can be multi-faceted
- Value perceptions are relative to competition.

In their 2006 study, Ulaga and Eggert expressed “it may be hypothesized that value represents an antecedent of commitment, satisfaction and trust in buyer-seller relationships”. The statement is backed by the researchers as they consider value as a initiator for business relationships, and is transcendence over the trust barrier if the benefit of the instilled value outweigh the sacrifice of trust. Value also directly impacts a customer’s intention to expand business with a supplier. They propose that relationship value should be considered as a key component in modelling business relationships. By breaking down the actual goals and objectives of clients and customers,
relationship value should play a significant role in understanding what behavior and interactions is the key to generating trust and loyalty (Ibid).

Relationships between a consultant and the customer is in theory one where both share an equal perseverance towards the same objective (Elena, B. & Ada, T. 2008), the objective being the deliverance on the assignment. However according to Elena and Ada (2008) there is a higher level of complexity in reality as the consultant has to produce results that are valid for the customer without being part of their administrative or social system. Elena and Ada (2008) identified key activities that enables a trust based relationship between consultant and customer, being:

- Defining the problem together
- Stating the expected result
- Settling on the way for which the consultancy assignment will occur
- involving the customer with the assignment
- Display competence by understanding both technical, economic and social levels

Elena and Ada (2008) describing of consultant and customer relationship correlates with Grönroos (1990) who expresses that in order to achieve the objectives of each partie, mutual exchange and the fulfillment of promises is crucial.

2.4 LMX theory

The incorporation of the dual LMX theory within a research focusing on KM enabled CRM, is out of the ordinary, and non-existing within the studied literature on the subject. This emphasize the need of the researchers’ disclosure and reasoning with the usage of this theory before further reading. It was selected hence the context of this KM enabled CRM study is within consultancy. The consultants are a key individual in consultancy CRM and it is the researchers’ opinion that their dual leader relationship will affect the value for the customer as a result of job satisfaction for consultants.

In general, the LMX theory focuses on the quality of exchange relationships between formally assigned leaders and their followers (Graen and Uhl-Bien, 1995; van Breukelen et al, 2006). According to Breukelen et al (2006) the main contribution by LMX towards the understanding of organizational behavior lies in the identification of high- and low-quality relationships. This is because the theory has identified that high-quality relationships between a leader and follower correlate with desirable outcomes such as job satisfaction, high performance, retention and commitment (Dulebohn et al., 2011; Graen and Uhl-Bien, 1995). What contributes to development of high-quality relationships is according to Sparrowe and Liden (1997) the individual characteristics of both the leader and follower in combination with communication frequency and communication patterns.
2.4.1 Dual LMX

In the research done by Vicyarthi et al (2014), they expanded the LMX theory into a dual leadership context where employees have the responsibility of report simultaneously to two leaders. The focus was to investigate how each leader relationship in context of the other affects the follower in terms of job satisfaction and voluntary turnover, due to alignment and misalignment between the two relationships. In order to expand the LMX theory the researcher used the Relative deprivation theory which state that individuals have a natural habit of comparing with their referents when evaluating their own circumstances (Crosby, cited in Vicyarthi et al. 2014). The thought that your situation is worse in the context of a comparable other have potential to giving rise to emotions such as tension, discontent, even anger and sadness (Osborne et al, cited in Vicyarthi et al. 2014). The research was carried out within the business of consultancy where the phenomenon of reporting to two leaders is always present. Two leaders consisting of:

Agency leader – have responsibilities and decision making over promotions, pay raises and project assignment (consultant manager).
Client leader – have responsibilities and decision making over various aspects within projects such as assigning job duties and scheduling (customer).

Through their study Vicyarthi et al (2014) found that the highest job satisfaction and the lowest voluntary turnover was a result when the two LMXs were high and in alignment with each other. However, when misalignment between the two LMXs occurred the voluntary turnover amongst employees was lower when the relationship to the agency leader was of higher quality than that with the client leader. Furthermore, followers with low-quality relation with the client leader experienced more positive outcomes when their relationship with the agency leader was of high quality and incorporated with high degree of communication. This indicate that a low LMX relationship with the client leader can be compensated with high levels of communication with the agency leader.
3 Method

Following the purpose, the study has been conducted as a qualitative exploratory case study. The main reasoning for the qualitative approach of the study is in regard of what the study aims to enlighten, as described by Bryman and Bell (2015) “the understanding of the social world through an examination of the interpretations of that world by its participants”. Qualitative studies enable a more flexible approach to research as it has the ability of adaptation as the study evolves due to new insights or limitations (Eliasson, 2013). The flexibility of this approach became vital as the researchers’ acknowledged that the utilization of CRM software was limited amongst consultants. Therefore, the overall focus had to shift towards CRM activities. A case study approach was selected since it is suitable when we want to understand the interactions between a specific context (consultancy) and a phenomenon (Customer relations) (Jacobsen, 2002). The case study is identified as one of exploratory nature (Arthur et al, 2012) since the researcher could not find earlier research on the subject revolving generating value through KM enabled CRM initiative within the realm of consultancy. The idea to include comparative perspectives was not initially decided. However, it became apparent that it was necessary in order to construct a free flowing empirical description with the views of each stakeholder. The study gathered its data mainly from 18 semi-structured interviews from three different stakeholders. In addition, one focus group and pilot interviews were conducted.

3.1 Focus group

A focus group is a form of group interview were there are multiple participants, the questioning should be revolving around a topic that is rather narrowly defined (Bryman and Bell, 2015). Since there are several individuals in a focus group the significance is the interaction within the group, even though individual opinions are important the focus is around the group discussion and conclusions (Kitzinger, 1995). According to Kitzinger (1995) “Group discussion is particularly appropriate when the interviewer has a series of open ended questions and wishes to encourage research participants to explore the issues of importance to them, in their own vocabulary, generating their own questions and pursuing their own priorities”. The purpose of the focus group for this thesis was to get insight in how the consultants actively work with, and see their role in developing customer relationships in their own words. The information gathered during the focus group was used in combination with the literature review to draft interview questions that will later be tested during the pilot interviews. It is the researchers’ opinion that this approach will yield more relevant questions as they will be constructed by consultants for consultants with theories from the literature as the foundation.

The session will be recorded and transcribed with the reasoning of Bryman and Bell (2015) that it is difficult to take word for word notations capturing how they are said. And the recording will allow the researchers to follow who is expressing what and if there are individuals that are opinion leaders or dominate the discussion.
3.1.1 Participants and groups

The number of focus groups that is required for a study is depending on what the aim and goals of the focus groups is, however the norm is estimated to be between twelve and fifteen (Bryman and Bell, 2015). For this thesis work the number of groups is set to one which does not fall in line with the number proposed by the literature. The reason for having one focus group is a result of the resource factor in regard to allocate available consultants for the group. The researchers are aware that it is unconventional with one focus group but confident that it is sufficient for the aim of the method see chapter 2.3.

The participants in the focus group are consultants employed at the consultancy firm and they are aquatinted with one and other as colleagues, resulting in this focus group being a natural group as it is referred to (Bryman and Bell, 2015). This could according to the literature have implications for the result of the method. Morgan’s 1998 study (cited in Bryman and Bell 2015) suggest that when using natural groups, they tend to not bring taken-for-granted assumptions to the surface. In order to counteract this behavior, the authors have the need to express the relevance of these assumptions prior to the commencing of the focus group.

The number of participants used is different depending on the type of research conducted, the aim of the method as well as the resources at hand. According to Bryman and Bell (2015) the number of participants should be no less than four, with the reasoning to start discussions with hopefully a diversification in opinions. For the concluded Focus group session, the decided number of four participants was dictated by two factors.

Resources: The resources in this context are the consultants at the case company, due to the way of work for consultants there is a time issue. Meaning that the consultants stationed with different companies with different work schedule and workload is problematic to bring together for an activity such as a focus group. With this problematization, a group of four is considered enough.

Discussion and timeframe: Since time is a factor to account for, a group of four consultants is preferable in order to go through the agenda of the session. The topic and all of the selected points has to be discussed thoroughly and preferred by all participants. With a group containing more than the selected number of consultants the result are estimated to result in substandard quality in regard to the set timeframe.

3.2 Pilot interview

A pilot interview or a pilot study as it is also referred to has been conducted during this research. As described by Bryman and Bell (2015) “It is always desirable, if at all possible, to conduct a pilot study before administering a self-completion questionnaire or structured interview schedule to your sample”. The pilot interview is used for a variety of reasons depending on the study, overall it is used to test questions before the planned interviews in order to tweak, discard or ad
questions to ensure a higher quality of results. For this thesis, the aim with the pilot interview was to achieve the following:

- Test the questions before the empirical study (interviews) in order to enhance the quality of them and yield better answers. For example, a question could for the researchers seem sufficient with information but vague to the interviewee, this gives the researcher an opportunity to enhance the question prior to the empirical study.
- Use the pilot interviews as a warm-up were the researchers can test interview strategies, equipment, role of the interviewers etc. Also, important according to Bryman and Bell (2015), by using pilot interviews the interviewer will gain experience and with that a greater sense of confidant.
- Follow up questions will be an important part of the pilot interviews as it can reveal if they are misleading, hard to understand or provide the information that is desired.

3.2.1 Participants
The participants of the pilot interviews are not individuals that are planned to take part of the empirical study, nor are they from the sample group of the organization from which interview participants later will be recruited from. Reason for this is in line with a statement by Bryman and Bell (2015), “if you are seeking to employ probability sampling, the selecting-out of a number of members of the population or sample may affect the representativeness of any subsequent sample. If possible, it is best to find a small set of respondents who are comparable to members of the population from which the sample for the full study will be taken”. The participants for the pilot interviews will be one consultant from another organization than the case company, and one customer from an organization that frequently procure consultants.

3.3 Interviews
Due to the chosen research design, the majority of the collected data for this study has been through the method of semi-structured interviews. According to Bryman and Bell (2015) this form of interviewing is conducted by having a list of questions that have been tailored to answer a specific topic. The respondents are provided with a great deal of leeway in their answers to fully capture their view of the topic. There is a great deal of flexibility in how the interviewer conduct the interviews. Bryman and Bell (2015) state that the questions do not have to follow the same structured line through every interview, it is up to the interviewer to select the order of questions to get the best answers. All pre-structured questions shall be asked to each respondent and preferably in a similar wording. However, it is acceptable to ask questions that are not predetermined as the answers might reveal new areas of interest. This enables the researcher to follow the respondents train of thought which has the potential to enlighten the study in ways the researchers would have missed.

The interviews were all scheduled for one hour, however the duration varied between 45-90
minutes depending on the respondents’ insights. All interviews were conducted face-to-face and were recorded with the approval from the respondents and later transcribed word for word. This was a lengthy and time-consuming process that was decided to be performed with reasoning of enabling a higher validity in the analysis of the empirical data. Transcribing helps according to Heritage 1984 study (cited in bryman and Bells 2015) “to counter accusations that an analysis might have been influenced by a researcher’s values or biases”.

3.3.1 Participants

During all interviews both researchers were present. This is with the reasoning by Bechhofer, Elliott and McCrone 1984 (cited in Bryman and Bell 2015) were one interviewer take a more active role and the other a passive role to overview the overall development of the interview, making sure the topics are being covered and during appropriated times take over. There were three different stakeholders interviewed:

**Consultants**

10 consultants from the consultancy firm was interviewed which is roughly half of the workforce at the Uppsala division during the time of the study. The selection of these 10 was conducted by sending out an invitation to all consultants where they could select date and time most suitable according to their schedule. This approach was done to minimize the bias in the sample contributed by the researcher. However, it is important to mention that if the researchers would have deemed the sample to homogeneous (e.g. only newly graduates), actions would have been taken to ensure diversity.

**Consultant Managers**

Three managers were interviewed, all with responsibilities in sales, recruiting and oversee consultants as well as nurturing and developing customer relationships. Two were from the Uppsala division and one from the Stockholm division that was included in the study since that individual had been involved in the implementation of their CRM system.

**Customers**

Five consumers were interviewed, three of them are in a business relationship with the studied consultancy and two are not. The reason for this is that the focus of this study stretches to new customer relations as well as existing ones. All respondents have or are currently hiring consultants. The selection of which customers to interview was influenced by number of previously hired consultants. The customers with no current or prior affiliation to the consultancy was selected only by geographical reason, which is that they should be located in Uppsala.

For this study, it was necessary to compile three different question guides see appendix A, B and C, one for each stakeholder (consultants, managerial and customer). However, there were recurring questions that were posed to all three stakeholders in order to obtain different perspectives on the same issue.
3.4 Analysis
The data analysis began during the transcription of the interviews when some recurring themes and observations were documented. After the transcription of all interviews was concluded, the data was processed through a thematic analysis with the objective to with themes structure the empirical data to highlight and trace patterns (Bryman and Bell, 2015). It was decided that the optimal presentation of the empirical findings was in the linear timeline of any generic consultant assignment for that firm. This enabled the researchers to showcase the chronological sequence of each stakeholder. The Empirical finding was presented without any references towards previous literature on the subject. The theoretical framework was introduced during the analysis chapter were themes were structured in correlation with the three sub-research questions and combined with a comparative analysis of all stakeholders.

3.5 Validity
Internal Validity is according to Bryman and Bell (2015) the distinction if there is a ‘good match’ between the observations done by the researchers and the conclusions drawn from those observations. The researchers have during the entirely of the study taped and transcribed all interactions with their research subjects, emphasizing that the data collection correlate with what has been said and that the researchers have not instilled their ‘footprint’ on the raw empirical data. However, during the analysis the question of bias comes into context, which have been continuously see chapter 2.9 in order to uphold the internal validity.

As stated by Bryman and Bell (2015), external validity is in regard to the ability for the results of the study to be generalized beyond the emphasized research context, meaning that the result of the study can be generalized to fit other people and organizations. Some restrictions were present and affected the researchers’ ability to do sampling within the case study, see chapter 2.3.1, 2.4.1 and 2.5.1. However, arguments for external validity are present such as the saturation within the data collection, as stated by Boddy (2016) “once saturation is reached, the result must be capable of some degree of generalization”. In addition, the researchers designed the study so that the conclusions should be applicable to any organization in the same research setting.

3.6 Reliability
Reliability is according to Bryman and Bell (2015) the possibility of a study's results being repeatable. However, in a qualitative study the diverse paradigms challenge previous definition (Leung, 2015). In order to facilitate the best foundation for this study’s repeatability the researchers have in text described the execution of it, and incorporated the interview and focus group questionnaires in the appendix.
3.7 Bias

Bryman and Bell (2015) state that research cannot be produced without transferring the value of the researcher into the study. It can affect any part of the research, e.g. what theories or literature deemed appropriate, what observations is made during empirical findings or the direction of the analysis. In order to avoid a research were the authors values have resulted in an undesirable distortion, the researchers have the need of continuously self-reflection over situations and decisions that form the research. The researchers have during the entirety of the study separately and in collaboration questioned decisions, assumptions and observations. The decision of transcribing all interviews, pilot interviews and focus group word for word was done with reasoning from Heritage 1984 study (cited in Bryman and Bell, 2015) “…to counter accusations that an analysis might have been influenced by a researcher’s values or biases”.

3.8 Ethical consideration

During this research, there will be ethical problems and considerations that have the need to be addressed. First and foremost to mention is that no non-disclosure agreement has been signed between the authors and the consultancy firm, reason being that this research is not revolving around sensitive information nor any insight in the specific work conducted by the consultants. Due to the nature of this research which include interviews with employed individuals at the case company as well as customers, it is important to be clear about the research objective and to highlight the fact that the anonymity of the participants will be taken seriously. The reason for this is that the authors wish to stay in line with MRS code of conduct (Mrs.org.uk, 2014) that state “Members must ensure that the anonymity of participants is preserved unless participants have given their informed consent for their details to be revealed or for attributable comments to be passed on”. Another reason is to enable the Interviewee, to openly answer the questions asked without the sense of any potential ramification after the publication of this thesis. There is a possibility that the specificity of the empirical data might reveal who provided it. During such an event, the authors must take into consideration the potential harm it might inflict on said individual. If there is no prominent way of revealing the information without causing potential harm to the participant, the authors must consider the withdrawal of that particular information/interview from the research.
4 Empirical findings

In this section, the empirical findings from the analysis of the interviews will be presented in order to address the research question and purpose of this research. Due to the nature of how the consultancy business is structured and the multiple stakeholders, the most prominent presentation of the findings will be structured accordingly to the main stages of a consultancy assignment;

**Pre assignment** - Include all activities up to the start of a consultant assignment  
**During assignment** - Include all activities between pre/post assignment  
**Post assignment** - Include all activities after finished assignment

Within the three stages of the consultancy assignment the raw interview data from the stakeholder consisting of the consultants, customers and the consultant managers will be presented. When the word respondent or respondents occur in the text it is referred to one or multiple individuals within that specific stakeholder category. The interviewees are anonymous; therefore, quotations will be represented by a randomly applied number. Reason, see Ethical considerations, chapter 2.6.

4.1 Pre assignment

4.1.1 Customer perspective

This section of the empirical findings will reflect the circumstances and events subsequent of the start of any consultancy assignment from the customers’ perspective. This process is initiated by a need from the customer that initiates the sales process. Naturally, the customers’ perspective is built upon the reasons why they choose to use consultancy firms. According to the respondents, the reasons are based on variables such as; type of business, size and how reliant on consultant services they are. For some it is an essential part of their organization and for others it is a way of unburdening their staff during stressful times. Furthermore, consultants are easily replaceable if they don’t work out and inversely, if they show great potential, the assignment can act as a probationary period for potential permanent employment. Finally, it’s because they might require a fresh perspective in their organization.

When asked how they choose what firms to work with, the responses vary according to several factors. In large enterprises, the procurement process of consultants is regulated by framework agreement with a few selected firms they choose to develop a higher level of intimacy with. It also regulates e.g. pricing and general terms of agreement. However, smaller organizations tend to utilize an ad hoc approach that usually requires longer negotiations, but they are free to pursue whomever they desire. In addition, different consultancy firms and their locations will be somewhat specialized in certain fields, to attract a certain kind of customers. Additional factors that might play a role are if their office is based in the same city, this increases the chances that the consultant is willing to stay an extended time. A larger consultancy firm naturally has a
greater supply of consultants within the same field, offering a greater assortment to the customers when responding to their needs.

Sales
All the respondents agree that the relationship between the CM and customer is key for how well they will be able to cooperate and do business. Selling consultants is a relationship-based endeavor. One customer even said;

“Sometimes you just want to accept an offer from a salesman because he was so likeable and honest” - Respondent 4

The relationship is dependent on several factors, the main ones being how well consultants from the same firm have performed, in addition to how well they understand the customers’ needs. Moreover, it became apparent that the first impression a firm makes through its CM or consultants will determine whether the customer would be inclined to build a relationship. The general understanding is that open and honest communication from both parties is essential for succeeding in long-term B2B sales of consultants. By taking an interest in what the customer is producing, how their organization work, and where they are heading, the CM have a chance to show seriousness of intent, that they seek to find the best match possible and that they are pursuing a long-term relationship.

Different sales approaches were discussed with the respondents. Most respondents had become frustrated with the high frequency of sales calls from CMs they haven't worked with before. However, many consultant positions at the respondents’ organizations have been filled due to CMs calling at the right time.

“Of course it is about eventualities. We have been in a meeting and said that we need a project manager otherwise this will go to hell. And then he called. Oh nice to hear from you, do you have any project managers by any chance? You have? Great!” - Respondent 15

More often than not, the person responsible for finding a consultant for their organization has a lot of other responsibilities and undertakings. Therefore, it has become clear that a streamlined hiring process that saves time for the customer creates great value for the customer. Consequently, simple measures can be taken by the CM in order not to waste anyone’s time like;

“Don’t send me 15 CVs, send me your top 5 candidates. It is your job to sort out the best ones. [...] To get comprehensible CVs is wonderful, and when they all are in the same format is very nice. It looks professional and saves me a lot of time” -Respondent 15
One customer pressed the issue of demand forecasting, wishing consultancy firms could show them candidates that will be available for the future, as the need for more competence and staff for projects will occur when the right consultant appears within their periphery.

**Mismatch**

One of the most common matter brought up by the respondent is that the consultancy propose CV’s that does not match the profile provided the customer but rather the closest option available. Consultant referrals from staff at a customer are most highly valued. However, most respondent expressed an exhortation that CM should say that they don't have anyone that fit rather than sending them a stack of bad CV’s. According to one respondents, about 55-60% of the CV’s received from all consultancy firms are mismatches. Since all respondents always require an interview to, based on their intuition, determine whether a candidate will fit into the organization, it is seemingly difficult to provide the right candidates every time. However, clearly stated technical capabilities and proficiencies are expected to match with most or all CV’s proposed to them and that CMs do not oversell the consultants, i.e. claiming they are more suited for the role then they really are.

"Something that pisses me off is when they say they have a lot of competence that they don't have, and then they send me a bunch of CVs and they have no clue what I'm looking for."  -Respondent 4

Most respondents agree that when this happens, the CM is too eager to sell them something they know are not an optimal match, this can damage the trust in the relationship and make the customer question the CM’s judgement and understanding of the customer. However, one of the respondents would like to get as many options as possible and let them make that assessment, the reasoning being that they might seek candidates with experience in a variety of fields. How well a consultancy firm can match their customers request seems to correlate with how long they have worked together and developed an understanding for their organization and their needs.

**Interviews**

The most prevalent aspect of success when interviewing for a position as a consultant is, according to all of the respondents, preparation. Being able to ask pointed and relevant questions about the company and assignment during an interview indicates a certain level of interest for the assignment that is desired by the customer and has shown to increase the chances of recruitment. According to one respondent, approximately one fifth of candidates are not sufficiently prepared for the interview which have a direct impact on the relationship with the consultancy as they are wasting the customers time. Nonetheless, it requires that the customer has provided a comprehensive description of the profile and tasks to the consultancy firm in order for them to respond with appropriate candidates that are sufficiently prepared. During the interview, a consultant need to show that they can communicate with the rest of the staff, is curious and interested about the assignment and can work rather autonomously.
According to the respondents the expectations for the assignment are usually communicated during the interview and dictate what the customer expects the consultant to know before starting, what the consultant is supposed to accomplish and other relevant circumstances that might affect the outcome of the assignment. Reversely, the consultant need to express their expectations to the customer, what they need to finish the assignment within the given timeframe. Clearly understood expectations by all involved parties are key for a successful assignment, and consequently a good relationship.

4.1.2 Management perspective

The three respondents that were interviewed are consultancy managers (CM) and have a set of responsibilities within the consultancy firms most of which are related to sales and recruitment, therefore they act as KAMs. These activities are interconnected as they always seek to find different competence needs at their current and prospecting customers, whilst recruiting consultants at a similar pace. A balance of sales/recruiting is essential in order not to develop an overhead cost that the revenues can’t carry. Each manager is responsible for a group on consultants, typically within specific fields e.g. mechanical design and project management.

Sales

Two different sales approaches have been distinguished; sales to potential customers and to current customers. For potential customers, the general approach throughout the consultancy industry is based on ‘cold calls’ (calling up prospective customers, asking if they are in need of services) and setting casual business meetings with ‘no strings attached’ to figure out in what way the consultancy firm can help them. One respondent said that about 90% of the meetings are of this casual nature for discussing potential gaps in their organization. The attitude that shows an increased success towards potential customers have to be characterized by curiosity of their business, attentive and well prepared by researching their business and their products. To get an overall insight in their business, the information one has to look at their profits, press releases, present situation, product information, company owners, what have happened in the past six months, current business and production activities, staff turnover and lastly, finding the right personal to talk to. This allows the consultancy managers to ask relevant questions and consequently, find out more about the customers operation and understanding their needs. By understanding the customer, one can help the customer see how a consultant can improve their operation and thereby create value.

“For me, I think it works to have ‘huge ears, be curious and listen attentively. This is incredibly helpful, to be genuinely curious about the person in front of you. You can feel it during the conversation. It is not always easy, of course.” - Respondent 13

The consultancy managers are all aware of how aggressive sales approaches (e.g. excessive calling) can be counterproductive, and reflect over this aspect of sales in different ways. Since it’s
quite individual how different customers want to be approached, it requires an instinctive feel. It also depends how well you are acquainted with the person one is calling. Furthermore, a too defensive approach can also become off putting. One respondent claimed that a golden rule might be to call once a week if you can’t get in touch with them. In addition, if you agree on a time it is important to be professional and call then, not earlier or later.

**Market differentiation**
The respondents were asked to reflect over why the customer should choose their firm and what value they can provide for their customers. The answers were quite uniform and they perceived their value contribution to be linked to their ability to make quick decisions due to high autonomy as consultancy managers, flexible in creating creative solutions, having streamlined operation creating low overheads and thereby low tariffs, having a good supply of consultants (related to size of consultancy firm as customers like to deal with a limited number of consultancy firms) and thereby growth is important.

**Having a consultancy mindset**
The consultancy managers continuously train their consultants to behave uniformly learn to carry themselves as consultants. They mention a set of traits that are prevalent among consultants like being service-minded, having a ‘do-it-yourself’ attitude, nothing is impossible, and being reminded that they have an entire organization full of knowledge at your back. This idea of how a consultant is supposed to act is conveyed firstly during the interview with the consultancy firm and throughout the period of employment at the consultancy firm. Finally, when consultants do not have an assignment, they are required to help out at the office with recruitment, some sales and accompany the CM to interviews and meetings with customers to teach them about the consultancy mindset.

**Mismatch**
The respondents were asked what the reason might be that consultancies send CV’s of candidates that do not match the profile requested profile. They believed that many of the consultant managers are rather business minded, and when they get customer requests it can move quite quickly and they precipitate the process. Sales will generally become competitive and there are incentives in place that reinforces that fact.

“Yes, many are business-driven, they want to get the deal. It may be one reason that they rush the process and don’t think about quality, just about business. We really want to get away from that kind of thinking, but in the heat of moment it's matching and timing. It's A and O.” -Respondent 13

However, if one CM offers a questionable candidate to a customer, it is important to emphasize the fact that it might not be a match but ‘have a look and see what you think’. If you have honest and open communication, the fallout isn’t necessarily bad at all, concludes one of the
respondents. Furthermore, there are usually specifics that are brought up during the interview that changes the circumstances. Likewise, it is the consultant's responsibility to research the company and position as much as possible to see if it would be a match for them. So, it is up to all three actors to do their part in making sure it’s a reasonable good match at the interview.

When the consultancy managers get a request from one of their customers, the amount of information provided can vary. Most often it is an e-mail of 5-6 requirements. The respondents say they always call back to confirm and ask more questions to complete the profile so they know what they are looking for. However, the customer might not always know themselves, there might just be a gap in the staff that needs to be filled and the request is thereby vague. Sometimes it happens that they try to merge two positions to one by providing a long list of requirement, then the respondents might have to explain they might need additional consultants to do this job. The respondents usually ask for further information like if they are looking for a PM profile or a technical profile, competence level, what stage of the project is it, history of the project and culture of the company. Finally, it was emphasized how important it is to communicate these expectations to the consultant, specially the inexperienced ones, that they might just be there to help out and support their operation. It is also important for the consultants to understand that they are responsible for enlighten the CM on their perspective on a possible placement. As they are the subject of which the risk mismatch is of relevance, if the consultant is confident or doubtful about the assignment is highly relevant to avoid misunderstandings, streamline the recruitment process and ultimately, avoid mismatches.

**Interviews**

It is part of the consultancy managers job to prepare their consultants for the interviews with the customers. In addition, the consultancy manager is always present at the interviews to answer questions about the case company and to learn as much as they can about the company. The consultant is expected to do their own research about the company so they are able to ask good questions, and always present themselves at positive and curious during interviews as they represent the consultancy firm.

The image of the company is important for customer relations. Therefore, the respondents were asked how they make the consultants have a uniform image about the consultancy firm that in turn, will be conveyed to the customer. Currently there is no systematic training of the firm's vision or values, and they have therefore no requirement that the consultant should be able to market the firm in that regard.

**Customer relationships**

The most important factors for a customer relationship to work according to the respondents are trust and open and clear communication. Trust in gained over time by meeting the customers as
much as possible to develop a genuine relationship, and show them that you are there to help them. This process will go faster if you already have delivered at least one successful consultant. But time and effort is invested in customers that might not pay off for years. According to one of the respondents, to reach the level of honest and open communication desired one need (according to their statistics) have concluded 7-8 casual business meetings that are of the ‘no strings attached’ nature. Some respondents had experienced that just matching personalities were the reason for being able to quickly develop a good relationship in business.

4.1.3 Consultant perspective

**Interview preparation**
Throughout the study, especially from the data obtained from the customers, it has become gradually clearer that preparation before an interview is a key factor that can determine whether a consultant will get an assignment or not. Almost all consultants said that the information provided to them before the interview was insufficient and the role was sometime poorly described. From the responses given, the information provided to them before an interview was most of the times a few sentences from an email and believe that they receive the same information as their CM did, but wish there was more they could take part of. The respondents said that they would have wanted a more detailed description of the tasks expected to undertake and the specific role. Although, this usually is communicated during the interview, it helps to receive the information beforehand so they know what qualities they should emphasize.

“They could require a little more detail so that you know what qualities to highlight for the service. It is difficult when it is not so detailed. It's easier to prepare if there's more to go on.”  - Respondent 5

It was mentioned more than once that the first impressions are important, and that they would like to know what kind of person they are looking for, not just the skillset. Furthermore, the sought-after information was what kind of person will be interviewing them so they could adjust their demeanor accordingly, what are expected of the consultant and information about the firm they are representing, the stage of the project and the group they will be working in. However, some consultants were provided with the history of the relationship with the customer which was useful both during the interview and the duration of the project. Another respondent was completely content with the preparation before their interview.

Most respondents said they were encouraged to and did some research on their own before an interview and prepare good questions to the interviewer. This was done mostly by calling up colleagues that are working there at that time or have worked there before.

A few of the respondents had experienced being sent to an interview where the description didn’t fit their profile. However, two of the respondents said they were hired anyway, another two said they turned the assignment down and only one said that the customer reacted negatively because
of the ‘mismatch. The respondents feel that most of the time the CM is at fault. If there is strictly a mismatch of competence and not personality, it should be able to be avoided. However, if there is any doubt of how well a consultant matches the description, it should be communicated before the interview. In addition, it was expressed that CM’s should be more careful presenting candidates that doesn’t fit the description to potential new customers.

4.2 During assignment

4.2.1 Customer perspective

Introduction for the consultant

After a consultant has been recruited by the customer there is a need of an introduction before the assignment can commence. This is mentioned by all respondents as an important step and one that is always performed. What type of introduction that the consultant receives is a result of the type of assignment that will be performed by said individual? One recurring part of introduction that is not dependable on the assignment is the general know-how. For example, this information could refer to company rules, safety information, and practical information such as if consultants are expected to bring their own computer. The introduction in direct dependency with the assignment is the breakdown of the expectations for the consultants in regard to the assignment and the presentation of individuals that will work in collaboration with the consultant.

When questioning the respondents in regard to introduction for consultants it became apparent that it is performed with variations. There is different amount of resources allocated to the introduction, for example one respondent expressed that the introduction for consultants at their company is combined with a full-time employee acting as a mentor in the beginning period. The quality of the introduction correlates with the consultants’ ability to begin the assignment, which is a strong argument for companies to oversee the introduction themselves. One respondent stood out in regard to this:

“We have begun outsourcing parts of that to the consultancy firms [...] They have enough insight into our organization to do so [...] They can mentor their own personal.” (Respondent 2)

This is a respondent that have had long-term relationships with consultancy firms were trust have become interwoven and with that enabled them to reduce allocation of resources towards introduction for consultants. There is not only the factor of trust that is an enabler; there is also a need to have consultants stationed at the costumer with enough knowledge to transfer in order to perform a proper introduction.

Learning curve

The introduction is an important activity for reducing the elapsed time between the starting day for the consultant to when he or she can begin the assignment. This reduction is value creating for
the customer as it has a direct effect on cost and time. When asked about factors/activities that could be performed by the customer or the consultancy firm that would inhibit a prolonged learning curve, the answers amongst the respondents was focused on the recruitment aspect rather than knowledge sharing or on-site activities.

“It is important to specify exactly what we want to get done and that the consultancy agency select the appropriate consultant from the assignment description, someone with enough experience to fulfill our requirements” (Respondent 3)

Another respondent expressed a view that the consultant should be experienced enough to be able to take on the assignment without any learning except the introduction from the customer.

“It should just work [...] I think it is highly important for the person coming in. If you arrive in a tight or stressful time were there are a need for a consultant right now, then it is not enjoyable to come into that environment and knowing too little to perform your assignment. And same for your coworkers that will have to take the responsibility of helping you” (Respondent 15)

The respondents’ mutual opinion in an optimistic context is that a consultant should not be in need of a learning curve for the assignment task, which is knowledge constricted to know-how and is something that should be possessed within the consultant if the recruitment has been carried out to perfection. What is expected in terms of learning curve is the practical and social adapting that comes with the shift to a new workplace and culture.

**Relationship and expectations with the consultant**

The respondents have different relationships towards consultants, some would categorize them the same as employees while others would make the distinction between them and the rest of the staff. In that context, some see the value in mentoring the consultant if they see the potential of using their services again whilst other do not want to put time or energy in the personal development of the consultant. A consensus amongst the respondents is that the consultants play a role for how the relationship with the consultancy firm develops; they are by the words of the respondents’ ambassadors. With that perception from the customer they are expected to uphold certain professionalism. The most mentioned expectation of a consultant is that they deliver on the assignment, in order to do so the respondents have mentioned important factors outside the technical knowledge. These are that the consultant can communicate with the employees at the company as well as consultants from other firms.

“You cannot do it all by yourself and be confined by the bubble of your own room. You have to communicate with others even if it is consultants from other firms” (Respondent 2)

All respondents have mentioned flexibility as a trait of high value since the expectations of the consultant can and often shifts during the assignment. This could be a result of expanding the
project/assignment or that some consultants are hired for unloading the burden from where it is needed. With this flexibility there are responsibilities of transparency by the consultant. If the consultant is asked for example to perform a task that beforehand was not required during the hiring process it is important to only accept it if the consultant have the ability to deliver.

“The worst is when a consultant says that they know how to do something when they don’t. It is better to say that they do not now and maybe ask how I would do it” (Respondent 4)

Relationship and expectations with the consultant manager
What the respondents feel about the relationship with the CM and therefore the consultancy firm can be summarized in this comment:

“One needs to feel it's just runs smoothly, it should not be difficult or any hiccups. That is what distinguishes successful consultancy companies. Low friction.” -Respondent 15

After a consultant have been hired by a client the CM still play an important role according to the respondents. The role consists of maintaining the relationship and oversees the quality of the services they are providing for the customer. Recruitment of consultants or full-time employees always comes with the risk of getting a mismatch; someone that seemed good for the position was in hindsight not compatible due to a variety of factors. The replaceability of consultants in such cases is an argument for the hiring of one. During the interviews, the respondents expressed that they are usually the ones to make the observation of a mismatch and responsible for expressing that to the consultant manager. However, it is in the consultant managers’ interest to do follow-ups to ensure that the service they are providing matches the specification requested from the customer and too also express the interest in the relationship.

“We want them to follow up, ask if everything goes according to plan. Otherwise it would reflect that they only have interest in selling consultants. It is in the interest of the relationship to do follow-ups” (Respondent 4)

This is in acknowledge with another respondent who also stated the there is an occasional lack of follow-up from consultancy firms.

“It is important to validate that what you have sent matches what was said. Everyone does not do this, but it depends if it is a long-term contract or short-term contract. [...] some follow-up of the consultants is important. Too hear that there really is an interest that they are fulfilling the requirement” (Respondent 3)

During times when problem arises such as the identification of a consultant mismatch during an ongoing assignment, all respondents have expressed the importance in the problem handling done by the consultant manager. Since they have a limited insight in the operational side of the
customer, it arguably depends on the level of developed relationship. It is necessary that the consultant manager trust the customer when they bring a problem to the table and act accordingly to the preferences of said customer.

“How they act when things are not going well is crucial. [...] it is super important that they step up and understand what we are telling them, that it is not going good no matter how much you want it to go well. And help us to find a solution, if that does not work we will have big problem using that consultancy firm again” (Respondent 15)

Apparent from the interviews is that a consultant manager will not be dismissed for creating a problem such as a mismatched consultant. Their professionalism will be questioned depending on the deliverance and relationship history with the customer however by handling the situation correct the relationship has the possibility to strengthen even if the problem in the beginning is produced by the consultant manager.

All respondents expressed the value of working with the same or few consultancy firms and managers in order to develop relationships with them. The major arguments are that trust is developed and where you can have discussions where there is no barrier between the two or worries that the other has a hidden agenda. When it comes to the process of fostering a relationship, the respondents agree that at the start of a relationship, before a sale has been made, it is the CM’s responsibility to foster and develop a connection and interest. When a certain level of trust has been reached between the CM and the customer through a number of successful consultant placements, the respondents consider the responsibility for nurturing and cultivate the relationship becomes reciprocal. At this point they are both invested in the relationship and have an obligation to see that it can develop and grow.

4.2.2 Management perspective

Customer relationship

Examples were provided by the respondent of incidents that had help improve or worsen a relationship with a customer. As mentioned by other stakeholders, a successful assignment is the easiest and fastest way to improve or create good relationship and reversely, an unsuccessful placement or assignment will instill the relationship with doubt and mistrust. However, if the CM handle a bad placement well, is cooperative and take responsibility, it can in turn improve the relationship. It was expressed with great enthusiasm that by solving tough problems and responding quickly to their need in a joint effort will usually lead to a strong relationship as the CM can show that they are cooperative, take responsibility and that they understand each other. There are some activities that consultancy firms do to actively work with customer relations like regularly calling and setting up casual meeting and planning events for customers and employees. In addition, tying contacts with more than one person at a company can ensure a more stable relationship with a client company and provide additional streams of information.
input. Finally, it is important to invest in connection in a longer timeframe. A relationship might not generate a sale now but maybe in three years.

There are some expressed expectations from the CMs that consultant should be observant at their customers organizations for opportunities to arise that can be filled with consultants. However, the consultant’s main focus should definitely be on the assignment and to satisfy the customer. Some consultants are more sales-oriented and like the challenge, others aren’t and that's fine. It is also in the interest of the consultant to look for extra responsibilities and gaps in their operation that they themselves can fill when their current assignment in complete. This endeavor however, has to be done professionally and with a certain level of finesse so that it doesn’t appear as you take time and focus from your current assignment and responsibilities and undermine their authority. Hence, the consultants should generally not undertake sales responsibilities, just provide tips.

**Unity in consultancies**

According to the respondents, there is great value for creating unity and togetherness within a consultancy firm and its subgroups. As they pointed out earlier, making an assignment and work of a consultant progress frictionless and smooth is appealing for the customer. By creating a great atmosphere among the consultants working at different customers, it will facilitate a higher level of synergy within the firm, where the consultants are more prone to asking for help internally rather than bothering the customer or helping out a fellow consultant. Furthermore, it is important that the consultant see the value in helping to develop the consultancy firm. The respondents realize that this is a common challenge. Some activities that are used for this purpose are monthly staff meetings, after work activities, seminars, trips, new office spaces. The apparent problem with team-building in consultancy firms is that they usually have to be scheduled outside of billable hours, which will consequently reduce the attendance among the consultants.

**Knowledge sharing**

In close relation to unity in consultancy firms, how well the firm facilitates the sharing and access to knowledge is helpful to improve consultants’ performance, and can in itself improve the sense of togetherness in the firm. The firm deploys various tools to facilitate the sharing and access to the collective knowledge and to enable consultants to reach out for assistance internally within the firm. E.g. they have a senior-junior mentor partnership that is supposed to encourage junior consultants to seek advice from more experienced consultants. Furthermore, the firm has a chat group that has a more social purpose, an intranet for company news, provide courses and training seminars.

**Feedback**

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The feedback process is mainly suggested by the CM’s initiative and all respondents seek to gain feedback from customer about the consultants as much as possible, preferable face-to-face. The customer isn’t always too keen on providing a comprehensive evaluation due as they sometimes have little contact the said consultant, and the CM can’t demand it from the customer. Although most feedback is provided during routine checkups with the customers, most of the respondents agree that feedback should be communicated with all three stakeholders present (CM, consultant and customer) to promote transparency and to find out more about the customers preferences.

“We are working actively to get it (feedback) because it makes our day easier because then we know next time that this match works and then you can find a similar one when you know what they like. We are looking for that kind of information all the time.” - Respondent 14

The feedback process is almost always left out of the initial discussions and terms of agreement, according to one of the respondents. However, they see the value in establishing the process early on, before the assignment begins. Furthermore, the feedback is seldom or never documented. The CMs always check up on the consultant, that everything is going well, but mostly in the beginning of the assignment, in addition to routine performance reviews. It is more important to check up on the consultant at the beginning of an assignment to make sure that the requirements of the customer are not misunderstood.

4.2.3 Consultant perspective

Assignment introduction

When consultants start a new assignment, they receive a varying degree of information to get them started with their work at the customers company. A substantial portion of the respondents claimed that their introduction to the customer company was inadequate or non-existent for them to start working effectively, while a few said they had a comprehensive introduction. Some factors were mentioned that could affect the comprehension of the introduction such as; how specified the role of the consultant is, the size of the company (larger enterprises are more use to consultants and are therefore better at introducing them, but are more complex and require more introduction), the state of the project (a critical project that is stressful tend to skip a lot of the introduction) and finally how many consultants from the same firm that are involved in that project/department.

The various introductions provided to the responded could entail a day working in and observing the production process unit, some documents containing contact information for important staff and routines or just assigned another consultant colleague that they could bother with their questions. But generally, the consultants felt rather lost when they started and had to find their own way to performing their tasks. The responses revealed contradictory standpoints on consultants training other consultants at the client company. On one hand, consultant should work as a team to help each other get started and steepen their learning curve. However, in the eyes of
the customer they are also paid by the hour to perform their own tasks and not there to guide their colleagues, even though it is greatly appreciated.

In terms of what type of knowledge the respondents considered to be useful to share and obtain within the consultancy firm, most of it was related to the situation of starting a new assignment.

“If a new person starts at Company X from our consultancy firm then maybe we can save 3 days of work for that person by writing down a document about collective information.”-Respondent 6

Several of the respondents did mention the obvious benefits of having a colleague from the same consultancy firm at the same workplace. Being able to ask them all the questions one normally would bother the employees with, creates a seemingly smooth and easy start for new consultants. The information the respondents would have liked to receive at the start of an assignment.

- Status of the project that the consultant had been assigned to
- Contact information to relevant staff and managers
- Practical information
- Change controller (In Quality Management Systems)
- Time reporting, administrative tasks
- Workflow systems
- Who to talk to about certain matter, informal communication channels
- Useful quick reference guides
- Standard Operating Procedures
- Company culture
- Safety routines
- Specified expectations of performance and responsibilities
- Where to call in sick
- Structure in ways of work

Several respondents mentioned that it would have been helpful with an intro packet that contained this kind of information, provided either by the client company or the consultancy firm.

**Customer relationship**

The respondents were asked how consultants can actively practice customer relations when at their client company, what makes a customer relationship work and if they could provide examples of how a good/bad relationship has developed.

The following table shows the five main themes identified for how the respondents think consultants should work to further improve the relationship with the customer. Under each theme
are examples that were mentioned in association with each of the respective themes.

<table>
<thead>
<tr>
<th>Theme #</th>
<th>Theme:</th>
<th>Times mentioned</th>
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</table>
| 1       | Open and honest communication  
To know what is expected  
To understand the situation of the problem  
To be able to point out flaws in a constructive way  
To know one's responsibilities and authority  
To follow up and report progress  
To be solution-oriented  
To be able to admit mistakes  
Perhaps deduct billable hours of a poorly delivered assignment  
To be able to say “I don’t know how to do this” | 16              |
| 2       | Do a good job/Deliver what was promised to the customer               | 8               |
| 3       | Ask for help internally within the consultancy firm helps the customer | 2               |
| 4       | Professionalism  
Don't talk badly/complain about the company or other consultants  
Be presentable (clean and tidy)  
Be humble and don't brag/exaggerate knowledge  
Friendly but not too friendly  
Being social and positive  
Prestige less | 9               |
| 5       | Being flexible, available, helpful and engaged  
Easier to get help if you are helpful  
Service minded | 8               |
| 6       | Responsibility of representing the firm  
Convey a positive image of the consultancy but not in an excessive way.  
Not forget to work interactively with your consultancy firm, not only with the customer. | 4               |

Table 1: Consultants view of important factor for CRM
**Loyalty**

The notion about loyalty comes into relevance when consultants are forced to make decisions on behalf of the client company that can affect their consultancy firm both positively and negatively. To start with, there is some consensus that consultants have a ‘schizophrenic’ role as they have to adhere to the interest of two both stakeholders in a specific B2B relationship.

“Some of us work 55 hours a week and don’t have time to sit down and make presentations for knowledge sharing. I can feel it’s beyond my work so to speak. But it’s always a loyalty towards my employer. There I have my back but the aim is against the customer.” -Respondent 17

Sometimes there can also be some confusion about who the customer actually is. The common view is that the person/entity who pays the invoice is the customer. But sometimes the consultant has no exposure to that person whatsoever, but work for another consultant, for another firm, hired by the same customer. Hence, the actual project or assignment is where the loyalty lies. Either way, eight of the respondents (80%) said that the loyalty is primarily lies at the customer. However, the remaining 20% provided further insight on this dual leadership phenomena; At the start of an assignment, the loyalty lies at the consultancy firm, but as the assignment progresses the loyalty shifts over time towards the customer. In addition; In order to be loyal to the consultancy firm, one have to be loyal to the customer. One cannot set the consultancy firm’s need before the customers, that will damage the firm in the long term.

“The greatest loyalty is towards the consultancy firm, they are the ones who pays my salary. But that means I have to be loyal to the customer.” -Respondent 1

**Knowledge sharing**

The respondents were asked about their experience in knowledge sharing among consultants in consultancy firms. The answers indicated that most knowledge shared in consultancy firms were through informal communication channels such as socializing and company lunches. Knowledge sharing didn’t seem to happen much in an organized manner or through support applications, except for when the management implemented pairing system where consultants were paired up and encouraged to meet up approximately once every few weeks to share experiences and ask for advice. Usually a junior consultant was paired with a senior consultant and preferably within the same field. Contributing factors that allow for better knowledge sharing surfaced during the interviews. The most prominent of which were how unity within the firm and a sense of belonging is claimed to be critical for knowledge sharing to be integrated as a mindset of the firm. In order for consultants to be able to reach out to their colleagues for help, some respondents mentioned the need for a competence overview within each firm so they know what consultants have experience in certain fields, companies, systems, tools etc. Furthermore, it has to be on the initiative of both the consultants and the management for it to successfully become an integrated part of the way to work.
One respondent brought up some limitation because of the lacking incentives in sharing knowledge internally within the firm and provided some factors that had helped motivation at previous jobs.

“The key is that you want get back as much as you give. I think that is the key to motivation. It does not have to be money; it can be energy, joy, participation, and such things.” -Respondent 17

Most of the respondents did see the advantage in having a structured knowledge sharing system and would take advantage of it. However, the limit of the application is that most of the respondents didn’t seem to have the time to perform continuous documentation and develop a knowledge base, especially if they know it might not even be read at all. In addition, they have an obligation to the customer and to register the required billable hours per week. But the interest for a knowledge base is present and with the help of supporting functions it could set something in motion that yields long term positive effects.

“If you can elevate each other and create that feeling then the group grows. We have a lot of competence in the group. If you get things moving then you can get very positive effects. people stay longer and the customer gets more satisfied.” -Respondent 1

There was some reluctance towards relying too much on knowledge originating from within the consultancy firm. Two respondents claimed that a consultant needs to engage with the employees, ask questions and learn on their own. It is a vital part of building a relationship, get to know the company and gain trust from the customer and the staff. Writing things down is helpful but the best knowledge sharing tool is ‘Smalltalk’, according to one of the respondents.

In terms of what type of knowledge, the respondents considered to be useful to share and obtain within the consultancy firm, most of it was related to the situation of starting a new assignment. There are practical matters that could be conveyed through formal documentation and ease the transitioning process, other knowledge is more specific for the particular assignment or company. Many respondents reflected over the obvious problem in finding the time to document knowledge or participating in knowledge sharing activities as they would either eat in to the billable hour or be forced to do it on their private time.

Support
The respondents were asked where they turn to ask for help when working at a client company. It is common that more than one consultant from the same firm is working at the same client company. If that is the case most of the respondents feel inclined to seek support from their consultancy colleagues first hand regarding how to handle delicate situations or problems, thereby not disrupt the customer or sometimes not exposing ignorance. It was expressed however that it sometimes could be difficult to know who was best suited within the consultancy firm in regard towards the sought-after expertise or the knowledge. Some respondents felt comfortable
approaching their superior at the client company about any problem, and sometime had no choice since the support could only be given by the customer. On the other hand, some desired better supporting functions from the consultancy firm. However, it if should happen naturally, it requires a higher level of belonging in the consultancy firm.

**Expectations**

Expectations were preeminently brought up during the interviews with all three stakeholders (consultants, management and customers). The consultant respondents generally feel that the expectations between the customer and the consultant can change over time as the customer expect a level of flexibility and the scope of the project/assignment widens. However, as the assignment progresses, the expectations seem to align more and more. This is certainly expected by most otherwise the consultancy firms’ services would seem rather rigid Expectations seem to be elevated when a consultant is placed in to an ongoing project that might be a critical delivery, or if the consultant is more experienced as junior consultants usually have a rather wide scope on their job specification.

4.3 Post assignment

4.3.1 Customer perspective

The respondents were asked how the feedback process and practices were conducted between the consultancy firm, the consultants and themselves. There is a clear variety in how different companies value feedback to and from the consultant and the firm, and in what way the feedback is conveyed. First off, consultants don't receive the same feedback from the customers as their own employees do, as the customer doesn’t feel responsible for the development of the consultant. All of the respondents mentioned that they see the value in continuous and post-assignment feedback (positive and constructive) to improve the quality of the work done by the consultant and improve the relationship. However, there is a matter of limited time they can give and it is not always the client is aware of what the consultant is doing and how well he/she is performing.

Feedback can be delivered to the consultant personally (during or after assignment), to the consultant manager at the consultancy firm (during or after assignment), or most preferably together. The latter option was considered most preferable by some respondents for sustaining a good relationship with the firm. By doing all three will both sustain a good relationship and ensure a personal development of the consultant. When asked if an assignment was overall well delivered, but 5% of the work needed improvement, would they provide feedback to the 5% or just let it slide. One respondent considered this to be important since they sometimes seek to offer the consultant a permanent position at the firm. But generally, feedback was withheld if the assignment was an overall success.
“It would depend how important the 5% are. I say pick your battles. [...] But I agree, I don’t know how things look next year. I might want to hire some of the consultants. Then it’s my responsibility to ensure that they are as good as I want them to be.” - Respondent 15

One respondent said that positive feedback is only provided if something has been executed exceptionally well. Furthermore, regularly provides feedback to the consultancy firm to teach them not to be that agreeable and bring up issues from their side as well, promoting a more open and honest communication and a willingness to improve.

4.3.2 Consultant perspective

Feedback

Feedback to the consultant and the consultancy firm is important to both receive, absorb and even demand according to the respondents. As the feedback consultants get are mostly positive, most of them wish to get more constructive feedback continuously.

“It’s very important, I do not think you can get too much, if it is constructive then it's good with negative feedback, so you know what to do better. Only positive is not good, because eventually, you do not trust that person because there are always things to improve. or you can get too laid back and think that things are going fine while they are really not.

- Respondent 10

Having continuity in performance review and feedback will close the gap of the timeframe in which the consultant may be doing something that irritates other employees or consultants whom might have become agitated because of the presumably questionable behavior by the consultant in question. There were a few instances where the respondents had received feedback both the client as well as through their CM, which had not always been the same. This was not appreciated by those respondents as they want to have a dialogue with the person giving the constructive feedback, not only one-way. As it appears, several of the respondents seem to feel that they need to request or demand feedback. One even mentioned that it should be discussed in the negotiations before the assignment starts. Otherwise, if the assignment was successful, the client often simply just expresses “Well done!” and doesn’t reflect over what was done especially well or where improvements can be made. In the terms of customer relationship, this provides the firm with additional opportunities to show that they listen to their customer, according to one respondent that expanded extensively on the subject.

4.4 CRM system

CRM systems are used by the case company to track customers and log business events such as meetings, phone calls, contact information, customer demand and tender documents. It is currently used by CMs, KAMs and staff with sales responsibilities such as unit managers, as there is a considerable security risk having all of the employees having access to fresh business
intelligence and documents. Its function is invaluable for working structurally and professionally with sales and to gain statistics of which sales incentives are based upon. The incentives are therefore based on growth, frequency in sales and teamwork. The interviewees for this subject was the top-level management at the consultancy firm where the study is conducted. The system used by the firm was implemented in 2014 when the company was started and was bought as a ‘of the shelf’ solution (not uniquely developed for the firm) that was more or less complete. Hence, the implementation of the system was rather swift, but was very customizable for the needs of the consultancy firm and they have continuously added more functions to the system. All of the respondents agree that there are lots of potential for improvements and useful functions, it is just a matter of cost, both monetary and time related to implementation. The program has been used efficiently over the past four years but without any clear goals or strategy. Most of the CMs at the consultancy firm have participated in seminars in how to use the system by entering comments and notes from meetings and about customer needs efficiently. However, one respondents commented firmly there is no standardized way of using the CRM system, each user is thereafter taught by their immediate superior how to use the system.

The CRM-system in question has been studied first hand, creating an overview of what type of information is entered into the system and how it is entered. In combination with the respondents’ answers, it seems like the entries are more intended for personal use than for others to read and act upon much in line with what the respondents commented. The software itself is not used to its full extend as the majority of tabs within it, is left blank. As the CRM system is currently used almost exclusively for business and sales activities, the possibility of using it as a knowledge base for assignment relevant information or information about consultants was discussed with the respondents. The consultancy firm currently utilize a different system for indexing consultant competencies and matching requirement specifications. There is a possibility to implement a slimmed down version of the software to consultants that conceal certain sensitive information.
5 Analysis

The chronological structure of the empirical data will embody the analytical framework of this study. Drawing upon the themes discovered in the empirical data, the analysis will compare these results and draw conclusions based on the relevant dimensions presented in Chapter 2. These dimensions include; knowledge about- for- and from the customer (Lei and Tang, 2005), initiation-maintenance-termination (Reinartz, Krafft and Hoyer, 2004), Knowledge creation, storage, sharing and usage (Massa and Tessa, 2011), Socialization, Externalization, Combination and Internalization (Nonaka, 1991), Customer needs and added value Baker (2006). In addition, the analysis will reflect greatly upon the concept of perceived value (Reinartz, Krafft and Hoyer, 2004) and the trade-off between benefits and sacrifices (Uлага and Eggert, 2006). By reviewing the empirical data from these dimensions, the inherent nature of a generic engineering consultancy assignment should be revealed according to related research on the subject. Therefore, through objective reasoning a framework for KM based CRM in consultancy context should be achieved.

5.1 Customer value and KM

In order to identify the focus for a KM based CRM strategy in consultancies, the analysis will have to originate from what activities the customer values in B2B consultancy relationships. The first segment of the analysis has been constructed in correlation with research sub-question (1) and (2), the subheadings represent factors that are associated with generating value for the customer and will be addressed in accordance to chapter 1.1. The analysis will build upon with what Garrido-Moreno and Padillia-Meléndez (2011) identifies as the core of CRM, which is the value-creating aspect. The research questions that address (1) value generation and (2) knowledge used for CRM initiatives, which correlate well with Baker’s (2006) two main factors in succeeding in a competitive market; understanding customer needs and the ability to deliver added value.

5.1.1 Relationships

The empirical data highlight a wide array of themes, amongst which the viewpoints on customer-consultancy relationships and its circumstances from all stakeholders frequently surfaced. From the perspective of perceived value (Uлага and Eggert, 2006) there are several factors that were of interest, starting with the fundamental need for consultants in various industries. The customers interviewed views consultancies as an appealing option when there is an urgent need for specialized expertise, extra resources to distribute workload or to complete whole projects. Therefore, the value placed on the firm is dependent on it being agile and flexible in presenting solutions, having a vast pool of consultants in their assortment and deliver consultants that match the requirement specifications. In the eyes of the customer, the replaceability of consultants is a strong argument for hiring one. Hence, the response has been that consultancies groom their
consultants to be extra attentive, service-minded and solution-oriented and become an integrated part of the operations and dependable to deliver quality results.

Because of the intimate nature of introducing temporary staff (consultants) to undertake varying degrees of responsibility for important and sometimes critical parts of their operations, a certain level of trust in the CM or the consultancy firm has to be reached. The responsibility for nurturing and developing a relationship so it reaches that level of trust does, according to the empirics, lie with the CM. However, when a certain level of trust has been reached, the responsibility is reciprocal as both parties are committed. In addition to high levels of trust, there is an understanding that consultancies require certain insight into their business in order for them to provide adequate service in terms of suitable consultant for the assignment. Consequently, companies only work with one or a few consultancies simultaneously, yet intimately. This describes the essence of customer relationships in the consultancy industry. The process of developing a relationship can be rather time consuming for all involved parties, which do reinforce the trend of limited number of consultant suppliers. In conclusion, benefits of an intimate relationship with a consultancy are counterbalanced with the sacrifices (Ulaga and Eggert, 2006) of a limited number of suppliers as they demand time and resources to develop and maintain. In relation to the theory, one can see a mutual integration of needs (Naudé and Buttle, 2000) as both stakeholders ultimately seek to further the cooperation and understanding of each other’s businesses.

The importance of communication stated by Ford et al. (2006) as a crucial factor for relationships was confirmed from the empirics. Since, in terms of general behavior, the most prevalent factor that is believed to help build and strengthen relationships is open and honest communication. It was not only brought up by all CMs and customers, but also mentioned most times by the consultants in table 2 when posed with open questions about customer relationships. This factor would generally be categorized as an approach in conducting business in long-term relationships. This approach is, according to the empirical data, positively linked to other value creating factors mentioned later in the analysis such as avoidance of mismatch, expectation management, sales approach, and feedback. It can therefore be considered a cornerstone of successful relationships.

**Monitoring and problem solving by CM**

As Consultant Managers (CMs) have been identified as the main contact point (Reinartz, Krafft and Hoyer, 2004) in the process of building relationships, they carry great responsibility in the implementation of CRM processes, (Ibid) especially for new relationships. CRM processes and supporting activities are a sizable part of the CM’s responsibilities. Therefore, activities like regularly following up on an initiated assignment is valued by the customer and considered immensely important by the CMs. The conformity of the empirical data continues between these stakeholders as both consider that the CMs ability to respond well to problems raised by the customer regarding their consultants is crucial. By then acting accordingly to solve the problem to the customers satisfaction can turn a negative situation to something that will strengthen the
trust in the relationship. This emphasizes a visible and direct effort of satisfying the needs of the customer, highlighted of importance within CRM by Garrido-Moreno and Padilla-Meléndez (2001). This activity is seemingly based on the ability for CMs and customer to communicate honestly and openly with each other, thereby conveying the appropriate level of urgency or severity of the problem. The nature of the problem will in turn provide additional knowledge from the customer (Lei and Tang, 2005) and their preferences that is important to take into consideration and convey through the firm as knowledge about the customer (Ibid) for future sales interactions in order to avoid duplication of the problem.

In the context of relationship value, the benefits of the relationship in the eyes of the customer is to rely on the consultancy to align the consultants’ expectations of the assignment with the customers perspective. And in some cases, find a more suitable replacement quickly if the placement is non-conformational. Thereby, the consultancy is expected to act more or less as an external human resources (HR) department for the consultants. If the recruitment process has been conducted correctly, the risk of a non-conforming placement is quite low. Notwithstanding, sacrifices should include the risk of a bad placement.

5.1.2 Appropriate sales in the eyes of the customers

Sales approach

According to the customers, before any sale has been made, there are some pitfalls that will hinder a CM or KAM to successfully gain the required trust of the customer to allow for a consultant placement. One of which is vigorous and high frequency sales calls that customers (generally without framework agreement) experience to a varying extent. As the empirical findings show that first impressions are important in most aspects of sales interactions (meetings, interviews etc.), having your time wasted and work interrupted by sales calls can be off putting to the customer. However, the sales techniques deployed by the CMs do involve high frequency sales calls because they work. Even if they sometimes get a scolding once in a while by unit- or operational managers that want to be left alone, CMs admit that it is a fundamental part of number based sales activities as well as statistical based incentives and will yield results. According to both the customers and CMs, the frequency in sale calls do not always inflict negatively, it is all dependent on the personal characteristics and social skills of the CM which characterize as tacit knowledge (Polanyi, 1958). Sales activities directed at potential customers are objectively more difficult and time consuming than activities directed at existing customers. In addition, new customers will provide a limited amount of attention to sales pitches and proposals from CMs. Therefore, it is imperative to learn as much as possible about the customer beforehand without interacting with them, emphasizing Stefanou, Sarmaniotis and Stafyla (2003) distinction that KM is directly related to CRM. Contrary to Reinartz, Krafft and Hoyer, (2004) claim that CRM Processes have the strongest effect on company performance in the maintenance stage of the relationship, our findings show that the initiation stage of the relationship will yield greater effect in developing relationship value. As a part of the initiation stage, the first consultant assignment is significantly more important to be a success to increase the chances of a continued
relationship, and thereby the performance of the company. In regard to the information or knowledge about the customer (Lei and Tang, 2005) that will help facilitate this type of sales related CRM processes, has shown in the responses from the CMs interviewed to consist of; up to date business information, company owners, company history (especially in the past 6 months), production activities, staff turnover and the appropriate staff or managers to talk to. At first glance this information seems to be mostly of an explicit nature as it only scratches the surface of a complete understanding of the organization. In contrast to what the customers regard as important for consultancies to take an interest in, what the customer is producing, how their organization work and where they are heading. It seems as the client require the CM to have a more tacit understanding of the client's operations. This of course, require more hands on or observational interaction with the clients’ company to fully comprehend. When this type of knowledge is correctly used it could be redefined as knowledge for customer (Ibid) to highlight were a consultant’s service could offer assistance for the customer, inciting the dual creation of value within CRM as described by Boulding et al. (2005)

Streamlined recruiting
As previously mentioned, the customers have expressed the value is placed on the recruitment process being quick and efficient. Several factors have been identified by both clients and CMs as being crucial for providing a streamlined recruiting service, among which are; overselling of consultants i.e. claiming they are more suited for the role then they really are. Some customers resented this action as it displays a level of misunderstanding of their needs, while others might interpret this as ‘creative recruiting’ (finding candidates from different fields viable for a specified position). This however, need to be communicated beforehand so that it won’t show as the consultancy doesn’t have what the customer is looking for and present the ‘closest option available’. Another factor is sending too many candidates CV to the customer and not sorting out the best few. By breaking down the streamlined aspect of the recruiting process, the empirical findings show that this entail mostly saving time for customer. According to one respondent, having uniform CV-templates makes it easier to compare and analyze the candidates and thereby creating value in saved time.

The data from the interviews provides quite specific indicators about what knowledge is required to better employ the mentioned CRM processes and activities. As CM’s aim to regularly conduct casual business meetings with both potential and existing customers, they want to find out information about their products, associated R&D activities, production processes.

Avoidance of mismatch
Consultants interviews occur subsequent of a shortlist of potential candidates have been chosen by examining their CVs. The empirical findings reflect a key factor for successful interviews, which is preparation. All three stakeholders agree that it is within the responsibility of the CM to prepare the consultant for an interview by providing and interpret the requirements of the position so that the consultant can present themselves in the best light possible. During the interview, the
CM is usually present as a passive observer to possibly interject if questions about the consultancy are raised, to instill confidence and show their active engagement throughout the recruitment process. But in the context of the research objectives of this study, the CM participates in the interviews to gain further insight and knowledge from the customer.

A consultant mismatch occurs when a candidate is invited for an interview at a client company and it turns out they are not what the client company is looking for. An even worse scenario is when the mismatch becomes apparent after the consultant has been hired. Both scenarios have shown from the empirical data to be frustrating in a sense that it is time wasted, and instill distrust to the consultancy firm and the CM in question. The empirical data also suggest that there are several measures that can be taken in order to prevent a mismatch from happening. The consultants that are reflected in the empirical data generally feel as they were insufficiently prepared with information about the assignment or Client Company. The solution to this factor is related to another recurring cause of this phenomenon, which is to communicate the specification of the assignment in a more comprehensible manner. The CMs and consultants stress the importance of an explicit and clear requirement specification. However, the customer may provide a vague description due to the unspecified nature of the role in order to broaden their options as its purpose is mainly to unburden rest of the staff. According to the empirics from all stakeholders, assignments that entail a broad set of responsibilities are more inclined to a personality mismatch as the specifications are usually vaguer. Reversely, assignments with a narrow role and higher technical responsibility require more detailed and specific requirement specification in order to more accurately be able to match a candidate to that role.

This recurring dilemma of specificity in requirements versus broader assortment in the procurement process seems to create unnecessary friction between sales personnel and customers. This can, according to the CMs usually be dealt with by taking the time to investigate the circumstances of the role further. As measures like this are taken to prevent mismatch the level of necessity and effectiveness of them are dependent on how acquainted the CM is with the customer, and their relationship history, status and atmosphere. These dependencies are, according to Ford et al. (1998) founded on the level of trust, commitment between parties and the network position of the parties as well as the current operations.

5.1.3 Smooth startup for the consultant

There is great interest from both consultants and customers in making sure that the consultants learning curve is as steep as possible and can start working efficiently. Not only will it create value for the customer but it will project a good image for the consultancy and increase the chance of a successful delivery. This is accomplished through providing a comprehensive introduction to the consultant by the customer and other employees or consultants at the company. There is a clear gap between the consultants’ and customers’ perception of what constitute an effective and comprehensive introduction to the client company. Most of the consultants felt that the introduction from the customer was inadequate or nonexistent. Most of
the help received was from colleagues from the same consultancy firm. One example from the
data show that if the relationship between a customer and the consultancy is well developed and
several consultants work together at the client company, the introduction was outsourced to the
consultancy firm and more specifically the consultants, apparently with great success. The
consultants’ experiences depict for the most part a hasty startup that could have been improved
by mainly having a designated senior staff-member or consultant to rely on for guidance. The
customers present a viewpoint on introduction as containing mainly practical matters, not task or
assignment related guidance or know-how which is what most consultants desire. One customer
even stated that it should just work from the start and that consultants should not require training
or guidance.

This issue of inadequate introduction and guidance in the beginning of an assignment seems not
to be addressed by the involved stakeholders in their interactions as consultants eventually will
find their way and do so through asking around, finding out things on their own. Although, is has
been expressed by both a few consultants and customers to be important. They must put
themselves out there and can’t be handed everything on the first day, it is a part of how you learn
how to work with your coworkers, other consultants, departments and superiors. In reference to
the literature of perceived value (Reinartz, Krafft and Hoyer, 2004), it would seem as the
customer don’t see that the accumulated benefits of properly guiding a new consultant weigh up
to the total sacrifices of dedicating the required resources to do so. The trade-off (Ibid) that
counterbalances the cost and time for consultant performance is not enough for customers to
commit to a comprehensive learning program. Finally, the use of consultants from the same firm
to perform the introduction is believed by the researchers to have great promise if agreed upon
beforehand.

In the context of what knowledge the consultants would have found useful at the start of their
assignments, the empirics describe a quite detailed list of what is desired. The following table
displays the identified knowledge and what type of knowledge it is, consequently it highlights
according to Alvesson (2001) what knowledge that should be shared within KM.

<table>
<thead>
<tr>
<th>Nature of knowledge/information</th>
<th>T/E</th>
</tr>
</thead>
<tbody>
<tr>
<td>Contact information to relevant staff and managers</td>
<td>Explicit</td>
</tr>
<tr>
<td>Status of the project</td>
<td>Explicit</td>
</tr>
<tr>
<td>Practical information</td>
<td>Explicit</td>
</tr>
<tr>
<td>Change controller (In Quality Management Systems)</td>
<td>Explicit</td>
</tr>
<tr>
<td>Time reporting</td>
<td>Explicit</td>
</tr>
<tr>
<td>Workflow systems</td>
<td>Explicit</td>
</tr>
<tr>
<td>Useful Quick Reference Guides (QRG)</td>
<td>Explicit</td>
</tr>
<tr>
<td>------------------------------------</td>
<td>---------</td>
</tr>
<tr>
<td>Who to talk to about certain matters, informal communication channels</td>
<td>Tacit/Explicit</td>
</tr>
<tr>
<td>Standard Operating Procedures</td>
<td>Explicit</td>
</tr>
<tr>
<td>Company Culture</td>
<td>Tacit</td>
</tr>
<tr>
<td>Safety routines</td>
<td>Explicit</td>
</tr>
<tr>
<td>Specified expectations of performance and responsibilities</td>
<td>Explicit</td>
</tr>
<tr>
<td>Where to call in sick</td>
<td>Explicit</td>
</tr>
<tr>
<td>Structure in ways of work</td>
<td>Tacit/Explicit</td>
</tr>
</tbody>
</table>

*Table 2: Types of preferred knowledge for startup according to consultants* 

It seems as the consultants require primarily *explicit knowledge* (Polaniy, 1958), which means that can be documented and transferred in the form of a guide or document. This *knowledge about the customer* (Lei and Tang, 2005) would therefore be compiled by other consultants that have experience with working at the client company. This sort of knowledge sharing falls in to the *Combination* mode category of Nonaka’s (1995) SECI-Model that illustrate the knowledge creating view of the firm.

5.1.4 Deliverance on the assignment

According to all customers interviewed, the most valuable factors in terms of generating a strong relationship with a consultancy firm was that of deliverance on the assignment. This was in correlation with the thoughts of the CMs and consultants as well. This segment is aimed at what contributes to a consultants’ ability to successfully deliver on an assignment.

*Expectation management*

From the empirical finding it was clear that if a consultant delivers well on the assignment or not depends on the expectations in the eyes of the customer. How well these expectations are communicated to the consultant is the basis of success of the assignment. In many cases, the scope/direction of a project or assignment tends to deviate from what was initially agreed upon. This could result in new urgent tasks for the consultant to undertake. The customer is aware of that they must redefine their expectations with the consultant; this could be done by asking them to take on different tasks that align with the new direction of the project. If the consultant deems themselves capable or not capable of executing the assignment with the added tasks and responsibilities, it is imperative that it is communicated thoroughly. This is in accordance with Grönnroos (1990) who expressed the importance of relationship management by mutual exchange and fulfillment of promises in order to achieve each parties’ objectives. As this is a recurring situation for the interviewed consultants, the researchers will refer to the ability of addressing
changes in their assignment or role by assessing and communicating their own capabilities in relation to their new responsibilities as: honest flexibility. The job satisfaction and therefore the deliverance of the consultant is dependable on how similarly the expectations of the customer and the consultant align throughout the duration of the assignment. As consultants are expected to be agile and complaisant in their work, being honestly flexible is of great value for the customer as it prevents misunderstandings and lowers the risk of a failed or unsuccessful assignment.

This is a factor of the relative deprivation theory, that your situation is worse in the context of a comparable other (Osborne et al., cited in Vicyarthi et al. 2014). The less attractive work task could according to the respondent be compensated by the consultancy firm, by promising to fulfill for example; a consultants’ personal developing goals by offering a e.g. leadership course after the deliverance of the assignment in correlation with benefits and sacrifices (Ulaga and Eggert, 2006).

Another expectation stated by the customers is that the consultant’s stay at the company should occur frictionless, the consultant is there to help the customer not burden them. This is a shared view from both the consultants and CMs that they are there to help the customer with as little friction as possible. Additional stated expectations are that the consultant has the ability to work with others and uphold themselves with a sense of professionalism as they are ambassadors of the consultancy firm. How one is professional in terms of expectation in the sense of value-creating towards customer is hard to conclude since according to Ulaga and Eggert (2006) Value is a subjective concept. There have however been recurring suggestions on what professionalism is according to the consultants; Present problems/complaints only if it is helpful and your place to do so, be presentable, not exaggerating technical capabilities, being sociable and positive, prestige less and convey a positive image of the consultancy in a correct and non-excessive framing.

Support
As a consultant, it doesn’t matter how much of an expert you are you will be inclined to ask for support. Perhaps not with your technical ability to solve the assignment, but with more practical aspects such as how company specific systems work etc. For newly graduated consultants it may be that they are in need of support with the technical aspect of the assignment and how/what is the best course of action to deliver the best result and value towards the customer. Where or to whom the consultant decides to turn towards support is depending on different factors, the first is who possesses the capability to enable the needed support. Many turn towards the customer or coworker at the client company since they are the ones with the knowledge to help. Others seek guidance first-hand internally within the consultancy in order to spare the customer of this disturbance. As some customers make distinctions between employees and consultants their allocated support towards them are deemed different. Other made no distinctions between them or their allocated support/resources towards them. However, all customers have expressed the value of a smooth assignment. If a support structure was internalized within the consultancy firm
the customers' Perceived value (Reinartz, Kraft and Hoyer, 2004) could increase. If the consultant’s tasks and presence seems to flow frictionless as a result of internalized support, the customer’s assessment of the product/service would increase (Zethaml, 1988). This results in a higher valued product/services which could directly affect the value perceptions relative to competition (Reinartz, Kraft and Hoyer, 2004). That the customers value can increase with internalize a strong support system within the consultancy firm have been acknowledging both by the consultants as well as the CM.

**Feedback**

There has been a clear distinction that consultants wish to receive feedback in the performance context of their assignment to ensure a better deliverance towards the customer in addition to personal development of the consultant. From the empirical findings, we can see that there is a mixture of views in regard of feedback towards consultants and their assignment. The consultants experience a clear contrast in the consistency, quality and reciprocity of the feedback received that vary due to various circumstances of the assignment such as proximity to the person providing the feedback, size of the company or what tasks the assignment entail. There are some that have to ask for it whilst other receives feedback consistently through their assignment. What is clear is that the feedback given is mostly positive and that the lack of negative or constructive feedback is worrisome. Since the consultants believe that there is always something that can be done better they conclude that something is being withheld. However, the ability to provide constructive feedback is dependent on how much insight the individual providing the feedback has in to the work done and performance in all aspects of their work. Equally relevant is the reasoning of the client, as they consider it not to be their responsibility to dedicate time and energy on the personal development of a consultant. The major factor identified from the interviews in regard to this is that if the assignment is an overall success, the client doesn’t feel inclined to provide any constructive feedback. Since it is the customer's perception of value (Reinartz, Kraft and Hoyer, 2004) that is in focus in regard to the delivery of the assignment, it is this stakeholders’ responsibility to give feedback if something is done in a manor not suited. This correlates with Muther (2002) that if the consultants can fully understand the customer requirements the customer relationship will excel towards a stronger one. This information is considered the most valuable as it derives directly from the customer (Lei and Tang, 2005) and has not been altered in any way, resulting that acting on this knowledge generates direct value for the customer in their subsequent cooperation. The feedback process would according to the researchers fall under Ford et al (1998) customer relationship dimension commitment between parties. This indicates that it is also the consultants’ responsibility to provide feedback to the customer if there is any aspect or problematic developments that hinder the consultant to deliver on the assignment. Even though in some cases there have been structuring in the feedback process the researchers see that an early planning, preferably before the assignment start should be conducted and followed.
**Dual leader-relationship**

The empirical findings stated that the consultants do experience, and is conscious of the dual leader-relationship that is present within the field of consultancy. A consultant with an assignment will in general spend 100% of their billable hours at the location of the customer. The time spent interacting with the customer enable a relationship towards the client-leader to be developed. The strength and quality of this relationship is grounded in many factors were the more emerging is personal characteristics, communication pattern and communication frequency (Sparrowe and Liden, 1997). From the empirical findings, it was prominent that the consultants have different quality-relations with their two leaders. The majority experienced stronger relations with the agency-leader whilst there were some that expressed that the continuous exposure to the customer had potentially developed sense of belonging there. In terms of loyalty, it was discovered to be a schizophrenic view as to where it should be focused, since to be loyal to the consultancy firm you have to be loyal to the customer. There is certain expectation on the consultant from the consultancy in term of professionalism and to develop a relationship with the customer. According to Vicyarti et al (2014) how well the client and agency-leader relationship correlates with each other in the context of the consultant, will have an impact on job satisfaction and voluntary turnover amongst consultants, and in turn have a direct effect on the deliverance of an assignment. What can be done by the CM in order to minimize the effect of the dual LMX theory is to strengthen the quality-relations it has towards its consultants as this is always favorable. What can be done if a low-quality client-relationship is identified with a consultant is increase the communication frequency from the CM/agency-leader towards the consultant. This emphasizes that the consultancy firm have the interest in the wellbeing of the consultant which can compensate the low-quality client relation and induce a higher job satisfaction and deliverance as a result. It is difficult for the CM to acknowledge the relationship that the consultant has with the customer, this indicate that it is the consultants’ responsibility to inform the CM if this is the case.

**5.1.5 CRM software**

The consultancy firm that was selected as the case study had an existing CRM software that was implemented in 2014. Since it became clear during the study that the CRM software was only used with by management- and sales personnel, the consultants was not asked any direct CRM software questions. The focus of understanding the CRM system was from the view of the management at the consultancy firm combined with the researchers’ examination of the software used by the consultancy. According to the respondents it was bought as a of the shelf product, which is common for the startup period of smaller firms. Hence, the technical limitation in developing a software in-house or the cost of having one customized through outsourcing (Rigby et al, 2002). The software has, according to the management, the ability to be customized accordingly to the consultancy firm preferences. According to the literature, in order to have a successful implementation of a CRM software it is important that it is structured based upon the firms’ characteristics (Perna and Beraldi, 2014; Reinartz, Kraft and Hoyer, 2004; Da Silva and
Rahimi, 2004). From the empirical findings, it is clear that many functions within the software is left untouched emphasizing that this software have not been tailored towards the consultancy firm yet not used to its full potential. According to the respondents there is no clear strategy around the software or a fully standardize work structure around it, some aspects such as the logging of contact points, tenders, and other business-related information is a mandatory input. The consultancy in question only grants access to the staff with sales responsibility, thereby CMs and KAMs. The practical use of their CRM system is correlated with *Operational CRM* (Raman et al., 2006) as a supporting function for the sales personnel by guiding them through customer related information previously stored. It is also used to plot statistics from sales activities and figures from the operational side which falls under *Analytical CRM* (Ibid).

What value the customer is receiving from the implemented CRM software is not measurable by the customer itself, since it is not in direct contact with the software in any way. Their value is gained from the *Perceived value* (Reinartz, Kraft and Hoyer, 2004) in the quality of the communication (Ford et al., 2006) and smooth business relation with the consultancy firm. Hence the CMs are the ones responsible for entering the information regarding the customer, based on their interactions; they choose to write more mental notes for themselves according to the empirical findings. This result in limitation of knowledge sharing within the consultancy firm e.g. If a colleague is looking at data on a customer manage mostly by one CM the information tends to be subjective and may not be interpretable by other colleagues. Since the individual that have entered the information hastily and as mental notes instead considering the comprehensibleness, it may be a result of not having a standardized approach or structure on what information and how that particular information should be documented (Hansen et al., 1999). What knowledge that should be interwoven within the CRM system is according to the researchers the *explicit knowledge* of customers, as described by Polanyi (1958) hence its ability to be documented and transferred into systematic and formal language. The knowledge should be derived from the costumer (Lei and Tang, 2005) and written down in the CRM system as *Knowledge about the customer* (Ibid) with focus on collective understandability amongst the CRM users. E.g. a specified need from the customer to the CM should be specified in the system with more than just “Talked about needs”. What types of needs that were discussed etc. should be incorporated within the customer notes to enable a better understanding within the consultancy firm. If one CM have to take over a colleague’s responsibilities on a customer-facing level (Reinartz, Krafft and Hoyer, 2004) the correct understanding of previously history and current status (Ford et al., 1998) of the relationship is of importance. Hence it enables a more value-sustainability in the customers overall assessment of the product and service (Zeithaml, 1988).

5.2 Restriction of knowledge sharing within the consultancy

It has become apparent during this research that knowledge management is extremely useful in CRM endeavors within the context of consultancies. What has been more difficult to figure out is how the knowledge should be managed within the restrictions of it. There are factors that have
been identified during the research that could be considered as hinder towards knowledge management and be described further in this section.

5.2.1 Time

The most worrying restriction to enable KM based CRM in context of consultancy, is the time aspect. The researchers did acknowledge this factor in early stages as it was recurring in most interviews. Within consultancy firms the revenue comes from consultants being contracted by billable hours. It is therefore in the firm’s interest to seek full time (100% billable hours) placements for the consultant. With that amount of time allocated towards the customer there is little left towards knowledge sharing, which is one of the four foundations of KM (Holzner and Marx, 1979). The consultants have expressed that knowledge sharing is important, however with 100% billable hours they see no prominent solution. It was picked up that the CMs, in similar fashion as the consultants’ experience time limitations with KM and that this could to a certain degree be one reason for the CRM software to contain mental notes for personal use rather than for collective understanding of the customer. The time factor is concurrent with research concluded on the CRM concept, that sales personal sees it as a time-consuming process (Perna and Beraldi, 2014).

Knowledge sharing in among the consultants happens partly through the informal interactions when they reach out to each other for support and help with problems. As this takes time from the supporting consultants own assignment it is a common restriction for this to occur as often as it’s needed.

5.2.2 Unity in consultancy

Knowledge sharing in consultancies can happen in various forms and under different conditions. Knowledge sharing is usually associated with IT-supported formal and rigid structures, routines and procedures that forces rather than induce spontaneous knowledge sharing within organizations. Granted, it is shown that both mechanics of knowledge distribution are useful, as stated by Zahra & George, (2002); informal mechanisms are convenient for exchanging ideas, but formal mechanisms have the advantage of being systematic. However, informal knowledge sharing is more challenging to integrate as a self-sustaining routine as it requires a collective mindset that is founded on unity and combined effort to elevate the quality of service for the whole firm. As both CMs and consultants reflect in the empirics, the level of unity within a consultancy is positively linked to how inclined or motivated the individuals are to both reach out for support within the firm and allocate time for supporting their colleagues. Furthermore, receiving support from colleagues within a consultancy will in turn generate stronger sense of unity within the consultancy. This positive

![Figure 2: unity in consultancy](image_url)
spiral has been expressed by several respondents to be a ‘holy grail’ of knowledge management. To reach a collective mentality about combined effort that is sustainable is considered extremely difficult, but measures can be taken to facilitate improvements in unity that can boost supporting activities. These measures are associated with leadership, team-building activities, trips, after work activities and seminars.

Drawing on the importance of affinity to one’s consultancy firm, the conflict of loyalty comes into question when assessing consultants’ inclination to engage in knowledge sharing activities. As we assume that job satisfaction is positively linked to the consultants’ proclivity to help and support their colleagues, the argument for stronger unity to increase knowledge sharing is further reinforced by Vicyarthi et al (2014) Dual LMX theory that stronger loyalty towards the agency-leader will ensure higher job satisfaction and better conditions for knowledge sharing to occur.

5.2.3 Complication of tacit knowledge

Another restriction of knowledge management within CRM is that how the knowledge itself is constructed regarding the Explicit or Tacit (Polanyi,1958) nature of it. This distinction is made because of the inherent difficulties in expressing, codify and therefore hard to convey that type of knowledge in the consultancies. This knowledge could entail how consultants or CMs handles personal/social interactions on a customer-facing level (Reinartz, Kraftf and Hoyer, 2004) which also can compromise ethical standard as sharing personal information used for sales purposes would be frowned upon. And the explicit which is easier communicated and documented could be feedback from the customers, quick how to reference guides etc. Explicit knowledge is without resistance converge amongst individuals, groups or organizations whilst Tacit knowledge is more resource demanding in order to convey and share.

5.2.4 No database/interface

According to the consultants there was no database or other enabling tool for knowledge sharing within the consultancy firm other than informal communication channels such as, email, texts, meetings or socialization. The CM have the already implemented CRM software as a tool for KM. For consultants to be able to work systematically with knowledge sharing, it is equally important to facilitate formal knowledge sharing. Considering Du Plessis’s (2005) acknowledgement that individuals tend to hoard knowledge when there is no outlet or database for it to channel through, a structured knowledge sharing database is a fundamental to a functioning KM framework.

5.2.5 Who reads/incentive

In conformity with other restrictions such as Time and Unity, it is clear from analyzing the empirical data that documenting and sharing knowledge need to be incentivized with the notion that the effort will come to use and yield impact for the organization. The continued conformity

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to Alvesson’s (2011) emphasis on that efforts towards sharing knowledge is instilled with incentives like affinity.

5.2.6 Knowledge base becomes diluted

A problem from theories on KM such as Alvesson’s case study (2001) as well identified in the empirics is that Knowledge bases have the possibility to become diluted. If knowledge and information is documented without structure or strategy there is a possibility that the high-valued knowledge becomes a ‘needle in a haystack’. Resulting in less contributions of high-valued knowledge as the benefit of the documentation and incentive behind it have been restricted.

5.3 Proposed KM based CRM framework

Customer relationship management have become more intricate the more we have studied the setting, where the responsibilities lie, and how knowledge can be managed to enable a value-based CRM framework for consultancies. Even if there is a clear beneficial connection between the two studied concepts of KM and CRM (Stefanou, Sarmaniotis and Stafyla, 2003), there is still lack of an overall framework that can integrate the both concepts successfully. (Beijerse, cited in Garrido-Moreno and Padilla-Meléndez 2011). In reference to Figure 3 One of the more insightful observations of this study is that CRM within consultancy can be divided into two separate but still interwoven branches, they are what the researchers call Consultant Manager CRM, (identifying the needs of the customer) and Consultant CRM (fulfilling the need of thr customer). The reasoning behind this distinction is partly founded in what Baker (2006) identifies as the distinguishing factors for success in competitive markets which are as stated in Chapter 3.4; An understanding of customer needs and the ability to deliver added value. As those factors align entirely with the inherent responsibilities with respective party, this separation will provide the foundation on which to build the KM framework. It is further enforced by the analysis of the empirical data as viewed through the lens of knowledge management, where the two supporting-systems Consultant Manager KM (Grey area) and Consultant KM (Orange area) are isolated from each other in their functions, supporting their respective stakeholder. An observation made in this study is that the equal distribution of knowledge to all contact points in a customer relationship that embody Reinartz, Kraffit and Hoyer, (2004) customer-facing level is inconsistent with how consultancies operate. It is not necessary for consultants to have access to all customer intelligence the CM does and is the reason that they are not granted access in the current CRM system. However, it is beneficial for information to flow from the consultant back to the CM continuously and after a finished assignment in order to update them about customer needs that might come up. The flowchart in figure 3 represent the proposed KM based CRM framework for consultancies.
Figure 3: Flowchart for KM based CRM within consultancy

5.3.1 Consultant manager (CM) CRM

The CM CRM is constructed of the activities which is concurrent with the general/traditional literature describing the concept of CRM (Stein, Smith and Lancioni, 2013). Consisting of tools and processes to manage the interaction with customer by using customer history/information in order to nurture existing and create new relationships, much of which is concluded in their implemented CRM software. There are however improvements identified that could achieve a stronger CRM results for the case consultancy. The traditional CRM are mainly consisting of activities or processes in referral to the CM of the company.

As seen in figure 3 the CM is involved in the first three steps of the assignment life cycle; Sales, Interview and briefly in the Introduction. In addition, the CM engage in continuous check-ups
and problem solving throughout the assignment duration. All of these interactions with the client are opportunities for the CM to further expand or deepen the insight about the client’s needs to get a competitive advantage and better be able to deliver value to the client (Baker 2006).

The initial step of appropriate sales is according to the findings dependent on the ability to avoid a mismatch and create a seemingly streamlined recruitment process. These activities are in turn dependent on performing the necessary research about the customer, partly through the supporting CM KM. The systems that directly or indirectly are supporting the CMs in being able to conduct Appropriate Sales consist of the CRM System and the Sales Cases from consultants’ previous assignments (Chapter 5.3.2 Consultant CRM, Lessons Learned).

**Pre-Sales Research**
This is the first step in the process and involves basically finding out as much about the customer and its current needs, operations and current situation as possible. As the flowchart indicate, this encompass looking at previous assignment cases derived from Lessons Learned to show the client the firm has experience within the organization that can aid the consultant that will be placed there. Further information can be gained by reviewing the CRM system in order to talk to other CM’s that have interacted with the customer on a customer facing level. This serves multiple purposes, to create a competitive edge by showing an interest in their client, be able to send CV’s to the client that are within the scope of what they desire and to know what the demand will be in the future. The empirical data show the following information that might be of relevance: profits, press releases, present situation, product information, company owners, what have happened in the past six months, current business and production activities, staff turnover and lastly, finding the right personal to talk to.
This will allow for a more streamlined recruitment process. It is also important that relevant information about the customer that describe their current operational- and market circumstances are logged in the CRM system to help construct a more complete overview of the customer for other CMs to take part of.

**Appropriate Sales**
The already implemented CRM system accounts for a large part of the CRM enabling knowledge within sales, containing of customer information, relationship history, business transaction, contact information, customer needs amongst other. We see an improvement for the system which concludes of the importance for more guidance and structure from the top management in how one should enter information in form of written notes. This can be accomplished by introducing a short but well-structured reference guide on documentation of knowledge within the CRM system. We have identified that it is occasionally unclear what have been documented and whose perspective the information is referring to. We see the importance to disclose the source or perception of the knowledge by following the three categories suggested by Lei and Tang (2005), knowledge from, about or for the customer. This would focus the mental notes as of today towards enabling a collective understanding of the individual inputs of knowledge within
the CRM system. It should not become too strict in how the knowledge is written in text, the usage of vernacular language is deemed appropriate, examples such as the ‘customer said’ or ‘I think’. Trying to document tacit knowledge (Polanyi, 1958) such as how a CM should best approach specific individuals or trying to structure personal information about customers is something not done at the case consultancy today. It is also something not suggested by the researchers hence it revolves around personal characteristics and personal history, making it not applicable for other bilateral personal relationships. By introducing a mandatory activity called Lessons Learned (see Chapter 5.3.2 Consultant CRM, Lessons Learned) that consultants will have to perform as a debrief of their assignment, it could be presented as a project/assignment case that could be used in sales activities. This would provide sales personnel with an advantage when negotiating with the customer and will be able to show that similar projects/assignments have been performed by members of the consultancy, thereby demonstrating practical experience with said task.

**Avoidance of mismatch**

Mismatch of a consultant have shown to have a negative impact on CRM for the consultancy firm, the avoidance of it should be possible to achieve through KM and interviews. Firstly, the researchers have identified two separate categories of mismatch.

- Competence mismatch - Is of Explicit (Polanyi, 1958) nature, when a mismatch occurs due to competence differentiation between the consultant and the assignment.
- Personal mismatch - Is of Tacit (Polanyi, 1958) nature, when personal characteristics don’t correlate with the customer’s preferences or culture within the company.

*Competence mismatch* is avoidable through correct usage of KM. Simplified, it surrounds around the CM to gather and correctly transfer the knowledge of the customer needs to the potential consultant. Firstly, it is the customer's responsibility to convey what is required of the consultant, if deemed insufficient by the CM, it is their responsibility to request further insight. When the information is sufficient, the CM hand over the requirements to a consultant they presume qualified. It is then the consultant's responsibility to examine the requirements and compare it with his or her competence to ensure that deliverance is achievable. This process is simplified if the customer needs and requirements is communicated through text, since it will be no interpretations or misunderstanding of it when reaching the consultant. A mismatch of this character is avoidable pre-interview if handled correctly. Avoidance of personal mismatch is not plausible pre-interview as it is in direct contact with tacit knowledge of personal chemistry, only surfaced during the *customer-facing level* (Reinartz, Krafft and Hoyer, 2004) during the interview.

*Interview preparation*

This activity is shared by both the CM and consultant. The aim here is to provide the consultant with enough information to sufficiently prepare them for an interview and be able to ask *pointed*
and relevant questions. It is also the consultants’ responsibility to find out as much as they can on their own, preparing answers for questions. This is a small but important aspect within KM enabled CRM. If the consultant has not received enough knowledge about the customer (Lei and Tang, 2005) it will increase the risk of a poorly depicted image of their competences and reflect badly on the firm’s ability understand the client’s needs and provide appealing candidates.

5.3.2 Consultant CRM

The main objective of the consultant is to fulfill the client’s needs. In the pursuit of doing so there are a hierarchy of activities, factors and supporting systems in place (See figure 3) to make sure that they can complete that objective to the best of their ability.

During the study, it became apparent that the consultants have a vital impact on the outcome of the CRM initiatives as it has been concluded that the ability to deliver a successful assignment is paramount in creating value for the customer. The consultants’ responsibilities are (as illustrated in figure 3) amount to the activities; Interview, Introduction, Assignment Duration, Feedback, Lessons Learned and all the sub activities that assist the success of each stage. Subsequent of the interview preparation, the shared responsibility of Avoidance of Mismatch dictate that the consultant should express any and all concerns towards the assignment in question to both the CM and client. This is to ensure that the consultant is comfortable with the placement which is positively linked to job satisfaction and performance.

Smooth Startup

By facilitating a seemingly smooth startup for a consultant, will indeed be of value for the client. However, the divided opinion of the consultant and the client in regard of what constitute a sufficient introduction comes into question. The clients concur that it is in their interest to provide a good introduction to the consultant but their subjective perception of what is required to accomplish that. Therefore, the consultant might be required to inform the client if the introduction is inadequate.

Even if the empirics suggest that it is important for the consultant to engage with the the staff of the client company to in order to figure out the company specific routines, it is always beneficial to have some kind of internally developed documentation to rely on. This ‘introduction packet’ is updated by other consultants that have been assigned to that client company. Considering the type of knowledge sought after by the consultant at the start of an assignment (shown in table 2) is almost completely of explicit (Polanyi, 1958) nature, it should not be difficult to translate into a document.

A significant obstacle for KM in the consultancies is the time restriction, which is why the responsibility for constructing and continued improvements on the introduction package should fall towards consultants between assignments. With reasoning that their sacrifice of time instills the most benefit (Ulaga and Eggert, 2006) for the customer and the consultancy firm. The
Introduction package has limitation of its quality, being the collective gathering of knowledge. The quality depends on the number of consultants that are or have been assigned towards one particular client and the increased number of sources instills a higher quality of information.

Expectations Management
The practical implication of Expectation Management in a KM context is difficult to pinpoint as the variables that dictate the circumstances are associated with specific clients, tasks and assignments. What has been established is that by openly iterating the mutual expectations before and throughout the assignment as well as the fulfillment of promises is essential for the relationship, in concurrence with Grönroos (1990). The iteration of expectations is an activity both parties is equally responsible for which in theory should deem manageable with open and honest communication, as according to Elena and Ada (2008) the consultant and the customer should share an equal determination to the success of the assignment, which is backed by the researchers of this study. Most value-based activities such as introduction, goals of deliverance, support from client and feedback will have attached expectations from both parties. These expectations are recommended to discuss at the initial interview or before the assignment starts. To be able to continuously realign expectations with the client the concept of honest flexibility should be taught and practiced by consultants to ensure that the needs of the customer is understood and satisfied.

Support
The analysis of the empirical data has yet so far concluded the benefits for the consultants and consequently the customers for consultants to receive assistance and help from other consultants within the firm. Consultancy firms possess a vast pool of knowledge that, if utilized properly, can be considered as the distinction between a consultancy and a regular staffing company. The stated restrictions of knowledge sharing such as; dilution of knowledge from continuous documentation, incentives, time, database and unity can all be addressed through optional frameworks for knowledge sharing that surfaced during the collection of empirical data and further iteration amongst the researchers of the study. As time is considered the greatest restriction from the empirical findings for knowledge sharing within the context of consultancy the researchers focus was directed towards it. Therefore, by feeding knowledge and information in to a system without a specific request for it will become tedious and time-consuming for consultants. As the incentives derived from the empirics indicate, the motivation should come from the energy, joy, participation and the guarantee that it will actually come to use.

The prerequisites for a framework for knowledge sharing to work is, according to the responses, that it need to be constructed systematically within the firm and that all levels of the organization from management to consultants need to be convinced and included in the implementation in order for the new routines to be properly integrated in to the organization. Furthermore, there need to be a clear and comprehensible model that can be communicated throughout the organization and be repetitive.
**Enquiry-based database**
From the analysis, particularly the identified restrictions of knowledge sharing, the proposed framework for knowledge sharing is an enquiry based platform that serve as a forum where consultants subscribe to different fields of expertise e.g. mechanical design, project management or quality control. Alvesson (2001) acknowledged how stored knowledge have the possibility to instill value to both clients and the firm. By compensating the limited competence of e.g. newly graduated consultants with easily accessible knowledge base have the potential to enable a significant competitive advantage as firm can offer consultants with lower tariffs with virtually the same knowledge as more experienced competitors.

When a consultant encounters a problem, or require further experience based insight from their colleagues within the same fields, they can post an enquiry on the ‘message board’ in the appropriate forum and the other consultants can respond or advice accordingly, knowing their effort will come to use. As time progress, this will develop in to an enquiry based knowledge bank that will serve consultants in a more interactive and efficient manner. Furthermore, if designed correctly, the ‘forum’ could serve as a competence base for consultants as well. The empirical data indicated that the consultants would like to ask for help but didn't know who in the organization had the sought-after knowledge and experience. Hence, by being able to digitally browse your colleagues and view their previous assignments and qualifications, they know whom to contact with certain questions. The interactive aspect of this framework design will possibly allow consultants to enhance their sense of unity within the firm, feeding in to the positive circle of unity-knowledge sharing proposed in figure 1.

**Feedback**
As mentioned before, in order for effective and accurate feedback to be provided, the consultant need to have their work evaluated by the person whom is providing the feedback. Furthermore, it is necessary for all three stakeholders (CM, consultant and client) to be present at the feedback session to encourage personal development on multiple fronts, display transparency, and avoid misunderstandings. This also provide an opportunity for the CM to get further knowledge about the customer and their preferences that can carry weight in future sales endeavors.

**Lessons learned**
Lessons learned is a rather self-explanatory activity that entail the debrief of a consultant after a finished assignment by having them fill out a questionnaire. This report should be a brief description of what has been done, what challenges the consultants faced, how they managed to solve those challenges and useful information about the company to other consultants that potentially will be assigned there. This will serve will serve multiple purposes in accordance with figure 3.

- Firstly, it will give the consultant the opportunity to reflect over what they have learned. In combination with the feedback provided, be able to pinpoint what could have been
done better and what could have enabled them to improve their startup of the assignment and the deliverance in terms of supporting functions.

- Secondly, the necessary information/knowledge will be used to update the file/ledger containing good-to-know information about the client company that will serve as a introduction packet for other consultants starting at the same company.
- Thirdly, the description of the assignment and how it was conducted will serve, as mentioned earlier, a presentable case to potential customers, showing the firms experience with task specific undertakings. This will allow KAMs and CMs to get insight in circumstances regarding the proposed assignment.
- Finally, the brief description of the assignment and associated tasks will update the consultancy firm’s competence bank. Allowing consultants to browse their colleague’s experiences and allow them to easier reach out to each other for help.

5.3.3 Knowledge creation and conversion in consultancies

It is emphasized by Nonaka (2000) the importance of understanding the knowledge creating view of the firm, i.e. How knowledge is created and converted by individuals within an organization for it to become useful to the entirety of the firm. By adapting the SECI-model (Nonaka, 2000) to the consultancy KM framework, it becomes easier to comprehend how the different knowledge sharing activities fit into a theoretical scope and the practical functions of it becomes much clearer, see figure 3.
Figure 4: Knowledge creation and conversion in consultancies
6 Conclusion

The findings of this study have been able to confirm a number of distinctions and acknowledgements from the existing literature regarding CRM and KM, showing that they can be applied to the consultancy operations. More importantly, it has uncovered some new and interesting insight that should be considered when implementing KM based CRM initiatives in consultancy firms. To be able to answer the original research question, the three sub-questions need to be addressed.

What factors and activities are important within consultancy for generating customer value, and what are the pitfalls in this endeavor?

Customer value is defined by the perceived value the customer experience. There are mainly two expressed factors that directly deliver the perceived value to the customer and are focal point of the analysis. In addition, there are many activities and factors that provide value indirectly by supporting the main value creating activities. These factors are derived from looking at the problem through the lens of knowledge management.

- The first one is the ability of the consultant to deliver a successful assignment according to the specifications. This is the main responsibility of the consultant and is aided by other factors that have been identified:
  - The level of support received internally within the consultancy.
  - How well the consultant communicates and manages their own and the clients’ expectations.
  - A comprehensive introduction to ensure that they can start working efficiently.
  - Commitment to the assignment that is related to job satisfaction in the dual-leadership context.
  - Being professional, flexible, available, helpful and engaged (see table 1).
  - Work independently and not burden the client unnecessarily.

- The second one is the CM’s understanding of the customers needs as it relate to the perceived value of level of service the CM and in turn the consultancy can provide. This will ensure appropriate sales, streamlined recruitment, avoidance of mismatch and the ability to more effectively solve problems that can arise during an assignment. The supporting factors are:
  - Open and Honest Communication
  - Requesting continuous and final feedback from client.
What acquired knowledge should be used in CRM initiatives to strengthen customer relationships?

The idea of constructing an overview of the client across all contact points (Reinartz, Krafft and Hoyer, 2004) through knowledge about the customer does not apply itself too well in consultancies as the CRM initiatives that are carried out by the CMs and consultants differ and therefore the knowledge and information required to do so is also different.

For CM’s, tacit knowledge about customers allow them to fully understand their needs and for different purposes. In the sales process, it is believed that the CM should possess a tacit understanding of the customers organization to strengthen the relationship. The knowledge is characterized as; what customer is producing, how their organization work and where they are heading and should help in and understand the circumstances of the workplace in order to finding the right candidates.

Consultants require firstly, knowledge that will assist them in the start of their assignment, creating added value for the client and will assist in successfully deliver the assignment. This is shown in table 2 and consists of mostly explicit knowledge. The introduction and delivery of the assignment is also dependent on internal support from the consultancy, help them solve encountered problems faster, keep them from burdening the client’s staff too much and can work more independently. All of which is shown to strengthen the customer relationship by appealing to their perceived value.

How could a consulting firm apply this knowledge in reality to nurture existing and new B2B relationships?

The conceptual KM framework for how consultants can work efficiently and sustainable is displayed in figure 3. In addition, practical execution of the knowledge gained from this study is presented in the list at the end of the conclusion.

As the title of this paper suggest; One cannot know everything, but together we know a lot, capture the mindset that should be instilled in a consultancy firm. This study concludes that the best way for consultants to work to preserve and develop customer relationship is by aiding them their ability to deliver through support from within the consultancy as it also provides substantial benefits to the consultancy. The crucial components are; (1) find incentive through unity and affinity to the consultancy organization, (2) to provide an outlet for knowledge sharing that circumvent the restrictions found in the study (Interface, dilution, time and unity). The practical application is through the use of databases and knowledge feedback systems proposed, the most important ones that would cover the needs of the consultants and in turn generate greater value for the customer is:

- Enquiry-based database
What are the conditions for a KM based CRM initiative to work in consultancy firms with the objective of creating and sustaining long-term relationships?

One of the key elements for a sustainable KM framework to function is that the restrictions of knowledge sharing can be overcome. With the most prevalent restriction being time, one of the conclusions that dictate if a KM based system is worthwhile is:

*The total aggregate of time spent by all consultants to help each other solving a set of problems encountered by the individual consultants need to be less than the total aggregate of time spent on solving the same problems individually.*

To be able reach this level of efficiency in knowledge sharing activities there need to be a systematic implementation of supporting systems that are used in a structured manner that encompass the entirety of the organization from management to consultants. If that is in place, the incentives for engaging in knowledge sharing activities have been concluded to be determined by:

*The level of affinity (unity) the consultants feel to the firm is positively linked to how much they engage in knowledge sharing activities.*

There are certain conclusions derived from the study that is highly relevant to the dynamic and prosperity of consultancy-client relationship. This list contains both knowledge about the nature of consultancy-client relationship and how it should be applied in reality.

1. *How well expectations are communicated and understood is the basis for a successful assignment.*
2. *The responsibility for developing and maintaining a relationship is from the start almost entirely the CM’s. However, as the level of trust increases, mainly though successful consultant placements. The responsibility becomes reciprocal.*
3. *For new or potential clients, the first assignment is critical for establish trust. Do not rush the procurement process of the first consultant.*
4. *Companies generally prefer to work with one or a few consultancies and comes with; the benefits of intimate relationship, understanding of each other’s organizations, mutual integration of needs; and the sacrifices of limited assortment and time consumption. It is important to make sure the benefits outweigh the sacrifices.*
5. The specificity in requirement specifications can differ due to the nature of the role. Take time to investigate the circumstances of role further.

6. Using other consultants from the same firm to conduct the introduction is believed to have great promise if agreed upon beforehand.

7. It is important that consultants get to engage with the client company to learn how to work with your coworkers, which can be inhibited by too much startup support from the firm.

8. The introduction of the consultant can be outsourced completely to other consultants if the relationship with the client is well developed.

9. Feedback should preferably be done continuously and at the end of an assignment. The final feedback session should preferably include all three stakeholders.

10. The level of unity within a consultancy is positively linked to how inclined or motivated the individuals are to both reach out for support within the firm and allocate time for supporting their colleagues. Furthermore, by receiving and giving support in a consultancy, will in turn generate stronger unity within the consultancy.
7 Discussion

All research should reflect over the approach and implications a study embody. This section will address what the researchers deem would scrutinize or compromise the integrity of the scientific ideals. Since this is by nature an explorative study, the purpose is to lay a foundation on which for further research to grow. Even though the researchers are content with the results of this study, there are still improvements that could be made in ensure a result that can

7.1 Theoretical contribution

During the study, the researchers have not come into contact with literature regarding the context of strengthen B2B relationships by generating customer value with a KM enabled CRM initiative within consultancy. This emphasis that the study as a whole has a theoretical contributing for others to gain insight of how the two widely research area of KM and CRM can emerge together with a customer centric view within consultancies.

The prominent discovery during this research is that of how consultancies best work with KM enabled CRM, and according to the findings of this study it is possible and in this case favorable to divide CRM into two separated but still interwoven branches within the organization consisting of Consultant manager CRM and consultant CRM see chapter 5.3. The separation is with regard to that consultants and consultant managers clearly different focus on how to generate customer value. Furthermore, what knowledge is favorable for the two parties in order to practice CRM is different. Thereby, within the context of consultancy contradicting the study of Reinartz, Krafft and Hoyer, (2004) emphasizing that on the customer-facing level there should be an equal distribution of knowledge to all contact points in a customer relationship.

7.2 Research credibility

The researchers have during the entirety of this study focused on its credibility. That being said, in hindsight there are often moments within the research that could have an impact on its credibility and it is the researchers’ responsibility to disclose that information.

Both researchers have been present during all methods for data gathering and the analysis of it. Resulting in the researcher ability to collectively agree that, what has been said during the interviews is correctly conveyed in the report. However, the researchers acknowledge a possibility of misinterpreted data as the interviews were all conducted and transcribed in Swedish whilst the citation from the respondents shown in the report is translated to English. With this in mind the researchers focused more on making the translation correctly, than to focus on structure correct grammatical sentences.

When presenting the empirical data, it has not been specified exactly how many of the respondents were in agreement of a particular statement. This can damage the study’s credibility
as it can distort the weight of some of the main points used in the analysis. However, it is researchers’ responsibility to objectively assess the degree of which an opinion can be considered representative of the population. During the sampling of the respondents both the consultant and consultant managers is considered to have been selected with as little bias as possible, see chapter 2.5.1. The customer however, was directly selected by the researchers resulting in the undeniable footprint from the researchers within sampling of the customer. And furthermore, the result of the empirical finding could have a possible alternative if other customers had been selected instead. With that being said the researchers still express their confident in their findings as most customers had recurring opinion and thoughts which indicate a general view of the context.

7.3 Practical Implication

This study has examined a consultancy that operates within the boundaries of the specific business model that is common for technology based consultancies in Sweden (See chapter 2.2). These boundaries are regulated by certain key aspects like the level of intimacy between the organizations, the fact that consultants are on-site consultants and become a part of the client company for an extended period of time that span from about 4 months to several years. The proposed KM based CRM framework is, according to the researches assessment, applicable to the type of consultancy that fit these criteria. This is due, mainly because the study was conducted in this particular research setting and has not been thoroughly examined in other types of consultancies.

7.4 Ethical consideration

The researchers have reflected on the ethical dilemma surrounding studies such as this, what could be the aftermath of conducting them. Our study has been focused on how an established consultancy firm can work with enhancing customer value and as a result customer relationship through KM. The aim is to retain customers and attract vacant business relations. Hence, this favor’s the established firms the ethical consideration is in hindsight if it has an impact on the consultancy market as a whole. We conclude the possibility of research such as this affecting newly started or smaller consultancy firms’ ability to conduct business, since the relationship amongst customer and the more established consultancy firms strengthens through this kind of business research. In worst case, not likely according to the researchers, is the developing of a oligopoly as a result were few major consultancy have tied strong relations with the majority of customers.

Another aspect of ethical consideration is within the concept of KM, in particular with recycling stored knowledge for e.g. problem solving. Hence the time aspect within consultancy the
Researchers contemplate the possibility that a well functional KM base platform could in the end become a disservice towards innovation as consultants chose to use preexisting problem solving knowledge instead of innovating new potential favorable solutions.

7.5 Future Research

This case study serves as the groundwork for further research within the field of knowledge management for customer relationship management and development in consultancies. Additional case studies of the same nature could deepen the insight in what defines value for customers or for the purpose of developing a generic framework for how consultancies implement their CRM system in their formative stages. Additional research could explore the feasibility of the findings of this study put in practice by adapting a quantitative design with a comparative approach that could assess the effectiveness in terms of customer satisfaction, times saved for the company, number of mismatches etc.

As this study is quite broad and encompass many aspects of B2B relationships within consultancies, the possibilities to expand on certain prevalent themes would be interesting to see. This could be the use of an enquiry-based database and its effectiveness in delivering successful solutions within a consultancy.
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Appendix A – Consultant Interview Format

- What is your background, education and experience?
  - How long have you been working as a consultant?
    - How much time do you spend at the client company?
    - How long have your assignments been? What are the size of the companies?
    - How long have you been working at this consultancy firm?

- What information did you receive before the interview with the client?
  - What information do you want about the company/assignment before the interview?
  - Is there any information you would have needed but didn't get?
  - Have you been to an interview where the assignment description didn’t match your competences?
    - What do you think is the reason for this?
      - Was there a lack of understanding from the client or the CM?

- What information except the assignment description do you get at the start of a new assignment?
  - Can you provide examples of what you received from the consultancy or the customer?
  - What information would have made the startup of your assignment easier?

- What do you think is the most important factors for a customer relationship to work?
  - Can you provide examples of how a good and bad relationship has developed?
    - Why?

- In the cooperation with the client, what is required for you to complete your assignment?
- Consultants are an important part of how the consultancy work with and develop their relationship. What can a consultant do to strengthen customer relationships?
  - To what degree do you do this? Why/why not?
  - Besides from your assignment, do you feel that you have any other responsibilities as a consultant?
    - What do you do to fulfill those responsibilities?

- If you encounter a problem at the client company, where do you request help from?
  - Why? Can you provide an example?
• What activities, methods and techniques do you use to document or spread knowledge within the consultancy organization
  o Is that from you or the consultancies initiative?
  o Have you had any experience with any knowledge sharing software?
  o What type of information is useful or important to share?
    ▪ In relation to the assignment?
    ▪ In relation to customer relationship?
  o How much time do you spend documenting or sharing knowledge within the organization?
    ▪ Is it too much, too little, does it come to use, who uses it?

• Looking back at a completed assignment, does the expectations change throughout the assignments?

• Does the client provide any feedback on your performance?
  o Mostly positive of negative?
  o What kind of feedback would you like to get?
Appendix B – Customer interview format

- What is your job description?
  - What experience do you have working or hiring consultants?

- How does the procurement process of consultants work?
  - How do you choose between the different consulting firms?
  - How do you assess if a consultant is suited for an assignment?

- How does a framework agreement affect the customer relationship?
  - Positively/Negatively?

- When a consultant starts at your company, what information do they receive? Is there any introduction routine to make sure they got what they need?

- How do you value your relationship with consultancies and consultants?

- Who do you deem the most responsible for maintaining the relationship between you and the consultancy?
  - What relationship is most important for your company? To the consultant or the consultancy firm?

- Can you provide examples of how a good and bad relationship has developed?
  - Why?

- How much feedback do you provide to the consultants working for you?
  - Mostly positive or negative?

- Is there an uneven power balance between you as a purchaser and the consultant/consultancy?

- What would be optimal for consultants to know about your organization before they start their assignment?

- Is there information about your company that would help the consultants perform better but you won't release to them?
  - Why? Example?

- What does it take to earn you trust as a consultancy?
Appendix C – Management interview format

- Can you describe your current role at the consultancy?
  - Does it align with your job description?

- What process do you employ to attract new clients?
  - Before you contact a new client, how do you prepare yourself?
    - What do you learn?
  - How intensely can one reach out and call without getting a cold shoulder?
  - Why should the client choose your consultancy firm?
    - Is that part of your sales pitch?

- How do you track your customer’s needs?
- We understand that sometimes the consultants that are sent to interviews do not match. How often does this happen and why?
  - Who is responsible for this?
  - Have you sent consultants to interviews knowing they are not a complete match?
    - If yes, what are the circumstances? Do you tell the customer beforehand?
    - How do you assess if a consultant is fit for an assignment?

- How does the process look when you receive a request from a customer?
  - How often does the customer contact you when there is no framework agreement?
  - What information do you receive about the assignment?
    - Is that enough? What is missing?
    - What further information do you usually request?

- How do you prepare you consultants for interviews?
  - Does the consultant get all the information about the assignment?
    - What do you think is missing for them to perform well at the interview?
      - What should the consultant do in that case?
  - Do you instill a unified view of the consultancy in all your consultants?
    - E.g. what the consultancy stand for?

- What do you think is the most important factor for a customer relationship to work?
  - Can you provide examples of how a good and bad relationship has developed?
    - Why?
  - How do you work actively with customer relationships??
• Approach?

• How important is it for consultants to get a sense of affinity to the consultancy?
  o What do you do to ensure that? Is it enough?
  o Do you have internal training for new consultants?

• How much do you expect your consultants to look for new assignments on their own?
  o Could that put them in an awkward spot?

• How does the feedback process look?
  o From customer, to consultant, to customer?
  o Do you provide any follow up during the assignments?

• What activities, methods and techniques do you use to document or spread knowledge within the consultancy organization?
  o What knowledge is important to share in order to improve customer relationships?

CRM SOFTWARE QUESTIONS
• What is the CRM system used for and by whom?
  o How did the implementation of the system happen?
• Do you see any other uses for the system?
• Can you describe in detail how it is used by the staff?