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Hila Chalutz Ben-Gal, Shay S. Tzafrir

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Consultant-client relationship: one of the secrets to effective organizational change?

Hila Chalutz Ben-Gal and Shay S. Tzafrir
Haifa University, Haifa, Israel

Abstract

Purpose – The purpose of this paper is to examine the link between interpersonal and organizational factors in consultant-client relationships and their contribution to the effectiveness of an organizational change process.

Design/methodology/approach – The authors designed two studies in order to gain insightful information, both qualitative and quantitative in nature. Study 1 is composed of semi-structured one-on-one interviews conducted with pairs of clients and consultants. Study 2 is designed as a quantitative study and is a direct expansion of study 1. The sample, conducted between the years 2002 and 2007, is composed of departments within organizations that underwent an organizational change process, in which external consultants took part.

Findings – The authors found that a high level of commitment to change has a positive effect on the successful implementation of organizational change as a whole. Also, high levels of dyadic trust in the consultant-client relationship result in higher levels of consultant commitment to the change process. Finally, consultant commitment to change partially mediates the relationship between trust and successful implementation of organizational change.

Originality/value – The paper explores the link between individual and organizational levels in pursuing organizational change processes and attempts to clarify this link.

Keywords Change management, Management consulting, Organizational behavior, Trust, Organizational performance

Paper type Research paper

Introduction

In the turbulent arena of the global market, as well as within the organizational realm, one means of coping is adjusting accordingly by performing more sophisticated and structured organizational processes, some of which include partnering with external organizational consultants. In most cases, these external consultants have both a wider and deeper perspective of the environmental complexity, due to their exposure to numerous organizations. But partnering with external consultants is not a simple endeavor, due to some organizational, political, and interpersonal factors (Fincham, 1999). As organizations attempt to cope with a progressively more turbulent economic, technological, and social environment, they increasingly rely on their employees to adapt to change (Stanley *et al.*, 2005, p. 429). Thus, factors that contribute to the effectiveness of an organizational change become more than important.

Organizational change processes occur more frequently than not within modern organizations (Kotter, 1995). Pettigrew (1990, p. 267) defined organizational change as transformational phenomena of both context and process outcomes. One of the most important elements in the change process has to do with its measurable outcomes, namely successful change results. The success of organizational change is dependent



upon various factors, both internal and external. Process-oriented factors, such as speed and quality (Pettigrew *et al.*, 2001), as well as result-oriented factors such as business results and enhanced organizational performance (Szamosi and Duxbury, 2002), for example.

When embarking on an organizational change initiative, regardless of industry sector, organizations tend to hire consultants in order to assist them in successfully promoting the change process (Appelbaum and Steed, 2005). Numerous factors, such as speed and quality, may lead to a successful organizational change process. Another factor is embedded in social ties; a positive dyadic relationship between clients and external change agents, such as consultants, involved in the change process is necessary. This is not surprising since organizational events (i.e. change process) are proximal causes of affective reactions (Weiss and Cropanzano, 1996), which in our case is to be revealed between consultants and clients. The nature of this dyadic relationship between clients and consultants has a personal perspective, which, among others, is built upon trust (Appelbaum and Steed, 2005). The role of trust in collaborative inter-firm ties, as well as in cooperative relationships, is of fundamental importance (Zaheer *et al.*, 1998). This approach may be a part of a holistic viewpoint that ties individuals and organizations in a dyadic relationship. It suggests that in order for a successful organizational change initiative to occur, both the micro (individual) and macro (organizational) factors must combine.

A substantial amount of theoretical and empirical work has suggested that trust is also a critical factor in inter-organizational collaboration (Bromiley and Cummings, 1996; Currall and Judge, 1995). It has been argued that trust has a positive effect because it generally reduces transaction costs (Bromiley and Cummings, 1996), affects managerial problem solving (Zand, 1972), affective commitment (Herscovitch and Meyer, 2002), and risk taking (Mayer *et al.*, 1995). Despite this evidence, the effect of trust on commitment levels to the change process of both consultants and clients, and as a result on the success of implementation of this processes within organizations, is yet to be evaluated and revealed. Thus, our research question is:

RQ1. How does trust help to improve the effectiveness of an organizational change?

This paper aims to analyze the consultant-client relationship by evaluating the affect of trust levels, on commitment to the change process, and as a result on the success of the consulting relationship, which in turn affects the success of an organizational change as a whole.

Study 1

Understanding the role of trust in improving the effectiveness of an organizational change was grounded in inductive logic. According to positivism, interview data give us access to "facts" about the world (Silverman, 2001). Thus, an exploratory interview was conducted with the aim of clarifying the process for improving performance.

Interview population

A key approach for limiting bias in qualitative research is using numerous and highly knowledgeable informants who view focal phenomena from diverse perspectives (Eisenhardt and Graebner, 2007). Thus, study 1 is composed of semi-structured face-to-face interviews performed with 20 pairs of clients and consultants. We aimed

at receiving both client and consultant inputs for the same change process, in order to gain a wider perspective on the process and in order to understand both the client, as well as the consultant views to the organizational change process as a whole.

Consultant and client interviews were semi-structured and were designed to last about two hours. We interviewed 20 pairs of consultants and clients working jointly on organizational change initiatives and processes. We geared at interviewing consultants and managers with some substantial experience. Most consultants interviewed had consulting experience of at least seven years. In regards to managers, we interviewed managers who have a minimum of eight years of organizational experience.

The semi-structured interviews were guided and supported by an interview guide. We designed the interview process as an iterative one, during which various questions were added according to the answers and feedback provided by the interviewee. Finally, the interview guide included 15 questions (see Appendix 1 for the final interview guide). Sample questions include: “describe the organizational change process” and “describe one positive event throughout the consulting process”.

Interviews result

Our findings revealed that several constructs play a major role in shaping the success of an organizational change. These constructs are part of the interaction between the client and the consultant on three levels and consist of three components: the individual (trust), dyadic (commitment to change), and organizational (reputation).

The first repeating theme drawn from client interviews is commitment toward the success of the process of the other actor – the consultant. Herscovitch and Meyer (2002, p. 474) argued that “commitment is arguably one of the most important factors involved in employees’ support for change initiatives”. Thus, the clients’ feeling that they, together with the consultants, should commit to the process, and vice versa, may reciprocate in a subsequent feeling of commitment of both sides that support the success of the change process:

She (the consultant) worked like a dog, day and night [...] she felt as though the whole organization was on her shoulders [...] management viewed her ongoing involvement admiringly (a client interview).

I realize that Mr R (my client) had an even greater appreciation for me after this interaction. This incident enhanced both sides’ commitment to the process as a whole [...] (a consultant interview).

A second recurring theme drawn from client semi-structured interviews is the notion of trust. The first dimension is the perceived professional abilities of the consultant. Second, the notion of integrity (Mayer *et al.*, 1995) and concern (Mishra, 1996) come into play. Finally, a feeling of harmony (Tzafrir and Dolan, 2004) with shared values. Our results demonstrated that clients emphasized the importance of perceiving the consultant as one with professional ability, someone that we can admire. These perceptions interact with the feeling of partnership; mutual understanding and support becomes a positive tool for creating success:

The consultant is an extremely wise individual, who holds a wide area of interest. He speaks from a position of deep and broad experience [...] I feel this is someone to lean on, somebody I could trust [...] he is a professional address to me; a real partner (a client interview).

Our relationships had a spillover to the personal level [...] to me that is a perfect example of mutual respect in working together; he's a human being! (a client interview).

I was extremely touched when I received the huge bouquet of flowers. This was the morning following the important board meeting. To it, was attached a small note from N. (my client), saying: "I personally wish to express my gratitude to your ongoing commitment" (a consultant interview).

The third theme emphasizes an external construct on the organizational level, networked reputation of the consulting firm. A repeating theme drawn from consultant semi-structured interviews is that negative consulting experiences are usually described on the organizational level rather than the personal level:

They felt our firm was over-charging [...] She mentioned that our company had a bad reputation of charging the highest fees in the market! I was frustrated from managing this client. We had misunderstandings on the consulting fee issue that took a long time to resolve and involved a lot of energies (a consultant interview).

Consultants told us that once there is a "squeak" detected in the consultant and client relationship, then the problem transforms to be "the consulting firm" rather than the consultant themselves or a defined individual contributor. On the personal level of relationships between consultants and clients, consultants described very tight and warm relations, which frequently spill over to the social realm, but usually end, by the consulting process termination:

To me this was clear: I know exactly where our professional relationship ends and the personal relationship begins. It is important for me to keep it that way (a client interview).

Discussion

As a general remark, one might note that there was a high level of agreement between consultants and clients. This agreement was evident on two levels. First, on the nature of the dyadic relationship between consultants and clients, as well as the reasons for its potential success or failure, as well as the relationship's impact on the success of the change process. Second, from an organizational perspective, there was an agreement regarding the intervening influence that the consulting firm has on this mutual delicate relationship (mainly through the networked reputation of the consulting firm). It is evident that the nature of the subjective experience of an organizational change is experienced similarly on both sides. Exploring this further, a question arises: why does that happen? In many cases, consultants were in the past "in the same shoes", i.e. in the same situational events as their peer client managers. In the consulting industry it is evident that more frequently than not, consultants find their way to the consulting environment after many years of organizational experience. Therefore, most cases reach an agreement and a similar point of view between consultants and clients is often reached:

I've been there; I know what it's like [...] I know and empathize with the levels of energy invested in the process as a whole. I feel the need to assist her (a consultant interview).

One theoretical explanation for understanding the spillover between the dyadic relationships into the organizational realm is the affective events theory (Weiss and Cropanzano, 1996). This theory proposes that organizational events are proximal

causes of affective reactions. “Things happen to people in work settings and people often react emotionally to these events. These affective experiences have direct influences on behaviors and attitudes” (Weiss and Cropanzano, 1996, p. 11). We found, in the interviews, that consultants and clients truly believe that a mutual commitment to change purports a meaningful contribution in an organizational change process and its potential success.

It is safe to believe that the above evidence supports the feeling of commitment on behalf of clients and the consultants. This is true since commitment is a multi-dimensional concept that may have personal, dyadic, and organizational implications (Conway and Monks, 2008). This explanation may integrate with the trust literature (Mayer *et al.*, 1995) that antecedents such as ability, integrity, and harmony (i.e. antecedents of trust) from clients toward consultants may lead to higher level of trust (Mayer *et al.*, 1995; Tzafrir and Dolan, 2004) which result in higher commitment levels (Klendauer and Deller, 2009) and eventually to the success of the organizational change process as a whole.

A positive relationship between consultants and clients is described with result-oriented terminology, high-level professionalism on behalf of the consultant and positive mindset. This may be explained by both the social exchange and attribution theories. SE attempts to explain relationships that entail unspecified future obligations and generates an expectation of some future return for contribution (Menguc, 2000), as in consultant-client relations. Therefore, a high level of trust will influence the “positive two-way relationship” (Harter *et al.*, 2002, p. 269). The AT (Heider, 1958) assists us as well in analyzing interview results. According to the attribution theory, people often make judgments and therefore they could rely on their trust level as a basis for their presumptions and actions. A dyadic relationship is developed in light of repetitive interactions between clients and consultants, as well as shared and mutual experiences. As one of our interviewees mentioned that:

She really saved our team, we can feel we are now working together; he’s extremely knowledgeable [...] we could discuss until the very late hours in order to arrive at the right solution (a consultant interview).

The results of study 1 help us to understand and design the process of achieving successful organizational change (Appendix 2). In doing so, it explores the nature of the relationship between consultants and clients, and its impact on organizational success, as a function of human relationships.

Study 2: theory and hypothesis

The main purpose of study 2 is to examine the link between environmental factors in consultant-client relationships and their contribution to the effectiveness of an organizational change process. Despite extensive research conducted in evaluating factors and their role in the evolution of organizational change processes (Kotter, 1990; Pettigrew and Whipp, 1991), as well as extensive research on the internal factors that contribute to a positive internal atmosphere (Luthans, 2002; Wright, 2003), little attention has been given to evaluate environmental (external) factors, and more specifically the role of commitment to change of both consultants and clients, which we believe has a positive effect on the success of the organizational change process as a whole.

Commitment to change

Various scholars have discussed the importance of commitment in general as well as commitment to a change initiative taking place in an organization. For example, Herscovitch and Meyer (2002, p. 474) argued that “commitment is arguably one of the most important factors involved in employees’ support for change initiatives”. The relationship between commitment to change and the success of a change process can be explained as a two levels: first, the client rationalizes the interaction with the consultant because of the resources invested; thus, tends to invest more effort in mutual activities. Second, commitment affects the construction of value the client has towards assessing the added value of a consulting interaction. Ariely *et al.* (2006) proved that in some cases people do not have a pre-existing sense of whether an experience (i.e. the change process) is good or bad – even when they have experienced a sample of it. Because they invested both organizational and personal resources in the process, they tend to be committed to cooperation and decision making, which in turn yields success. For example, the commitment to change factor of both consultants and clients in pursuing a change process, yields higher chances for success of the change initiative. The theory of reasoned action examines the prediction of specific behavior under a set of conditions (Ajzen and Fishbein, 1973). The authors claim that “in a given situation, a person holds or forms a specific intention that influences his subsequent overt behavior” (p. 42). Two major factors determine specific behavioral intentions: “attitudinal” factor (personal) and “normative” factor (social) (Madden *et al.*, 1992). Commitment to change of both consultants and their clients is part of their behavioral attitudes, which influences their actual behavior to engage with their counterparts, therefore assisting in a successful implementation of organizational change. To summarize all of the above, we hypothesize that:

- H1.* A positive relationship exists between commitment to change of both consultants and clients with successful implementation of organizational change.

Trust

Explaining the behavior of employees in the workplace is a complex mission with which many organizational theories attempt to deal. Through the lenses of exchange and attribution theories, we can expect to deepen our understanding of how trust via commitment to change can regulate effective implementation of the change process. Working relations between consultants and clients are extremely close, specifically during times of rapid organizational change. Consultants often take the role of a “trusted advisor”, change catalyst and know-how distributor (Maister *et al.*, 2000). Studies have shown that out of all influencing factors, the success of the consulting interaction is dependent upon the highest levels of trust (Fincham, 1999; Werr *et al.*, 1997). SE attempts to explain relationships that entail unspecified future obligations and generates an expectation of some future return for contribution (Menguc, 2000). Blau (1964) suggested that the basis of any exchange relationship can be described in terms of either social or economic principles. Yet, in the long run, a successful relationship that is based on economic exchanges will involve more and more social exchanges that are less tangible and more symbolic (Cropanzano *et al.*, 2001). Therefore, a high level of trust will influence the “positive two-way relationship” (Harter *et al.*, 2002, p. 269).

AT is concerned with the ways in which people explain (or “attribute”) the behavior of others, or themselves (self-attribution), with something else (Heider, 1958; Kelly, 1973). It explores how individuals “attribute” causes to events and how this cognitive perception affects their motivation. The theory divides the way people attribute causes to events into two types. “External” or “situational” attribution assigns causality to an outside factor, such as the weather, whereas “internal” or “dispositional” attribution assigns causality to factors within the person, such as their own level of intelligence or other variables that make the individual responsible for the event (Heider, 1958). According to the AT, people often make judgments and therefore they are likely to rely on their trust level as a basis for their presumptions and actions.

To emphasize this point, Clark and Salaman (1998) argue that the outcome of the consultancy service is highly dependent upon the interaction between the client and the consultant, in which trust may serve as an important element of its quality. Klendauer and Deller (2009) in their study among 128 managers found a positive relationship between trust and affective commitment. Studying 184 participants Hopkins and Weathington (2006) found a strong positive relationship between trust and affective commitment. As Shane and Cable (2002, p. 370) concluded that “direct and indirect ties between parties may create social obligations, which causes them to behave generously and openly towards each other”, which in turn increases the level of commitment to change. This attitude directly increases commitment to change, as in the reciprocal relationship (Gouldner, 1960), and in turn increases the obligation to support the change process. Therefore, we hypothesize that:

H2. A positive relationship exists between trust and commitment to change.

Networked reputation

Relationships between consultants and clients are influenced on the one hand by the dyadic level (trust), as well as by the institutional – organizational level on the other hand (networked reputation). Networked reputation is defined as “the thickness and trustworthiness of information channeled through socially embedded networks as opposed to public reputation” (Gluckler and Armbruster, 2003, p. 269). It is a mechanism that complements the duality of a system versus personal trust and accounts for the consulting organization. Agency theory is directed at agency relationships, in which one party (the principal, i.e. the client) delegates work to another (the agent, i.e. the consultant), who performs that work. Agency theory is concerned with resolving two problems that can occur in agency relationships: adverse selection and moral hazard. Adverse selection is the condition under which the principal cannot ascertain if the agent accurately represents his ability to do the work for which he is being paid. Moral hazard is the condition under which the principal cannot be sure if the agent has put forth maximal effort (Eisenhardt, 1989). For example, Eisenhardt (1989, p. 57) recommends to incorporate an “agency perspective” when exploring organizational issues of “cooperative structure”. Both elements of the theory will be addressed by evaluating the consulting firm’s reputation. Reputation reduces this phenomenon and enables certainty in an uncertain environment.

Networked reputation of a consulting firm is associated with uncertainty and risk (Gluckler and Armbruster, 2003). The consulting relationship, as a micro-cosmos of any social ties, provide decision makers with access to information about the consulting firm, which allows them to remove some ambiguity from the relationship

(Shane and Cable, 2002). Additionally, it assists in accepting interactions as appropriate, professional and justifiable because of the organizational rapport that networked reputation emphasizes. Thus, we expect that the higher its level of reputation, the smoother the agency relationship between both sides:

- H3.* A positive relationship exists between networked reputation of the consulting firm and commitment to change.

Mediating variable

Trust and reputation are known as factors that influence results outcomes of processes (Bachmann, 2001). However, when examining the existing link between the two to process output (performance), a question may arise regarding additional factors that may mediate this relationship. As we can see from the research model, both the clients and the consultant proposed that the commitment to the change mediate the relationship between social ties and performance. The theory of planned behavior helps us to understand this relationship as expectations influences attitudes that in turn affect behavior (Madden *et al.*, 1992). Trust and reputation, which serve as expectations, influence levels of commitment to the change process. Commitment demonstrates specific attitudes and through this, it enhances specific actions and behaviors, which in turn influence the process outcomes, i.e. success or failure, of the organizational change process. There are two reasons that explain the mediating role of commitment to change: first, it integrates between the individual and firm levels because it involves a long-term process and resources. Second, commitment is a result of trust and reputation when combining individual and organizational resources invested in the change process, because of the need to rationalize resources inputted previously. Therefore, we hypothesize that:

- H4.* Commitment to change mediates the relationship between trust, networked reputation and successful implementation of organizational change.

Method

The study is designed as a field survey in a sample of departments within client organizations. The sample is composed of departments within organizations that are currently undergoing and/or went through an organizational change process of some sort, in which external consultants took part, between the years 2002 and 2007. The purpose of the length of measurement is to eliminate short-term effects on data and in order to capture long-term effects on both consulting process as well as on organizational change effects that can be revealed only after a substantial time period.

Sample. Our sample was drawn from the Israeli consulting industry. We interviewed 46 pairs of consultants and clients; each interview lasted about two hours. The average age of the consultants is slightly higher than the average age of the (clients) managers (42.8 and 43, respectively). About 75 percent of the interviewed individuals in the study were female. We geared at interviewing consultants and managers with some substantial experience. Most of the consultants that were interviewed had consulting experience of at least seven years. In regards to the managers, we geared at interviewing senior managers with a minimum of eight years of organizational experience.

Measurement. We used two questionnaires in order to evaluate research constructs client questionnaires and consultant questionnaires.

Independent variables

The measurement of trust is based on a modified version of Tzafirir and Dolan's (2004) questionnaire, as well as on Stanley *et al.*'s (2005) scale. Trust scale includes 11 items; and its internal reliability is $\alpha = 0.84$. Example question: "I can rely on the consultant to assist me whenever I encounter problems". We also measure networked reputation based on terms drawn from two sources: The Kennedy Report (2005) and Inkpen and Currall (1997). Reputation scale includes 13 items; and its internal reliability is $\alpha = 0.94$. The questionnaire includes artifacts relating to the consulting firm such as: depth of expertise, prior performance, reputation within industry and breadth of services. Example question: "the consulting firm charges fair fees for services provided".

Mediating variable

Commitment to change is evaluated by modifying several scales (Herscovitch and Meyer, 2002; Appelbaum and Steed, 1995; Hollenbeck *et al.*, 1989; Neubert and Cady, 2001), which is relevant to the situation. The commitment scale includes 12 items; and its internal reliability is $\alpha = 0.83$. Accepting that commitment to change has a holistic perspective and is influenced by the dyadic interaction we aggregate between clients and consultants for their mutual commitment to change. Example question: "the consultant's success is my own success".

Dependent variable

Successful implementation of organizational change is constructed by the researchers in accordance to Pettigrew and Whipp's (1991) theoretical model, Appelbaum and Steed (1995) and Fernandez and Rainey (2006). Items are divided into environmental (external) and organizational (internal) factors. Environmental factors are analyzed as control variables. The organizational factors, mostly drawn from company archives, include the following elements: speed of change implementation (facts) and quality of change implementation (questionnaires). The scale includes 20 items; and its internal reliability is $\alpha = 0.93$. Example question: "appropriate resources were invested in the success of the organizational change process".

Study 2: results

Table I summarizes descriptive statistics, reliability coefficients, and correlations between research variables. We found support ($R = 0.42$; $p < 0.01$) for our *H1* that a high level of commitment to the change process has positive effect on a successful implementation of an organizational change process. As we hypothesize, a high level of dyadic trust in the consultant-client relationship ($R = 0.45$; $p < 0.01$) relates to higher levels of commitment to change (*H2*). Also, a correlation was found between client's age and the perceived success of the organizational change process (as perceived by the client) ($R = 0.36$; $p < 0.05$). Another intriguing finding was detected in the form of similarity between the consultant's age and the client's age ($R = 0.45$; $p < 0.01$).

In order to test whether commitment to change mediates between trust, networked reputation and success of organizational change (*H4*), we used the analytic approach of Baron and Kenny (1986). First, we tested whether the intermediate variable, commitment to change, significantly affected the dependent variable, success of organizational change. Second, we tested whether the independent variable trust significantly affected the proposed intermediate variable, commitment to change.

Variable	Mean	SD	Range	1	2	3	4	5	6	7	8	9
1. Trust	4.45	0.44	1-5	(0.84)								
2. Networked reputation	3.58	0.67	1-5	0.06	(0.94)							
3. Commitment to change (Con × Cli)	19.0	3.6	1-25	0.39**	-0.09	(0.83)						
4. Successful org. change (client)	3.90	0.64	1-5	0.43**	0.06	0.42**	(0.93)					
5. Age (consultant)	43	9.68	28-62	0.02	0.20	-0.13	0.08	1				
6. Age (client)	42.8	8.49	30-61	0.16	0.00	0.10	0.36*	0.45**	1			
7. Years in consulting	10.9	8.86	1-35	-0.11	0.06	-0.08	0.08	0.66**	0.51**	1		
8. Years in organization	8.63	7.95	0.5-37	0.07	-0.19	0.19	0.28	0.31*	0.57**	0.42**	1	
9. Experience with consultants ^b	9.81	11.34	1-50	-0.18	-0.12	-0.08	-0.02	-0.10	-0.09	0.06	-0.08	1

Notes: Statistically significant at: * $p < 0.05$ and ** $p < 0.01$; ^a $n = 46$; internal consistency reliability coefficients (alphas) appear on the diagonal; ^bin month

Table I.
Descriptive statistics,
reliability coefficients,
and correlations^a

Third, we tested if the independent variable networked reputation significantly affected the proposed intermediate variable, commitment to change. Finally, we tested if the effect of the dependent variable, successful implementation of organizational change, was reduced when the intermediate variable was added to the equation.

Table II summarizes regression results. Surprisingly, a high level of networked reputation (*H3*) of the consulting firm did not relate to higher levels of commitment to change ($\beta = 0.12$; NS). Nevertheless, as anticipated (*H2*) the regression model explored the positive and significant influence of trust with commitment to change (model 1). In summation, our model explained 35 percent of the variance and the ΔR^2 was significantly increased at 0.067. Results indicate that consultant commitment to change partially mediates the relationship between trust and successful implementation of organizational change (the β decreased from a significant level of 0.385 to a non-significant level of 0.27).

Discussion and conclusions

This study attempts to explore the nature of interpersonal dyadic relationship between consultants and clients, and their impact on effectiveness of the change process. Moreover, it examines the link between interpersonal and organizational mechanisms in consultants and clients relationship and their contribution to the effectiveness of an organizational change process.

We initially hypothesized that high levels of commitment to the organizational change process on behalf of both consultants and clients have a positive effect on the successful implementation of an organizational change process. Building upon our understanding that commitment is a process in nature rather than a zero sum game of one actor. The interaction between client and consultant commitment is very important because a buildup of commitment on both sides as well as reciprocate (Gouldner, 1960), is a common phenomena in any positive consulting engagement, and is affected by the “spillover affect”. Analyzing client and consultant commitment separately, results indicate that high levels of commitment to change on behalf of consultants have a positive effect on a successful implementation of organizational change. However, an in-depth analysis revealed that the client’s level of commitment to the change process does not have a same effect. Several explanations may be provided to justify these results.

Variable	Commitment to change		Success of organizational change		
	Model 1 (β)		Model 1 (β)	Model 2 (β)	Model 3 (β)
Constant	6.789		2.72 **	0.273	-0.024
Client age	No		0.363 *	0.298 *	0.275 *
External reputation	-0.638		No	0.036	0.070
Client trust in consultant	3.257		No	0.385 **	0.276
Commitment to change	No		No	No	0.284 *
R^2	0.166 *		0.132	0.279	0.346
ΔR^2	0.166 *		0.132 *	0.147 *	0.067 *
F	4.294		6.686	4.294	4.179

Note: Statistically significant at: * $p < 0.05$ and ** $p < 0.01$

Table II.
Regression results of trust, commitment, and reputation on success of organizational change

First, during an ongoing change initiative in any organization, one might detect cynicism on behalf of senior and mid-level managers to the chances of success of the change process. An attempt to study a specific form of cynicism within the organizational context is presented by Wanous *et al.* (2000, p. 133). In this study, researchers present a new construct they call cynicism about organizational change, which they define as a “pessimistic viewpoint about change efforts being successful because those responsible for making change are blamed for being unmotivated, incompetent, or both”. For example, when exploring organizational change processes, one might find more frequently than not, that part of the managers included in the company’s “top team” supports the change, while other top managers do not support it on an ongoing basis. Following the above definition, this study’s surveyed managers are often drawn to engage in a change process due to the CEO’s wish, or rather the CEO’s “command”, sometimes without believing either in its immediate contribution to the organization, or in their manager’s competence.

Second, the concept of sunk cost (Maitel, 1994), on the client’s behalf, might also provide a possible explanation. The client is mostly troubled with the actual outcome of the process, i.e. its success or failure, seemingly translating it in terms of a cost-benefit analysis. Clients may convince themselves that their efforts to date may have been immense, and that it is a waste of organizational and personal resources to “give up” at that point in time. This may result in a cognitive process, rather than an emotional one. As Ariely *et al.* (2006) explain, the notion of hiring expensive consultants, investing time and organizational resources, contribute to the commitment of both consultants and clients to the success of the organizational change.

Our *H2* suggested that a high level of dyadic trust in the consultant-client relationship results in higher levels of commitment to change. Indeed, study results indicate that a high level of dyadic trust in the consultant-client relationship result in higher levels of commitment to the change process. A closer in-depth look at the study results indicate that these results may be evaluated in light of the theoretical explanation to the concept of commitment. Herscovitch and Meyer (2002) differentiated between three types of commitment to change: affective, normative, and continuance. Affective commitment to change entails supporting the initiative based on the belief that it will provide benefit to the organization. Normative commitment to change reflects a sense of obligation to support of the change program. Finally, continuance commitment to change involves supporting the change initiative because recognition of the costs is associated with failing to do so. It may well be that clients are expressing affective and continuance commitment. However, normative commitment, that has emotional roots, might be lacking. This sheds light on the nature of commitment on behalf of both clients and consultants, when engaged in an organizational change initiative. Moreover, because of the huge financial investment associated with consulting work, it might be the case that a different type of client commitment comes into play.

Our data also show that clients made a mature distinction between evaluating their own personal level of trust in the consultant, and their own personal level of commitment to the change process (correlation = 0.16). This supports the ability to separate between two variables. One possible explanation might be that within the context of their organizational consulting engagement, the client perceives it as a *quid pro quo*, which indicates that an item or a service has been traded in return for something of value, usually when the propriety or equity of the transaction is in question. In turn, they perceive the relationship to be a purely economic exchange rather than a social exchange (Blau, 1964).

Our next step in the study is to explore external forces that affect success or failure of organizational change processes. Therefore, we hypothesized that a high level of networked reputation of the consulting firm result in higher levels of commitment to change. This hypothesis is not supported. Why is this case? One possible explanation to these results is that the reputation of the consulting firm is a remote concern when deciding upon which consultant to work with. Usually, it is positive past experiences that affect clients upon these decisions. As a client, I buy “Mr X’s” services rather than firm A or B. “to a certain extent, we consultants are what we charge our clients. Our chargeability is the measure of our performance” (Czarniawska and Mazza, 2003, p. 274). Also, in many cases consultants may develop a strong connection to a certain client; a relationship that continue for years, regardless of their consulting firm’s origin. For example:

I know of many consultants who make their living by consulting with a single client. This means that you link your income to your ability to grasp and align with that client’s interests. As strange as it could be, this is the way many colleagues work every single day (p. 275).

Another possible explanation is that the networked reputation of the consulting firm, which is critical in the first-time consulting engagement, is not as critical as the consultant’s “personal reputation”, which is more important on an ongoing basis.

Additional theoretical discussion around the concept of “reputation” makes a distinction between two constructs. The construct of “reputation” or “networked reputation” (Clark and Salaman, 1998; Larson, 1992) which is organization or network focused, and a later construct of “personal reputation”. Analyzing this study’s results, we believe that in the context of organizational change, the consultant’s personal rapport is of fundamental importance to generating commitment, rather than the consulting firm’s perceived “networked reputation”. Within the consulting environment, nicely put by Czarniawska and Mazza:

Do you want to know about my working day? Yesterday I was at the client’s office till 20:00. Then she invited me to dinner, I kept consulting (to a certain extent) till midnight. At 1:30 I received a text message on my mobile reminding me of a meeting to be held the morning after. At 7:15, she called to say that the meeting was postponed but a new one had to be scheduled. This is not extraordinary: I spent three months like this! This is what they think they pay for (p. 274).

Thus, the focus in the management consulting environment is many times on the specific individual consultants, rather than the “vague” consulting firms. Thus, commitment to change is a more specific variable of the client or consultant than of the consulting firm. When clients contract the services of a consulting firm, it is generally because they are totally convinced that something must change. The client must first trust the firm doing consulting. Without trust, there is no contract.

At the offset of the study, looking more deeply into the relationship between our control variables, one cannot overlook the “grey hair theory” (Armstrong-Stassen, 1998). The author argues that as an individual matures both within an organizational context and elsewhere, they might look for positive experiences and might also look for the “fuller half of the glass”. This tendency yields a higher subjective evaluation of experiences in general, and more specifically of the perceived success of the organizational change process. These reactions are also evident within the organizational realm. As Armstrong-Stassen (1998) proved, age and organizational seniority are of assistance to individuals going through change, such as an organizational downsizing.

This paper makes three contributions to the organizational behavior and management consulting literature. First, it introduces a theoretical model which explains organizational performance (i.e. success in implementation of organizational change) through the clarification of key elements that brings about this success (i.e. trust, reputation, and commitment to change). Second, it explores the link between personal and organizational levels in pursuing organizational change processes and attempts to clarify this link. Third, from a practical point of view it emphasizes the importance of engaging external consultants in an organizational change processes, due to their contribution to the success of this change process. Moreover, from a practical standpoint, one can detect in advance the level of both commitment and trust between clients and their consultants, and as a result navigate more wisely towards a successful change process. This is a true challenge in the modern consulting market, especially in light of the growing importance of dyadic relationship between service providers, i.e. consultants, and their clients.

Further research and limitations

Our study sheds light on the need for strong interpersonal connections, consultants, and clients, while pursuing organizational goals during intense change initiatives. This, in a way, raises the chances of the success of the process as a whole.

This study is, however, subject to a number of limitations. First, the five Likert-scale measures we used to construct all our dependent variables may have captured only limited dimensions of these variables (Szamosi, 2002). Nevertheless, future research might wish to examine additional measures in the future in light of the fact that this study makes use of indexes which are well confirmed and used by various researchers within various context, a fact that contributes to their robustness. Second, it may well be the case that study 2 might have suffered from a ceiling effect (Varni *et al.*, 2001). Since we provided our respondent with a measurement scale that consists of five items only, the utility of our measurement strategy is compromised by the lack of variability. Moreover, in some cases of respondents, the majority of scores are at or near the maximum possible for the test. This was reinforced in some cases when our respondents recounted it to us during the interviews. Nonetheless, this problem might be virtually non-existent because results of both study 1 through the semi-structured interviews that were performed, as well as study 2, through results of the quantitative analysis, were intertwined and supported each other. Additionally, we used multiple tools to manipulate our study 2 data, therefore minimizing, if at all, any ceiling effect.

Third, study 2 may have suffered a mono-method bias. When asking similar questions, both consultant and client may have caused a threat to construct validity. This applies to all dependent variables in our model, excluding trust. Moreover, perceived subjective opinions were provided, which may result in an even greater bias. We tried to minimize this threat in two ways: first, by referring to pairs of consultants and clients working side by side during the same organizational change process. This assisted us in gaining a broader perspective on the same organizational change initiative; and second, by measuring the consulting firm's reputation by external subjective raters, we were hoping to gain some objectivity. Despite some of these shortcomings, this paper is robust in the sense that the results of study 2 are nicely supported by study 1.

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Further reading

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Appendix 1. Final interview guide

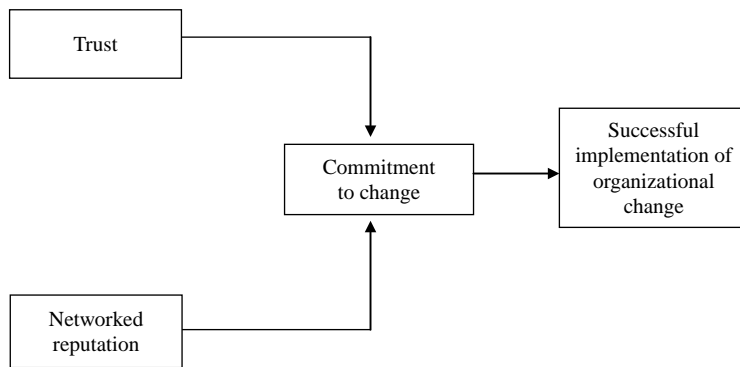
Please focus on a specific change process within your organization which you were involved in with a consultant and kindly answer the following questions:

- (1) Describe the organizational change process.
- (2) What is the time frame of work with the consultant?
- (3) Throughout the change process, were there any major events? (If no, please skip to question number 5).
- (4) Describe these events and your understanding of their influence.
- (5) Do you feel empathy towards the consultant?
- (6) What do you consider to be the origins and reasons for this feeling of empathy?
- (7) Does the consultant feel connected to the organization, its products and services?
- (8) Describe one positive event that occurred throughout the consulting process.
- (9) What is the influence of this event on your commitment to continue the consulting process with this consultant?
- (10) Describe one negative event that occurred throughout the consulting process.
- (11) What is the influence of this event on your commitment to continue the consulting process with this consultant?
- (12) Do you wish to continue using consulting services in other areas of your organization?
- (13) Describe events in which your relationship with the consultant traversed to the private realm (if no, please skip to question number 15).
- (14) What are the reasons that led to that? Why does this occur?
- (15) Do you wish to continue using these consulting services in the future?

Note: An interview guide that includes similar 15 questions was used for consultant interviews.

Appendix 2

Consultant-client
relationship



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Figure A1.
Research model

Corresponding author

Shay S. Tzafirir can be contacted at: stafirir@research.haifa.ac.il