

# **The Success-Factors and Boundaries of External Consultancy Processes to Universities Regarding Organizational Development Processes**

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## **Abstract**

Universities today are increasingly required to deal with economic, economic and strategic issues and challenges from the inside and outside. In this context, external consulting firms are often consulted on the university side. But not all of these external consulting processes are as successful as hoped. The aim of this work is to show what general conditions of success and obstacles in the context of external consulting processes in the field of higher education are important for both university members and external university advisors by answering the question: What are the critical conditions for success and obstacles to organizational development processes in universities conducted by external consulting firms both on the university and the consulting side?

From this, recommendations for action with regard to the implementation of external counseling processes in higher education have been developed. They were created in order to create more awareness on the university as well as on the consultant side and to increase the general chances of success of externally accompanied organizational change projects.

**Keywords:** Universities, organizational development, external consulting, conditions of success, obstacles

## **Introduction**

### **External consulting in higher education**

With the advancing professionalization of higher education and the continuing economic and strategic challenges facing universities, more and more tools, methods and concepts have entered the scientific community in the past few years come from the economy. What was considered an exception a few years ago is now common practice in higher education and science, including the use of external know-how.

This is also a consequence of the introduction in recent years of new public management approaches in the area of higher education, in consequence of which scientific organizations and educational institutions are considered from the standpoints of effectiveness, efficiency and cost-performance characteristics, as previously only the private sector was known.

Although the use of advisory services in the private sector has become the norm and, as a result, the subject of scientific research since the end of the 19th century, this does not apply equally to the field of science education and higher education institutions (Altvater 2007). For a long time, universities have not opened up to this development. At the end of the day, this was partly due to the prevailing self-image or self-image of the universities, which in turn understood themselves to be experts, so that for a long time the possibility of accepting help from outside their own organizational boundaries was not taken into consideration (Ibid. 2007). However, this view on the part of universities has changed in recent years. More and more often, help is being sought from consulting firms with specific knowledge of higher education (Ibid. 2007). In this context, one speaks of Expert-Know-How or Process support Know-How.

### **Functions of external consulting in higher education**

The range of topics within which external consultation in the field of higher education nowadays takes place is multifaceted. The thematic spectrum includes, for example, the Bologna Reform, a new university governance, university access, professorships, excellence initiative and fundraising, digitization, new public management, the Higher Education Pact 2020 and its manifold consequences for universities. These consulting projects are often not present in the public perception because they are relatively small in scope (Stratmann 2014). This is offset by the larger projects with a higher level of public attention. These include university development planning, strategic support in the context of university mergers, projects in the field of quality management and quality development, reorganization of the university administration or partial areas as well as the introduction of campus and financial management software. This also involves a reorganization of the structure and sequence of structural control and performance processes in the university (Ibid. 2014). In terms of content, such advisory processes by external consultants are not just an analysis of existing structures. Rather, this is about the preparation of recommendations and modernization concepts by the external consultants and the advisory support during the implementation (Altvater 2007) The basic function of organizational consulting in higher education is the support of the university management for decision-making, the absorption of uncertainty, the acquisition of legitimacy (and in the external description of the organization in order to increase its reflection (Pasternack 2012 / Stratmann 2014).

External consulting generally fulfills two functions in this context. On the one hand, technical know-how - expert knowledge of the external consultancy - of the higher education organizations is made available (Von Ameln 2015). This can be used in a variety of ways in the context of change processes, be it to offer, for example, alternative observation perspectives or to moderate conflicts (Ibid. 2015). On the other hand, external consultants act as process facilitators in change processes in order to shape them in an equity-oriented

manner and to ensure that these change processes can be implemented in the sense of an operational action reality. Unlike in the economic sector, where organizations are characterized by clear structures and responsibilities, and changes in the hierarchy can be implemented in a top-down manner by management staff, the situation in higher education is very different. Universities, whether universities or polytechnics are highly social, complex organizations ("expert organizations") with their subsystems consisting of university management, faculties, deaneries, departments, committees and staff councils, as well as individual scientists and the student body. Each department persecutes and represents its own interests in the overall university system. First of all, this must be considered fundamentally when it comes to processes of change in higher education institutions, which are externally assisted, since advice cannot be given on the modular principle, but must be carried out individually. A few years ago Moldaschl cited the private sector as saying "that at least 70% of all external consultancy projects fail" (Moldaschl 2009). For the higher education sector, there are no comparative values to date. It is therefore not surprising that even in higher education not all externally accompanied change processes are as successful as desired. Against this background, in the context of an empirical study (Master's thesis MBA study course of Science and Education Management of Carl von Ossietzky University Oldenburg, Germany / In the period from September 2017 to March 2018) three experienced university advisors and three university members at university level were interviewed anonymously, on the one hand to gain insight into the reasons for the use of external consultants in university change processes; On the other hand, to get to know the expectations of both sides towards each other as well as to derive possible conditions for success and obstacles to externally accompanied change processes in universities.

## **Findings**

### **Basic expectations of both sides**

The research has shown that external guidance in higher education is an extremely personal process, both on the university and on the consultant side. Mutual trust, openness, and transparency form the essential basis from which the probability of success of a consulting process essentially depends. If there is no common basis of trust, if the personal chemistry between the two sides does not harmonize, the respective consulting process is almost doomed, no matter how well the consultant may be technically competent.

First and foremost, the clarification of the order and objectives, clarification of methods, the communication plan and a clearly articulated commitment to the consultation process in the university are of utmost importance for both parties. External consultants who try to advance the respective consultation process with best practice suggestions and a rigid insistence on the project plan will quickly reach their limits. What is needed are not rigid project designs, but flexibility and situational adaptability to sudden situations such as conflicts, doubts or resistance or even added project goals during a consulting process. It is therefore positive that both the surveyed members of the university and the external consultants interviewed attach great importance to close, dialogical cooperation right from the start. This is certainly not the case in all counseling processes in higher education institutions, but in the present study, this was very clear among the respondents.

The greater the personal basis of trust between university employers and external consultants, the higher the probability of success of a change process. This basis of trust is made up of all of the surveyed members of the university with regard to their personal qualifications, their academic qualifications and their academic experience in the field of higher education. In addition, binding, non-changing contact persons for the course of the consultation process are valued by both sides.

### **Without sufficient university resources no sustainability will be given**

In the survey, the surveyed external university advisers criticized the university's resources, which are not available in the adequate and necessary form in every counseling process. Be it, for example, binding contact persons for the external consultants means of communication or the time resources of the persons involved in higher education, most of whom work full-time at the university. For them, participating in a counseling process means sometimes immense extra time. When university managements buy external advice, they should take these issues into account, as long as they are seriously interested in successfully achieving the goals and implementing an externally accompanied change process. After all, it should be borne and lived in retrospect by all stakeholders involved in higher education.

### **Clear role definitions and task distribution**

From the consultant's point of view, it is the task of the university management to transparently present to their own organization when and to what extent external consultancy is engaged. This is important because the consulting organization or subsystem needs to be consulted or made available for a consultancy project to be successful. In addition, there must be a clear allocation of roles, tasks, and rights between university management and external consultants, but also between university management and internal university stakeholders. If this is not the case, many change projects are already beginning to fail. Change processes are processes in which all relevant participants should be invited to participate because only the basis for an acceptance towards the external consultants in the universities as well as for the planned changes is created. Power games and secret agreements will always only do the opposite.

### **Inadequate communication channels into the university**

Internal communication in higher education institutions is if not the worst and most crucial, issue in externally accompanied change processes. The communicative involvement of all relevant university-based stakeholders, such as individuals, committees, and personnel councils is always critical to the success of the consultancy processes. Communication in different ways not only serves to inform stakeholders, but also provides the opportunity to provide important feedback during a counseling process, and more importantly, invites participation. Targeted communication with all participants invites them to participate actively. This creates appreciation among stakeholders, which in turn is the basis of acceptance for the need and conduct of a counseling process, as well as its outcomes. Especially the communication security in the deaneries and from there deeper into the faculties inside, works at most only satisfactorily, if at all. From a university perspective as well as from a consultant's point of view, much of the information is lost here, that is to say, information is, from the perspective of the university management, simply not carried further into the subsystems of the university for reasons that can not be explained. This may be related to the size of the respective university and its sub-systems, but does not explain why this is so. Loss of information or the fact that relevant information simply does not reach affected persons is a knock-out criterion not only for change processes in universities but for all work in universities in general. Certainly, this also has something to do with the issue of "continuity in office", which applies precisely to deans, but equally to university leaders. It is probably more a question of the individual professional view of the position and the tasks involved. Scientists who suddenly take on leadership and management responsibilities for their field of work but who are by nature "only" scientists, but not administrators, may find it hard at this point. However, this seems to be changing more and more with the increasing attractiveness of senior management positions in higher education administration, with more of an on-the-job, science-related continuing education program contributing to higher education management. Nonetheless, there is a definite need for action on the part of the

universities to find adequate solutions that guarantee targeted communication flows within the organization of higher education.

### **Change must increasingly be lived as part of higher education culture**

On the subject of higher education culture, it should be noted that even today, universities still have a relatively high level of professionalism and cultivate a corresponding self-image. There is a growing need to promote cultural openness to external counseling in higher education as a whole or parts of it. In change, processes depend on the organizational climate of the university, how its stakeholders meet each other and whether a consultation process strengthens or pushes the university organization to its limits. It is therefore important, as already mentioned, that higher education institutions can estimate the type and level of advice and counseling clientele that best suits their institution. The prerequisite for this, however, is that the client, in this case, the university management, is honest enough with himself to know what kind of university culture prevails in their ranks. In relation to the conception of a change process, the respective university culture also plays a role, as it depends on how strongly such a change process must be structured in order to avoid risks and to facilitate a project's success. Along with this, a higher level of self-reflection by higher education institutions towards their own organizations has been clearly expressed by both members of the academic community and external consultants. Reflection is a clear management task.

### **Conclusion**

With regard to the course of externally accompanied counseling processes, the results show how important it is to clarify the objectives at the university level and to create a common understanding of the problem before a call for tenders is issued to external consulting firms. Closely related to this is the demand for a higher degree of self-reflection in higher education institutions with regard to a necessary organizational change. However, it depends on the prevailing university culture to what extent this is perceived and maintained as a management task in universities. Furthermore, this study shows that there has to be a general improvement in internal university communication, especially with regard to externally accompanied counseling processes. Communication flows must be made more effective in the depths of the university organization and its subsystems since otherwise the transparency of the cooperation and the acceptance, as well as the participants, will be undermined among the involved stakeholders on the most different hierarchical levels, whereby also the conversion probability of change processes decreases substantially. Lack of clarity about the meaning and purpose of an externally accompanied counseling process in the university organization is ultimately a fault of the commissioning university management, which also applies to the insufficient provision of human, temporal and structural resources. This was stated by both the surveyed university members and the consultants surveyed. Therefore, all interviewed external consultants demand a clear commitment from the commissioning university management to the consultation process with their respective university, in order to form a basis for the common cooperation from the beginning. Thus, on the whole, there are no sensational factors that were identified in the course of the investigation as generally expedient or as inhibiting for external consulting processes in universities. Rather, it is the basic framework conditions and factors that must constantly be the focus of all those involved in the university as well as on the consultant side, when it comes to the successful implementation of externally accompanied counseling processes in the higher education sector.

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