Struggling to challenge an informal field order:

Professional associations as standard-setters

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Abstract
In the last decades, the consulting industry has undergone major changes. The industry has grown rapidly, attracted many new players and the content of the service has expanded to include different types of services. In this changing field, actors such as professional associations, consultants and clients have sought to find ways of defining the boundaries and professional identities of consultants. In this paper, we explore the strategies used by professional associations to balance the demands of professionalization with the informal and elusive characteristics of the consulting field. Drawing on an extensive longitudinal field-study of seven self professional associations we describe and analyze obstacles faced and strategies applied when attempting to challenge this informal field order by way of standardization. The results indicate that the informal field order in the consulting industry is so strong that attempts of introducing more formal orders such as standards become a high-risk project for the professional associations, as it may cause them to lose legitimacy and members. As a consequence, the attempts of professionalization are adjusted to fit the norms in the informal field order rather than the other way around.

Key words Consultants, professional associations, professionalization, standards
Introduction

In the last decades, the management consulting industry has undergone major changes. Increased globalization and competition, rapid technological development and the trend of outsourcing have created a demand amongst companies for hiring external agents to bring in expertise and resources. This has led the management consulting industry to grow rapidly and attract many new players (FEACO 2008). The content of the service has also expanded to include different types of services, from management advice to incorporating different types of areas such as PR, communication, IT, HR, etc (Kipping 2002). The management consulting industry can thus be characterized as an “unbounded profession” with fuzzy borders, partly because most management consultancies constantly change their labels when offering “tailor made”, “client specific” solutions which may combine knowledge and methods from various sub-fields (Glückler and Armbrüster 2003; Alexius 2007). Despite attempts to define subfields within management consultancy, such as PR-consultancy, HR-consultancy, IT-consultancy, etc, determining what management consultancy is and is not remains a complex assignment. Although this creates opportunities to adapt to their clients’ changing needs and add on new services, which may be valuable both for them and their clients (Kipping 2002), it also causes confusion in client organizations regarding what can be expected from consultants and how to evaluate their services (Clark 1995; Pemer 2008). Moreover, it creates a market with very low entry barriers and a fierce competition among the consultancies. Looking at these conditions, one could easily believe that an increased formal professionalization of the consulting industry would be welcomed by both clients and consultants, for reasons such as ambitions to increase the status of the consultancies, to reduce competition and stimulate market demand for consultancy services (Evetts 2003; McKenna 2006; Beaverstock, Faulconbridge et al. 2010).

However, despite these functional reasons for professionalization and the institutional fact that modern society is characterized by an increasing number of rules, to this day management consultants hold what could be described as a regulatory exception (Alexius 2007). A significant difference between management consultants and individuals performing traditional and “bounded” professions such as medicine, law or accounting, is the lack of an abstract expert system for management consulting (Abbot 1988; Giddens 1990; Furusten 2003; Glückler & Armbrüster 2003; Beaverstock et al 2010). In most countries there is no state regulation restricting the choice of consulting methods applied and anyone can call him/herself a management consultant since the title lacks legal protection (Kyrö 1995). The state regulation that exists, often in the form of public
procurement acts, aims at regulating the *clients* and their selection, use and purchasing of consulting services and not the consultants (Roodhoft & Van Abbee 2006; Schiele & McCue 2006).

The order of the management consultancy field continues to be based largely on informal alternatives to regulation such as mutual adjustment (Lindblom 2003) shared norms and values and a common background building confidence, personal friendships and informal networks (Furusten & Werr 2005, Pemer 2008). Studies have found that on a discursive level many consultants openly ignore existing professional field regulation, they belittle its problem-solving capacity and above all they suggest alternative informal solutions to traditional regulatory problems (e.g., Paulsson 2000, Furusten 2003; Rydmark 2004; Furusten and Werr 2005; Alexius 2007). Professionalization via formal regulation is perceived by many as “unnatural interference” with the consultants’ private businesses, something greatly opposed to and compared to the “free market” which in turn is described as the “natural state” in this field. Contrary to the typical marketing slogans of modern standard-setters, many consultants associate professional standardization with inertia, inefficiency and old-fashioned bureaucracy (Alexius 2005a; Alexius 2005b; Alexius 2007). This association is found amongst the clients as well. As empirical studies have shown, many managers oppose the idea of regulating their use of consulting services and either criticize the attempts to standardize overtly or turn into a maverick buying behavior (Lindberg & Furusten 2005; Werr & Pemer 2007; Karjalainen 2009). For instance, the Swedish law of public procurement, the Public Procurement Act (PPA), has been widely opposed to and evaded by consultants and clients alike (Lindberg 2003; Lindberg & Furusten 2005). Despite the well-established informal alternatives and the regulatory resistance described above, there have been a number of formal attempts at establishing the consulting field as a profession (McKenna 2006; Beaverstock, Faulconbridge et al. 2010). However, as previous research has shown, these attempts have generally not been very successful (McKenna 2006; Kipping & Saint-Martin 2005), but despite difficulties the struggle for professionalization is still ongoing (Alexius 2007).

In this paper, we set out to explore strategies used by professional associations and their role in professionalizing management consultants. This is done by an extensive longitudinal field study of seven Swedish professional associations in the consulting field and their attempts of increasing their own authority and their industry’s professionalism and status by setting different types of professional standards. By studying what motives they had, what challenges they met and ultimately, what strategies they used to introduce professional standards, we aim to contribute to the literature on professionalization processes by highlighting the influence of the institutional field order play. The paper is structured as follows: We start by giving a short introduction to the role of professional associations in professionalization processes. We then describe our research design and present our
analysis and findings. The paper ends with a concluding discussion, in which contributions and implications for future research and practitioners are discussed.

**Professional associations’ role in professionalization processes**

One type of actor that often plays an important role in the professionalization process, is the professional association (Greenwood, Suddaby et al. 2002). By defining a certain area of expertise and introducing formal regulation such as certifications, ethical standards, and sanctions for members, professional associations may contribute to the creation of a profession (Kipping & Saint-Martin 2005; Karseth & Nerland 2007). Although professional associations typically use formal means such as professional standards in their aim to professionalize, many associations apply diverse strategies to reach their goals. As an example, they may function as arenas for interaction and negotiation where members can present themselves to each other and to potential clients, and where the content of the services and activities provided within the profession are defined (Greenwood et al. 2002:61-62).

Despite their potentially important role in professionalization processes, professional associations have been given relatively little attention in the literature and few empirical studies have been performed (Greenwood et al. 2002; Karseth & Nerland 2007; McKenna 2006). We thus do not know enough about what professionalization activities professional associations undertake or how these are combined with their own attempts at establishing themselves as legitimate and attractive organizations for their members.

The history of professional associations in the consulting industry is rather long and has been characterized by struggles for legitimacy – both for the associations themselves and for the consulting industry in general (McKenna 2006; Kipping & Saint-Martin 2005). Today, there exist professional associations both on international and local levels, where the international associations such as FEACO and ICMCI function as meta-organizations, supporting their members with structure, knowledge, and legitimacy. Their ambition is to improve the status and legitimacy of the consulting profession, and this is done by creating standards and certifications, and providing a platform for network activities where the members can meet, learn, and share ideas and experiences (c.f. www.icmci.org; www.feaco.org). The rationale behind these attempts to regulate and professionalize the consulting field is to create a more transparent market for the clients, to give the certified consultancies higher status and to build a body of expertise that is specific for the management consulting field (Kipping & Saint-Martin 2005).
However, as Kubr (1996) has shown, less than 50 per cent of the world’s management consultants are members of any professional association, and in Sweden fewer than ten percent of the Swedish management consultants are members of any professional association (Furusten 2003; Alexius 2007). Common explanations for this are that the professional associations have had difficulties recruiting larger and well-established consultancies as members as they have used their own brand for signalling exclusiveness and expertise (McKenna 2006) and that the consultancies have cherished their freedom to adapt the content of their services to their clients’ needs (Kipping 2002). Many professional associations thus face the challenge of convincing existing and potential members of their legitimacy, attractiveness and value (Alexius 2007).

As many scholars have pointed out, the emergence of the so called knowledge- and service society has increased the demands for organizations to become more professionalized and create professions (c.f. Evetts 2003). Several tools can be used in to professionalize such as imposing regulations, laws, rules, controlling mechanisms and sanctions for those not following the rules. In the consulting industry, however, state regulations, laws and rules are scarce (with the PPAs as exception) and softer types of regulation such as standards are used (Alexius 2007). Standards can take on different forms such as accreditations, codes of conduct, delineated areas of expertise, rankings, etc, but a shared characteristic for them is that they are voluntary, meaning that organizations are relatively free to choose whether to follow them, in contrast to laws and state regulations, are voluntary (Brunsson and Jacobsson 2000; Ahrne and Brunsson 2004; Tamm Hallström 2004; Mörth 2004).

Since standard-followers are not required to become formal members of the standard-setter’s organization, the lack of regulatory monopoly puts pressure on standard-setters to convince potential standard-followers of the value and legitimacy of their standards and of their own rule-setting authority (Tamm Hallström and Boström 2010; Tamm Hallström 2004; Tamm Hallström 2000; de Vries 2001). How easy or difficult it will be to convince potential standard-followers of the value and legitimacy of standards depends on the degree of institutional pressure for standardization in a certain context (cf. Brunsson 2000). In many fields sceptical potential standard-followers have a hard time finding legitimate reasons and strategies to avoid standard-following. Besides handling urgent messages of risk and responsibility, they may for examples find it sensitive to question standards based on scientific and technological expertise (Jacobsson 2000; Jacobsson et al. 2004). But there are exceptions such as the management consultancy field where there rather seems to be institutional pressure against standardization. As described above, this field is characterized as one with fuzzy borders and in a state of continuous change – both in the type of services provided and the type of
actors involved. Moreover, it has a strong informal field order, where norms, culture and relationships play an important role in the shaping of the industry (compare Ahrne et al. 2007). As will be shown in the analysis below, this informal field order affected the standard-setting attempts of the professional associations in a way that was not entirely expected by them.

As Hood (1986:82-84) pointed out, self-regulation may have many advantages. It implies that rules can be set, interpreted and followed by those closest to action. It suggests that the spirit of the rules is enforced and that adaptation may be rapid and efficient. But self-enforcement also has its limits. For one thing: rule-setters can only be expected to enforce self-regulation which is broadly in line with the interests of the group in general (see also Tamm Hallström and Boström 2010:140-162 for a similar argument). Based on our field-study on the seven professional associations in their role as standard-setters, we elaborate on Hood’s (ibid) idea to illustrate what it may be like to balance the role of the controlling standard-setter and the role of the loyal industry representative in a field where standards and other formal regulation are met with much scepticisms and resistance (Alexius 2007, Pemer 2008).

**Standards as a means of professionalization**

As many scholars have pointed out, the emergence of the so called knowledge- and service society has increased the demands for organizations to become more professionalized and create professions (c.f. Evetts 2003). Several tools can be used in to professionalize such as imposing regulations, laws, rules, controlling mechanisms and sanctions for those not following the rules. In the consulting industry, however, state regulations, laws and rules are scarce (with the PPAs as exception) and softer types of regulation such as standards are used (Alexius 2007). Standards can take on different forms such as accreditations, codes of conduct, delineated areas of expertise, rankings, etc, but a shared characteristic for them is that they are voluntary, meaning that organizations are relatively free to choose whether to follow them, in contrast to laws and state regulations, are voluntary (Brunsson and Jacobsson 2000; Ahrne and Brunsson 2004; Tamm Hallström 2004; Mörth 2004).

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and legitimacy of standards depends on the degree of institutional pressure for standardization in a certain context (c.f. Brunsson 2000). In many fields sceptical potential standard-followers have a hard time finding legitimate reasons and strategies to avoid standard-following. Besides handling urgent messages of risk and responsibility, they may for examples find it sensitive to question standards based on scientific and technological expertise (Jacobsson 2000; Jacobsson et al. 2004). But there are exceptions and although standardization is often portrayed as a success-story, standard-setters may face a number of challenging obstacles to their efforts to set and launch formally voluntary rules. In this paper, we bring forth findings from on one such exception, a field where there rather seems to be institutional pressure against standardization – the consulting industry. As mentioned above, this industry is characterized as one with fuzzy borders and in a state of continuous change – both in the type of services provided and the type of actors involved. Moreover, it has a strong informal field order, where norms, culture and relationships play an important role in the shaping of the industry (compare Ahrne et al. 2007). As will be shown in the analysis below, this informal field order came to affect the attempts of the professional associations in a way that was not entirely expected by them.

**Research design**

This article draws on a still ongoing longitudinal field-study on professional associations and their attempts at professionalization in the Swedish management consultancy field. The data presented here was collected mainly between 2000 and 2007. Several qualitative techniques and materials were combined, interviews and documentary studies being the most important.

The empirical study started out with a pilot study in 2000-2001 aiming to map various regulatory activities and initiatives in and around the Swedish management consultancy field, mainly using documentary studies of websites, consultancy magazines etc. A selection of non-mandatory professional associations was then made based on a listing of consultancy sub-fields in the annual Swedish consultancy-magazine Konsultguiden (the Consultancy Guide) which had been covered in the pilot study. Nine professional associations targeting consultants (although not all of them exclusively consultants) were first selected for comparison (see Alexius 2005a for empirical details). Out of these nine, the following seven were found to act as standard-setters: Bemanningsföretagen (The Swedish Association of Staff-Agencies), HRK (The Swedish Association of Human Resource consultants), PRECIS (The Association of Public Relations Consultancies in Sweden), SAMC (The Swedish Association of Management consultants), SMIF (The Swedish Association of Market Information consultants), SRF (The Associations of Swedish practitioners in advertising) and UF (The Association of Education consultancies in Sweden).
An interview study was conducted in 2004-2005 when 1-2 semi-structured interviews were conducted with one or a few representatives - usually the chairman and/or the CEO/president - for each of these seven professional associations reported in this paper. The aim of these interviews was to find out more about the professional associations’ motives for introducing standards, what challenges, if any were faced and what strategies were applied. Documentary studies continued, following the developments of the organizations’ web-sites, the web-sites of their members as well as various rule-documents. Among the rule-documents both rules internal to the associations (directives) and their professional standards such as certifications, ethical standards, rankings, price competitions etc were analyzed. A second follow-up telephone interview round was conducted in 2007 and a third is planned for the summer of 2011.

Standard-setting in seven professional associations

In this section, we will describe in more detail the events that took place in the seven professional associations and their struggle to impose standards in the consulting field in Sweden. We start by describing the motives behind their attempts of standardization and continue by describing the challenges they met and ultimately, what strategies they used to handle these challenges.

Standardization motives

In classic self-regulation, membership-associations and standards are created following threats of public regulation after attention to industry-scandals (Nordström 2004). However, in this study, there was only one clear case of such a scenario: the founding of SPUR, Bemanningsföretagens’ predecessor. In 1993, a new Swedish law made it legal to set up private businesses recruiting and hiring temporary staff. In 1997, a public investigation on the Swedish staffing- industry was presented (SOU 1997:58), suggesting self-regulation, and recommending the Swedish state to give a membership-association a chance to show whether the industry could self-regulate and discipline any misconduct. Before long the SPUR-association launched its own certification-procedure (see also Ahrne et al. 2000). Association representatives explained that in this situation, self-regulation was seen as “the better of two evils”, i.e. the general perception was that if there had to be formal regulation, the industry preferred self-certification to state-certification. However, in time the staffing industry came to appreciate its self-regulation. When the Swedish law of public procurement (PPA) was enforced, the SPUR-certification became a prerequisite for the majority of the deals with public customers. This development substantially increased the number of applicants for SPUR-membership and certification.
Even when there was no direct state-threat to regulate the profession, as was the case in the other six consultancy sub-fields, there could be general public rules affecting the consulting-business, such as the PPA. We heard many accounts of consultants and clients voicing complaints about PPA being complicated and ill-suited for consulting-services (see also Lindberg and Furusten 2005). As a formal protest, all of the studied associations were found to have written their own guidelines for the procurement of consultancy services. These standards were introduced on the associations’ websites in terms of “a welcome free-of-charge help” to clients (see for instance www.uf.a.org and www.precis.se).

Lobbying against such unwanted public regulation as the PPA was found among the standardization motives. UF was founded with the specific purpose to lobby for a change of public regulation which members thought discriminating. For an individual firm to question public rules on its’ own was thought too risky, but according to the UF-president, the UF-members liked the idea of a formal “third-party”-organization giving voice to their concerns. Summing up thus far, both Bemanningsföretagen and UF were found to have been fairly successful in creating a demand for their professional standards and certifications by referring either proactively or reactively to unwanted public regulation.

In the other five associations in the study the professional standards were introduced as a means to gain a higher professional status when facing increasing competition from a growing number of firms entering the expanding Swedish consulting-field in the late 1980s to mid-1990s. As suggested by Ahrne & Brunsson (2008), existing networks had been natural starting-points. HRK, SAMC and UF all started-off as CEO-clubs in the sense that they were initiated by a respected senior consultant or researcher to his personal network of senior colleges at other firms. It may be argued that PRECIS and SMIF ought to be added to this group as well as they came about after a subgroup decided to break out from a broader association.

In these cases standards were thought of as a means to differentiate a “qualified” subgroup from the rest. As a typical case, HRK was initiated and founded by a researcher and his personal network in 1989, at a time when the whole Swedish consultancy field was expanding quickly. HRK-founders saw the many start-ups in the Swedish HRM-consulting industry as a potential threat to their market-positions. In this situation they regarded their membership and the professional HRK-standards as a

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1 HRK was founded in 1989, SAMC was re-organized in 1989, SMIF was founded in 1990, UF and PRECIS were founded in 1992 and SRF was re-organized in 1996.
means to differentiate themselves from this threat of the new competitors. Members hoped the HRK-logo would signal exclusiveness and high quality, values they hoped would ensure or improve their current price-levels and market-shares. Summing up, the motives behind the attempts to introduce standards were twofold: A first motive was to avoid unwanted state-regulation. A second motive was to increase the status of the professional associations. As we will see below, these attempts did however not succeed completely.

**The Standards**

Starting up a meta-organization like a professional association did not seem too difficult after all, even in a rule-sceptic field like the Swedish consulting field. And when browsing the official presentations at the associations’ web sites standardizing consultants also looked to be a fairy uncomplicated task. Out of the seven associations offering professional standards and/or certifications, two of them (PRECIS and SAMC) had versions of their own having a meta-meta-standard of the international association (ICCO and FEACO respectively) in their subfield as a point of reference. Another three of the associations (Bemanningsföretagen, HRK and UF) had developed standards all on their own. Just one of the seven associations – SRF – was found content simply referring to an existing meta-meta standard: All SRF-members were required to follow the international ICC-standards for advertising (SRF is a member of ICC) although SRF also organizes several popular creative price-competitions which theoretically can be seen as open standards or rankings. Out of the seven SMIF was the strictest, requiring members to adapt both to the ethical standards and professional guidelines of the international marketing-association ESOMAR and of ICC, the International Chambers of Commerce (as SMIF was a member of both organizations) and to SMIF’s own version of these standards called “the common terms”. All in all, standard-supply looked sufficient. But to learn more about the dynamics of standardization in the field, we decided to follow these initiatives over time.

**Standardization Challenges**

A surface snapshot of the consultancy standardization revealed nothing out of the ordinary. Standards seemed to be motivated and launched even in this normatively ordered field, albeit more often motivated by a changing market situation and increased competition than by a threat of public regulation. However when we decided to dig deeper and interview association representatives as they had embarked on their maiden voyages to the world of standards, a serious problem surfaced. As Hood (1986: 82-84) notes, if self-regulatory membership-organizations are made up out of “nothing”, risks are high they will be discredited or ignored. A serious challenge for the professional associations in our study was just that: to show whether membership and standard-following actually
added anything to the members’ bottom line. In the consultancy field clients very rarely mention association-membership and standard-following as mandatory criteria for business and consultants who choose to remain outside or to leave the meta-organizations usually do quite well for themselves - sometimes even better than members and adopters (Ryemark 2004; Kipping & Saint-Martin 2005). Many association representatives complained to us that convincing consultants to join a professional association and to adopt professional standards was indeed a tough task since in this field standards were perceived not as soft but as quite hard in comparison to the established informal order of the field. Nobody seemed to care much for most of the professional standards. We found little demand for the formal self-regulation but much talk about “softer” already established alternatives (a common culture and professional norms; networks; mutual-adjustment and personal confidence).

As is the case in many modern meta-organization, another common struggle for the associations in this study was striking a balance between statements of similarity and difference among the members. A classic dividing line concerned size. Typically, there were major differences between the large and the small members concerning work methods and organization. While the larger members had a philosophy inspired by large-scale production of services and an organization at least partly institutionalized, made up of standardized building blocks (compare Brunsson and Sahlin-Andersson 2000), the small often emphasized heavily the individual uniqueness of their services (see also Furusten & Bäcklund 2000). In addition, some of the larger and rather independent member-firms found little value in them paying for the certification of smaller competitors. In many cases, we found that struggles to balance statements of similarity and difference meant standards had to be altered, typically changing a strict paragraph for a more flexible wording or removing the controversial paragraph altogether. The following quote from the SMIF-president illustrates a typical reflection some years after promoting a professional consultancy-standard:

“The purpose of the standard was to become more similar in our basic services. But if we all do the same, clients won’t know what the different firms stand for. Members don’t like the thought of being anonymous and neutral.”

To open up for increasing competition (i.e. increasing differences) among its member firms, SMIF decided to remove certain paragraphs from its original standard-formulation. For example, there used to be a paragraph stating how and when to bill clients. SMIF removed this rule and left it up to each firm to decide on a payment-policy. There also used to be a rule stating all SMIF-members to go
through an ISO-certification. This initiative originally came from EFAMRO, the European association for marketing firms, where SMIF is a member. However, this rule was later removed from the SMIF-policy as members became increasingly dissatisfied with the certification procedure and its results. The individual members wanted the freedom to choose any documented quality system they preferred. And finally, the whole paragraph requesting a documented quality system was removed from the SMIF-policy. This exact same scenario happened in PRECIS as well.

In conclusion, things may have looked promising at the start, but as time passed, in several cases it became clear that the “exclusive branding” of the rule-logo had in fact started to signal not high status, but a lower status on the market and an inability to apply the popular informal alternatives to formal rules. As Ahrne and Brunsson (2001; 2004; 2008) suggest, meta-organizations risk becoming organizations for the weak. In this case, organizations for consultants who have not (yet) created sufficient regulatory alternatives, as described by the HRK-president:

“If perhaps you are new to the consulting business and you haven’t had the time to develop a network, then membership and standards may be important. I think they can create a dimension of certainty. Clients can be safe knowing there has been an inspection of the tools and methods used by this firm”

Furthermore, their inability to motivate the market value of their standards seemed to make the organizations anxious to apply their own carefully crafted inclusion- and exclusion systems. Following the reasoning of Hood (1986), the sanctioning mechanisms (reminders, warnings, and expulsions) were thought to be inefficient when punishing any but the worst violations. The organizations all said they had not experienced a single expulsion due to rule-breaking. The few expulsions that had taken place were all caused by financial difficulties, typically members facing bankruptcy.

In summary, the professional associations faced several challenges. A major challenge was to convince the members that the standard actually would be value-adding for them and that it would fulfill members’ need for being both similar and different from each other. Another challenge was to protect the standard itself from becoming associated with lower status rather than with exclusivity. As we will see in the next section, the professional associations soon found themselves swinging like line rope dancers, trying to balance its two identities as controlling rule-setter and the loyal industry representative.
Strategies

So what strategies did the professional associations choose to cope with these challenges? We found that neither special rights for large members nor mergers or international anchoring appeared enough to do the trick; to convince the rule-sceptic consultants of standard-following (see also Alexius 2005a). However, we found another three strategies which will be discussed in more detail below: Starting a service firm, Returning to the CEO-club and Standardizing others.

A first strategy was to tone-down the traditional self-regulation-identity to put more effort into commercial sales of various services. A clear-cut example of this strategy was seen at SRF. The SRF-members were required to follow the international ICC-standards for advertising but for SRF the heart of the organization proved to be service rather than standardization. SRF offered members judicial advice, industry statistics, current research, courses, work-shops and good deals on insurances, hotel rooms and car rentals (see www.reklam.se). Certain services were not covered by the “service fee” though. For such additional services members were offered a “discounted SRF-member-fee”. Among the more popular additional services were the three creative competitions arranged annually by SRF: AEA (Advertising Effectiveness Awards), CoreDesign and Guldägget².

A second strategy adopted by some of the meta-organizations in this study (SMIF, HRK and SAMC) was to focus more on the individuals representing the member-firms. This strategy was described as a sign of failure although we also heard jokes about it being a smart and successful way to finance a CEO-club. However, typically, this strategy was linked to the standardization struggles:

“This may be what has happened somewhere in the midst of our problems, SMIF has become a CEO-club for mutual admiration. The common employees at the member-firms rarely ever notice SMIF”.

The HRK-president said she noticed reluctance from members to be associated with the association when interacting with their clients. But meeting to discuss their jobs as CEOs was highly appreciated. Particularly by the CEOs of smaller firms who may not have access to other arenas. When listing the benefits of membership on HRK’s web-site, “access to a network of high competence within the HR-area” came out on top and “access to a quality logo” on the very bottom of the list. In an interview she made the following statement:

² *eng.* the Golden Egg, a rather prestigious and well-known Swedish advertisement competition.
“I think the members need the association a lot more than the clients do. It is a question of belonging, of knowing you are part of something... a network”

When studying SAMC and its’ strategies for attracting and keeping members, the ambiguous identity of the association was obvious. SAMC had ethical and professional standards as well as formal rules and requirements which signalled exclusiveness. But instead of expressing the exclusiveness of membership, the association presented itself as a “platform” for informal networking and a “club” where individual representatives, typically CEOs from various consultancy firms, could meet to exchange ideas and socialize. SAMC chairman said he believed this informal networking approach to be the reason why SAMC had not yet ceased to exist. When taking a closer look at the SAMC-standard we found its’ paragraphs common-sense like and vague in character. When asking the chairman to comment on the importance of the standards, he simply said:

“They are not too bad after all, nothing out of the ordinary really... I think they [the standards] pretty much reflect current practice.”

SAMC’s focus on “voluntary”, “fun” and “casual” activities for senior consultant - such as breakfast seminars - made SAMC look more like yet another informal network for individual consultants than a formal standard-setter. As the chairman put it:

“The association has become a platform to meet and discuss with other CEOs. I think this is what makes our members stay”.

A third strategy used to cope with the standardization challenges in this informally ordered field was noticed when looking more closely at the so called “self-regulation”, at the actual rule-formulations of the professional standards and codes of conducts. It then became obvious to us that some of the more successful meta-organization standard-setters in the field used their “self-regulation” in a proactive and rather hypocrite way: as a cost efficient, trendy marketing initiative and as a legitimate
means to standardize others, preferably clients and future employees. This strategy was first noticed in the following statement by a PRECIS-representative:

“We want to show that we are a number of serious firms in this market... but the real purpose is of course to show how PR can be useful in business.”

From the start in 1990, PRECIS’s members decided to follow the ethical standard of the international PR-association ICCO. But in 2001, when the standard was up for discussion at a PRECIS-meeting, members criticized it for being too shallow and common-sense like. PRECIS therefore decided to develop its own standard which was launched in the following year (2002). PRECIS’s members complained that their environment did not know enough about the benefits of PR-consulting. They noticed that in certain client circles it was still taboo to spend money on PR. The association therefore came to see the making of its own standard as a legitimate chance to influence common norms about the PR-firms and to make PR more attractive among clients and future employees:

“We see the rules as a means to strengthen our professional identity, as a chance to make PR-consulting honourable and useful”

First of all, PRECIS wanted to define PR as something different from politics, journalism and advertisement. There was an important strategic reason behind this move. In politics and journalism the norm is for the professional to propagate his or her personal views. Even advertisement firms rarely take on the accounts of competing clients. However, this was exactly what the PRECIS firms wanted to do. The PRECIS-standard therefore clearly stated that a PR consultant above all had a professional business interest. This formulation was meant to indicate that he or she could propagate any views clients may have, keeping his or her personal opinions aside. This new formulation was created to make it legitimate for PR-consultants to handle competing client accounts. The focus of PRECIS’s “self-regulation” was thus clearly set on changing the attitudes and behaviour of others. The PRECIS-standard also opened up for value based pricing of PR-consulting services, a rather controversial pricing method which will be further described in the next section.

Summing up, the field-study showed that the professional associations’ attempts to introduce standards were met with scepticism and challenges. To cope with these challenges, three different
strategies were tried out: Starting a service firm, Returning to the CEO-club and Standardizing others. The three strategies had a common denominator: a partial transformation of either the standard or the professional association itself. In the following section, we are to see how a consultancy firm pricing standard was developed and received.

Concluding discussion

If we wish to understand professionalization processes we must not stop at success stories but also explore fields where professionalization attempts have been challenged and met with resistance. In this article we have contributed to this end with an empirical comparative study of seven professional associations in the Swedish management consultancy field (broadly defined) and their role as actors of professionalization, focusing specifically their role as standard-setters.

As for the motives behind the professional standardization, we have found that only two out of these seven associations - the professional associations Bemanningsföretagen and UF – motivated their professional standardization by referring either proactively (UF) or reactively (Bemanningsföretagen) to unwanted public regulation. In five cases – the professional associations HRK, PRECIS, SAMC, SMIF and SRF - professional standards were introduced as a means to differentiate and gain a higher status facing a threat of increasing competition at a time when the field expanded rapidly, clearly a professionalization motive.

Along the same lines, we found that the greatest challenge to the associations in their role as standard-setters was related to the balancing act described in the introduction as typical for self-regulators (c. f. Hood 1986 and Tamm Hallström & Boström 2010: 141-162). Creating demand for the standards proved to be a difficult task. The associations had difficulties communicating the market-value of standard-following and portrayed ambivalence when faced with skepticism and resistance from potential standard-followers and members. A uniformity-critique from consultants and managers wishing to be different from others also had to be handled in most cases. Such struggles often meant standards were eventually dismantled. A strict paragraph was replaced by a more flexible wording or controversial parts of the standard were simply removed, as in the case of SMIF and the consultancy firm (CF). Similarly, in another study of a pricing standard for value-based pricing introduced by a consulting firm (Alexius and Furusten 2005), an “appendix-approach” was introduced as an innovative means to tailor-make the standard for “unique” projects thus granting adopters maximum flexibility. Facing skepticism and resistance, the professional associations re-prioritized their standard-setting ambitions and even ‘hid’ them behind more attractive informal initiatives and
offers. As suggested by Brunsson (2000) the institutional pressure against standardization and other formal regulation in this field thus seemed to have forced (or perhaps tempted?) standard-setters back on the beaten track.

In line with the reasoning above, we also found that the professional associations in our study used ‘soft’ rather than hard arguments to win legitimacy for their regulatory aspirations (c.f. Jacobsson et al. 2004; Boström and Garsten 2008). Arguments such as increasing competitiveness, coordination, transparency, learning and support which are commonly found in motivations for soft law and serve as a repertoire drawn from a larger discourse on standardization (c.f. Brunsson 2000) portraying standardization as soft in comparison to public regulation and other directives. Time will tell, but we suspect that in the informal consultancy field such arguments may in fact weaken the professional associations’ regulatory authority and make them even more vulnerable to competition from already established informal ordering mechanisms. Instead of sticking to and standing up for their stringent professional standards, they showed a remarkable rule-setting ambivalence (emphasizing breakfast seminars and good insurance deals rather than, for instance ethical standards), an ambivalence which is likely to damage their already frail authority as rule-setters even further and to rather help enforce the existing informal field order. The only association in our study which seemed to thrive and to gather eager rule-followers in this rule-skeptical field was PRECIS, the professional association whose standards were found to be addressed, not to consultants but to their clients.

As a last reflection on the associations’ own identity-work, it seems to us that in order for their bureaucratic aspirations not to meet an early death, the associations had to draw on either of the two dominating ordering-logics present in their context; that of the market and/or that of the clan (c.f. Ouchi 1980). In most cases, the standard-setting identity seemed uncomfortable enough for the professional associations to wish for a different identity and a different relationship with the hesitant members and other potential standard-followers. And when searching for a suiting new identity the choice seemed to fall on either the client/seller-identity, referring to the familiar market logic and relation between seller and buyer, or on the colleague-identity or even “circle of friends”, referring to the established informal clan order featuring individuals’ networking. Their bureaucratic aspirations were thus toned down and instead the identities of the service provider (SRF and the client firms) or the CEO-club (for example HRK and SAMC) were preferred. As an illustration, when SRF found consultants reluctant to join a formal association and to pay for standard-following, SRF chose to focus on the consultants’ market orientation. And sure enough, SRF found consultants more inclined to sign a “service agreement” with a “service partner” offering judicial advice, industry
statistics, current research, courses, work-shops, good deals on insurances, hotel rooms, car rentals and competitive price competitions.

Summing up, the results indicate that the informal field order in the consulting industry was so strong that attempts of introducing more formal orders such as standards became a high-risk project for the professional associations, as it could cause them to lose legitimacy and members. As a consequence, the attempts of professionalization were adjusted to fit the norms in the informal field order rather than the other way around. This has several theoretical and practical implications; firstly, the results add to our understanding for why attempts of standardization and professionalization are not always successful. Secondly, by highlighting the importance of the informal field order and showing how it resisted the attempts of professionalization, a deeper contextual understanding is made possible. Thirdly, by showing how the professional consultancy association struggled to balance both their perceived need for professionalization and their need for legitimacy, we have shed light on an actor that may play an important role in the professionalization processes, but has so far gained very little attention in the literature (Greenwood et al. 2002). More research is however needed to explore these avenues of research in more depth.
References


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SOU 1997:58 Privat arbetsförmedling och personaluthyrning?

