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Management consultants and the United States' public sector

Abstract: Management consultants provide strategic advice to public sector agencies and departments throughout the US, contributing to what some scholars call the “hollowing out of the state.” What ideational frameworks underlie these public-private relationships? Findings from a survey of management consultant show that they believe that they are contracted because they provide knowledge that is unavailable inside the public sector and that their ideas are more innovative. This study helps to explain management consultants' perceptions of their services contracted by US public sector. By gauging the perspectives of management consultants, this research will potentially help academics and practitioners to better understand public agencies' contracting of management consultants. This article provides preliminary steps towards better understanding and analyzing the use of management consultants by different levels of the US public sector.

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1 Introduction

Management consultants' services are increasingly being contracted to work for the United States (US) federal and state public sectors. The increased presence of management consultants in the public sector has been both vilified and heralded as a success in public discourse, such that Hood and Jackson have called its prevalence a “consultocracy.”¹ Management consultants provide a wide range of services from advice on strategic, organizational, logistical, information communications technology and human resource changes to the public and private sector, in pursuit of promoting profit growth and efficiencies while minimizing costs. The management consulting industry in the US earned over \$160 billion in 2012, made profits of \$14 billion, and employed over 1.2 million consultants.²

While it is well known that management consultants are brought into the private sector to give “outside advice” to corporate decision-makers, it is less

1 Hood and Jackson (1991: p. 24).

2 IbisWorld (2012: p. 5).

known that the public sector is also a growing client base of management consultants. According to Bain Consulting, the public sector is a valuable clientele base, as it represents “20% of the \$60 trillion total global economy.”³ Prior to the international financial crisis, *The Economist* reckoned that the public sector accounted for more than 30% of the global consulting industry.⁴ At that time, Kennedy Consulting had predicted that public sector consulting would grow faster, at 6–9% per year for 3 years, than private sector consulting, at 1–4% over the same period.⁵ Sturdy anticipated a 20–30% growth rate in consulting for the public sector among large accounting firms.⁶ In the US, recent figures estimate that 10% of management consultants’ revenues come from the public sector.⁷ This 10% figure, however, is likely an underestimation of the actual distribution of public vs. private clients. The public sector often pays less than the private sector, and therefore the public sector would represent a larger client base than captured in the 10% revenue figure.

This article seeks to take the first steps towards better understanding and analyzing how management consultants view and explain the contracting of their services by the US public sector. Specifically, this article seeks to help answer the question of: how do management consultants perceive the motivation and meaning of their provision of advice to the public sector? Using an interpretive approach to uncover meanings, perceptions, and values is an often a neglected approach in policy studies and yet is a useful means of getting a nuanced understanding of political behaviors and actions.⁸ By bringing out the agential dimension in an interpretive framework, this study gets at the core of management consultants’ belief systems and their perceptions of the US public sectors.

After a brief overview of the literature on management consultants in the public sector, this paper will proceed in four parts. First, the methodology of the paper will be outlined, laying out a justification for the use of surveys. Second, described in detail are three arguments that were tested as possible ideal types of management consultants’ perceptions and understandings of their provision of services to the public sector. This section also hypothesizes what kind of responses would give credence to each argument. After hypothesizing what responses might look like for each argument, this paper will move into a tabulation of results. The findings lend credence to capacity arguments that management consultants

³ Bain & company (2012).

⁴ *The Economist*, 8 September 2005. Available: <http://www.economist.com/node/4374300>.

⁵ *The Economist*, 8 September 2005. Available: <http://www.economist.com/node/4374300>.

⁶ Sturdy (1997).

⁷ IbisWorld (2012: p. 5).

⁸ See Bevir and Kedar (2008).

believe that they are contracted because they provide knowledge that is unavailable inside the public sector and that their ideas are more innovative. This study uncovers management consultants' perceptions of their services contracted by US public sector, but does not explain civil servants' views or the quality of consultant's advice. By gauging the perspectives of management consultants, this research will potentially help academics and practitioners to better understand management consultants' value systems and how they approach to work and engage with the public sector. This article provides preliminary steps towards better understanding and analyzing the use of management consultants by different levels of the US public sector. This article closes with a discussion of what the responses indicate about the perceptions of management consultants and how this study would fit into a broader investigation of management consultants and the public sector.

2 Management consultants and the public sector

With public accounts under increased scrutiny in the US during a period of fiscal consolidation – a phenomenon that is prevalent throughout the advanced economies – there is increased public interest in better understanding the use of management consultants in the public sector. Yet, there is generally little scholarly literature on the US' public sector use of management consultant services and even less on the perceptions of management consultant work in advising the public sector. Some scholars for example have argued that the modern state has been “hollowed out” by the usage of private contractors⁹ or, in a similar vein, the modern state has delegated much of its authority (i.e., over social programs) to private actors¹⁰ – that, as Milward and Provan argue, “instead of organizing, providing, and managing services on its own, government has increasingly turned to contracting out these services, most often to nonprofit, but sometimes to for-profit, organizations.”¹¹ Nonetheless, despite such important work on the privatization of governance in the US, a detailed examination of the growing preference of the state to turn to management consultants in particular for advice and expertise is absent from the literature. Moreover, no study has been conducted on perception, motivations and values of management consultants in advising the public sector.

⁹ Milward and Provan (2000, 2006: p. 8).

¹⁰ Morgan and Campbell (2011).

¹¹ Milward and Provan (2006: p. 8). See also Howard (2007); Mettler (2011).

Some academics have argued that the amplified use of management consultants in the public sector, generally speaking, is attributable to the wish for more informal, politicized advice that is tailored to the agenda of the public sector.¹² Others add that in an era of increased politicization of policymaking, the public sector is seeking the advice of management consultants.¹³ The work of Lapsley and Oldfield is notable in providing great insights into the type of exchanges or interactions between management consultants and the UK public sector and the type of work management consultants undertake in the public sector.¹⁴ This research project builds on these academic works to formulate possible cognitive frames that could be used to uncover how management consultants justify their engagement with the public sector. To get at core beliefs and values, this study questions management consultants about their views on working for the public sector.

2.1 Methodology

Management consultants were surveyed to discern their perceptions and experiences in consulting for the US public sector. Management consultants were surveyed at the annual Institute of Management Consultants USA meeting in Orlando, Florida in October 2012. The goal of the IMC USA is to “promote excellence and ethics in management consulting through certification, education and professional resources.”¹⁵ The IMC USA certifies management consultants in the US to a global standard of professional conduct of best practices in the management consultant industry. The pool of possible respondents was composed of individuals who worked for either boutique consulting firms or large management consulting firms all based in the US.

Those who attended the IMC USA conference were professionals who take pride in this voluntary association that provides accreditation to those who follow IMC best practices. Many of the attendees were established professionals with many years of service. Indeed, the majority of respondents indicated they were in the management consulting profession for more than 10 years. Finally, there were no discernible demographic differences between respondents and non-respondents along age, gender, or years of experience. Written surveys were distributed to a general session of approximately 80 attendees at the annual conference. This

¹² See Bakvis (1997: p. 119).

¹³ Wellstead and Stedman (2010: p. 896).

¹⁴ Lapsley and Oldfield (2001).

¹⁵ IMC USA 2012.

Table 1 Survey distribution characteristics.

Number of attendees at IMC USA session	84
Number of respondents to survey	49
Respondents with no public sector experience	12
Respondents with public sector experience	37

approach yielded a 58% response rate. See Table 1 for specific characteristics of survey distribution.

A follow-up email was sent to all those who filled out the survey and asked them to kindly comment on the findings. The survey questions were directly meant to address the core assumptions of the three potential arguments. These questions were closed-ended questions and on a Likert scale. The survey questionnaire was tabulated using Qualtrics, an international firm that specializes in on-line research instruments. Their responses were used to help answer the central research question of this study.

Since what is being investigated are the perceptions of individuals who can be understood to constitute a community, this study used surveys, distributed to a broad collection of management consultants gathered at the annual IMC USA conference. While it would be valuable to undertake qualitative interviews with individual consultants, a survey can reveal the views of the consultancy community when aggregated. Because of the large attendance of the conference, the lack of demographic differences between respondents and non-respondents, and the representation of many types of consultancy firms, the survey respondents may be taken as representative of the management consulting community.

This article sets out to test three potential cognitive frameworks, or explanations, to the central research question. The sets of questions were derived from and inspired by three explanations. The three possible explanations are ideal types, extracted from political science literature, and are not meant to be mutually exclusive. The theoretical framework suggests that these potential explanations can co-exist, and draws on and combines theoretical models developed by those trying to explain political decision-making.¹⁶

These explanatory variables stress the following three potential arguments: 1) capacity arguments: the public sector uses management consultants believe they are contracted because there is a lack of in-house capacity in the public service; 2) intersubjective arguments: public servants use consultants who believe they are experts with better ideas than those available in the public service; and,

¹⁶ See Bennett (1991); Dolowitz and Marsh (1996); Parsons (2007).

3) management consultants believe they are contracted by the public service because the latter are trying to improve their pro-business reputation and try to emulate the success of other firms and agencies. The results may however overlap, since the preceding three arguments are not mutually exclusive. We may, for instance, see results that suggest that outsourcing improves the public sector image because management consultants are seen as more innovative and bring new ideas to the table. Another possible result would be that the public sector lacks capacity, and that management consultants fill this capacity gap by having more innovative workers with greater expertise on the subject. I explore each of these three arguments next.

3 Theoretical framework: testing three potential arguments

3.1 Capacity arguments

With increasing scrutiny of public accounts, governments are finding themselves challenged with a lean workforce, and therefore often resort to hiring management consultants to compensate for the lack of in-house capacity. As one public service employee in the UK noted: “The government has the ability to recruit, train and retain the best people ... so we should be making best use of the skills we have rather than bringing in consultants. The challenge at the moment is more about the inflexibility of government when it comes to deploying staff.”¹⁷ Hence, capacity arguments presuppose that public service decisions are based on “perfect rationality” and management consultants are contracted due to a shortage or absence of in-house capacities. This argument is supported by the work of Perl and White, who argued that technical, expert advice that is lacking in the public service is increasingly contracted using management consultants: “there is evidence that the need for professional expertise may have shifted in ways that require key analytical contributions from outside the public service on a continuing basis.”¹⁸ Smith¹⁹ and Howlett²⁰ also argue that the “policy analytical capacity”

¹⁷ Capgemini Consulting (2010a: p. 4).

¹⁸ Perl and White (2002: p. 57).

¹⁹ Stewart and Smith (2007).

²⁰ Howlett (2009).

of the public sector is generally weak and this explains why they need to contract consultants to either perform the required tasks or to complement the work of in-house public servants. Helden et al. found in their study that civil servants hired consultants when the public sector was looking for solutions to “well-defined practical and technical problems.”²¹

Business management studies also argue that firms contract management consultants because the latter are able to provide advice with “economies of scale,” “economies of scope,” and “economies of repetition.”²² As providers of specialized and sought-after knowledge and expertise that is unavailable in most corporations, management consultants are hired to fill a human resources gap.²³ In short, capacity arguments presume that public sectors hire management consultants to provide advice because of a lack of in-house capacity to provide the necessary knowledge and expertise. Supporting the capacity argument, management consultants' responses to the survey would indicate that bureaucracies lack the time, labor, and human capital necessary to complete the task, and that management consultants believe they represent a more cost-effective option and is the option that produces the better results. At the same time, a strong capacity argument would find that the indicators for the other arguments do not hold up. Consequently, the results would show that consultancies are no more innovative than governments, do not provide new ideas, and do not improve the brand or image of the government.

3.2 Intersubjective arguments

Intersubjective arguments presuppose that civil servants rely on the services of management consultants because these “knowledge agents” have persuasive abilities to shape and alter public servants' preferences. When making decisions, civil servants use “cognitive shortcuts,” and through life and work experiences they are socialized into thinking that management consultants have knowledge that is more expansive than what is available among their own staff. This intersubjective approach looks at the social contexts and cognitive influences to explain decision-making. Governments want to reduce uncertainty through policy innovations; they turn to management consultants and other knowledge actors for new ideas to assist in governing.²⁴

²¹ Helden et al. (2012).

²² Morgan, Sturdy, and Quack (2006).

²³ See Starbuck (1992); Moore and Birkinshaw (1998); Werr (2002).

²⁴ For broader intersubjective arguments see Blyth (2002).

Management consultants are members of an “epistemic community” that possesses specialized knowledge and expertise.²⁵ Indeed, Lapsley and Oldfield interviewed management consultants involved in UK public sector reform and found that “their motivation appears to be closer to the idea of epistemic communities who have certain skills for sale – ‘trade.’ ”²⁶ Over time, these knowledge agents gain the respect, legitimacy, and admiration of civil servants through repeated contact.²⁷ In their interaction with civil servants, knowledge agents gain influence by being *in authority* (for example, by holding key positions, notable roles, and seats from which to exercise power) and from being *an authority* (for example, by having exclusive expertise, training, experience, and respected solutions to policy dilemmas).²⁸ Management consultants become perceived as *an authority* on particular subject matters and as they are viewed, be it real or perceived, as more skilled and innovative than their public sector counterparts, management consultants have effectively cultivated an intersubjective understanding of the their skills as more superior to that of in-house civil servants. Christensen and Skaerbaek add that consultants have a unique “purification” role in working with the public sector because they are able to persuade civil servants to implement controversial ideas.²⁹

Indeed, management consultants encourage an image that they are providers of innovative solutions stemming from their unique and independent expertise.³⁰ In organizational behavior literature, they are discussed as change agents coming to the rescue of the archaic public sector.³¹ Similarly, in Martin’s study of the Australian public sector use of consultants, he concludes that civil servants believe that consultants bring “gravitas” to public policy proposals.³² The business literature has often hyped up the value of management consultants, noting that management consultants are hired because they are the “intellectual elite,”³³ they bring unique “high quality” service and ideas³⁴ and they are often recruited because of strong past performance among a “networked trust” of other

²⁵ See Haas (1992).

²⁶ Lapsley and Oldfield (2001: p. 540). See also Laughlin and Pallot (1998); Christensen, Newberry, and Potter (2010).

²⁷ See Arend (1999: pp. 132–137).

²⁸ See Barnett and Finnemore (2004: pp. 25–26).

²⁹ Christensen and Skaerbaek (2010).

³⁰ Hansen (2002).

³¹ Sahlin-Andersson and Engwall (2002).

³² Martin (1998).

³³ Armbruster (2004: p. 1259).

³⁴ Aharorni (2000: p. 128).

corporations.³⁵ Some of these same ideas are also applicable to the public sector. For example in studying the Canadian public service, Lindquist notes that “When such ‘real’ policy analysis is demanded, the reflex is often to retain experienced policy consultants, or a handful of ‘go-to’ people in the public service.”³⁶ Ironically, Lindquist found that many of the management consultants were former Canadian civil service staff that left the public service for higher salaries and added work flexibility.³⁷ Speers adds that “[t]his can be a rather frustrating situation for civil servants if retired or laid off public servants have been hired on as management consultants and then return to offer the independent opinion.”³⁸ Forced retirement policies in the Canadian public service has also made former public servants turn to work for or establish their own boutique management consulting firms.

Unlike the capacity argument, an intersubjective argument presupposes that the US public sector actually has in-house talent to carry out the work of management consultants. However, the real or skewed perception of management consultants as being better at the same tasks is a latent knowledge derived from years of socialization. Lindquist notes, “[t]hey [the Canadian civil service] rely on consultants to deal with peak demands, and stories circulate about consultants doing the heavy lifting on strategic policy analysis.”³⁹ When these ideas propagate in the civil service, management consultants become automatically viewed as authorities on things like strategizing or providing new and novel ideas. Yet, as Lapsley and Oldfield found in their research, many times management consultants were recruited to either implement or legitimize the civil servants’ very own ideas and decisions.⁴⁰ Often, this is derived from an inherent tendency to believe that outside voices and views are more objective and therefore have a stronger authority on key issues. This becomes a powerful tool management consultants use in legitimating their work.

Survey responses supporting the intersubjectivity argument would find that consultancies believe that they possess expertise that the public sector lacks, that consultancies are more innovative, come up with new ideas, and have access to knowledge that the public sector does not. A strong intersubjectivity result would show that management consultants believe that the public sector possesses the staff, time, and knowledge necessary to perform the task, but that consultants would perform the task better.

³⁵ Glucker and Armbruster (2003).

³⁶ Lindquist (2009: p. 5).

³⁷ Lindquist (2009: p. 5).

³⁸ Speers (2007: p. 408).

³⁹ Lindquist (2009: p. 5).

⁴⁰ Lapsley and Oldfield (2001: p. 527, 531).

3.3 Reputation and emulation arguments

Reputation and emulation arguments assume that the public sector, particularly its managers or key decision-makers, is inclined to believe that pro-market policies are best at achieving efficiencies. New Public Management (NPM), Neoliberalism, or Globalization are part of an “epochal development” that leaves civil servants with less agency because of these pro-market forces.⁴¹ New Public Management, for example, has been viewed as one of the most important ideological influences on public sector reform. Accordingly, NPM acts as a “conduit” for neoliberal ideas and pro-market values to reform the public service.⁴² What NPM means for the public sector is to be ... much more “business-like” and “market-oriented,” that is, performance-, cost-, efficiency- and audit-oriented.”⁴³ This also includes the actual civil servants themselves, who are to be more “business-like” and “market-oriented.”⁴⁴ Christensen and Skaerbaek add that NPM also meant “an opportunity to apply a private sector concept to the public sector: the move from cash accounting to accrual accounting. The drift towards accrual accounting in the public sector gave consultants the chance to promote something with which they were quite familiar.”⁴⁵

The reputation and emulation argument suggests that public servants will contract management consultants because of the latter’s positive reputation as advocates of “best practices” found in businesses. In the US, the deep cultural and ideological support for entrepreneurship and businesses – and the same undercurrent of strong distrust of big and pervasive government – means that the public service may face negative societal attitudes. Hiring management consulting firms can bring a sorely needed pro-business image to the public service. In Latin America, Weyland notes that: “Governments dread the stigma of backwardness and therefore eagerly adopt policy innovations, regardless of functional needs.”⁴⁶ Similarly, the US public service faces the predisposed “stigma of backwardness.” Consequently, imitating the private sector, which is seen as better in delivering services, can be useful.⁴⁷ As Speers adds:

In hiring management consultants, politicians can use this as a “check” on the civil service; likewise, if the civil service hires a management consultant, doing so helps to legitimate their

⁴¹ Diefenbach (2009).

⁴² Hood (1995); Shields and Evans (1998).

⁴³ Diefenbach (2009: p. 893).

⁴⁴ Diefenbach (2009: p. 893).

⁴⁵ Christensen and Skaerbaek (2010).

⁴⁶ Weyland (2005: p. 270).

⁴⁷ See Simmons and Elkins (2004).

*work. For example, a government department may seek the services of a larger, well-known consulting firm because those they report to want a “big name” firm to conduct research and provide recommendations.*⁴⁸

Public sector agencies are increasingly being told to operate “like a business,” which means that “it should be cost efficient, as small as possible in relation to its tasks, competitive, entrepreneurial, and dedicated to ‘pleasing the customer.’”⁴⁹ The public sector in Canada, the UK and France, according to Saint-Martin’s study, was told to become more “business like.”⁵⁰ That then opened the door for management consultants to give advice on public sector reform and also led a number of accounting and consulting firms to open public sector divisions. As consulting firm Capgemini put it, “[f]unding constraints require governments to adopt more business-like approaches when addressing the pressing challenges facing our [US] federal government. And, taxpayer expectations are intensifying. More and more – success comes from being ready to respond to complex and unpredictable challenges.”⁵¹

The Economist recently noted that in the US as well as in the UK, “there is a growing acceptance, especially in health care and education, that one way to stretch limited public-sector funds may be to introduce the best private-sector management practices.”⁵² Of course, conflating the public sector and business has its inherent problems and oversights. Again, Speers identifies this challenge:

*recognizing that profit is the primary motive for a private sector company, there is a concern about whether “the dog is wagging the tail or the tail is wagging the dog.” Remembering that a private sector consultant’s goal is to sell services and make a profit, consultants all wish to ensure ongoing business.*⁵³

This may not be necessarily understood by management consultants either. As noted on Deloitte’s website: “It’s often said government should treat citizens the way businesses treat customers. But when it comes to customers, businesses have it relatively easy. They get to pick and choose which customers to serve, lavishing attention on those that are profitable and using a one-size-fits-all approach for the rest Governments don’t have that luxury.”⁵⁴

⁴⁸ Corcoran and Maclean (1998: p. 40); Speers (2007: p. 408) also found that reputation is an important determinant in what consulting firm is chosen by the UK and Australian public sector.

⁴⁹ Box (1999: p. 19).

⁵⁰ Saint-Martin (2000: p. 197).

⁵¹ Capgemini (2010b: p. 4).

⁵² *The Economist*, 8 September 2005. Available: <http://www.economist.com/node/4374300>.

⁵³ Speers (2007: p. 408).

⁵⁴ Deloitte (2012).

Survey responses that would support the reputation and emulation argument would find that consultants believe that the public sector does not suffer any capacity constraints, that there is no discernible difference between consultants and public sector workers in terms of innovation or the possession of knowledge, but that consultants believe they help the public sector to form a pro-business image and meet global standards.

4 Survey findings

The number of surveyed management consultants who were contracted by a government was higher than the general literature suggests. Indeed, we found that 75% of the management consultants who responded to our survey had provided advice to the US public sector. Interestingly, one respondent noted that s/he did not engage in public sector consulting because “procurement and payment processes impede ability of independent consultants to gain access to good work and is why I don’t pursue this work.” Another consultant who has been contracted by the public sector echoed this by adding, “low bid process [exists, leading to] in the selection of unqualified consultants. This hurts both the government and the profession.”

Of those who provided services to governments, the majority surveyed provided advice to the US federal government and then to US state governments. In a close third, consultants also provided services to US municipal governments. The respondents had all worked within the public sector in various forms. For example, 10% worked in health care, 11.5% in education, 14% in transportation, 7.5% in law enforcement, 2.5% in taxation, 13% in energy, 15% in defense, 15% in technology, 5% in economic policy, 2% in privatization, and 4.5% in environment. Human services, financial compliance, and the department of labor were also mentioned.

In testing the first potential argument, capacity, there is strong support for the claim that management consultants believe they are utilized because there is a lack of in-house capacity in the public service. As Figure 1 shows, most of the management consultants surveyed had believed that the civil service did not have the expertise or knowledge to complete the assigned tasks. What is noteworthy is that those surveyed did not believe that this was due to a lack of time or space. Many of those surveyed did not think civil servants outsourced to consultants because they were overwhelmed in-house, but rather they outsourced because they did not know how to complete the assigned tasks.

This could explain why there was a general view that management consultants are more cost effective or a better use of government resources than in-house

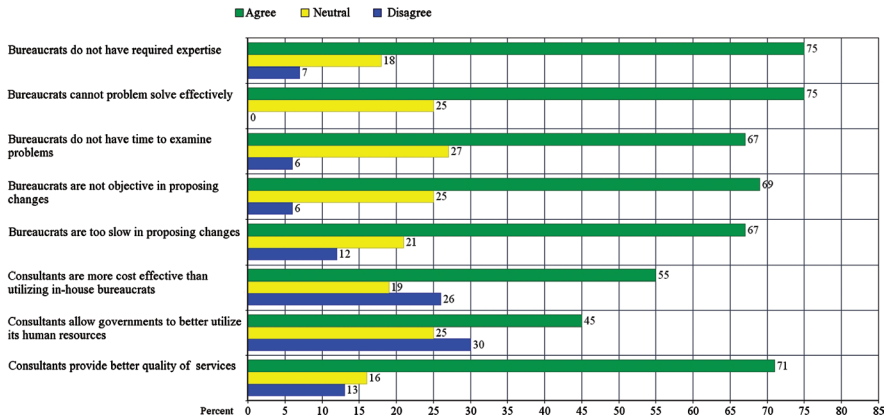


Figure 1 Survey responses on capacity questions.

staff. Although, there is a perception among a number of respondents in qualitative comments that the public service lacked capacity because governments are downsizing bureaucracies. As one consultant reflected in the open-ended questions on the survey response sheet: “Hiring consultants is an alternative for traditional recruitment.” Another added that “governments are contracting their formerly employed support staff as consultants.” One consultant pointed out that, “I find top notch people in government organizations willing to learn and change.” Finally, it appears that there is a strong belief among management consultants that bureaucrats are too slow in proposing changes. This is likely due to a widely held belief that civil servants tend to not like change and that bureaucratic inertia exists in the public sector.

In testing the second potential argument, intersubjectivity, there is also evidence to suggest that management consultants believe they are utilized by the public sector because they are experts with better ideas than those available in-house. Most strikingly, management consultants surveyed believed that they are contracted by governments because they provide new ideas that are not available inside the bureaucracies. As Figure 2 shows, by far the strongest explanation given by those surveyed. Interestingly, there is support for the view that management consultants provide innovative and independent advice, but their views are not seen to be a rubber stamping of previously held internal ideas. Moreover, management consultants do not see themselves as potential scapegoats for unpopular policies held in government or upper levels of the bureaucracy.

In testing the third potential argument, reputation and emulation, there is mild support for the argument that management consultants believe they are

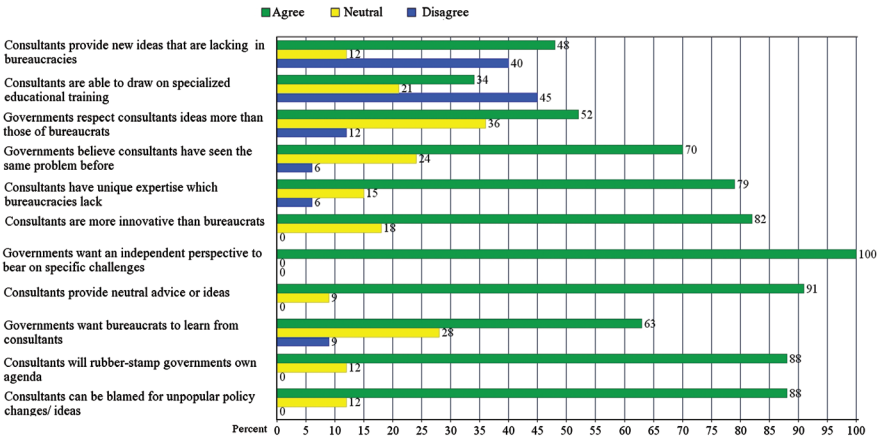


Figure 2 Survey responses on intersubjectivity questions.

utilized by the public sector because public servants are trying to improve their own pro-business reputation and try to emulate the success of other agencies. As one consultant elaborated: “Governments are increasingly heading into a customer-oriented culture. Hence the opportunity for consultants to acquire more [public sector] engagement increases.” As Figure 3 shows, management consultants surveyed argued that consulting firms do help in getting governments to meet global regulations and standards and promote a business outlook

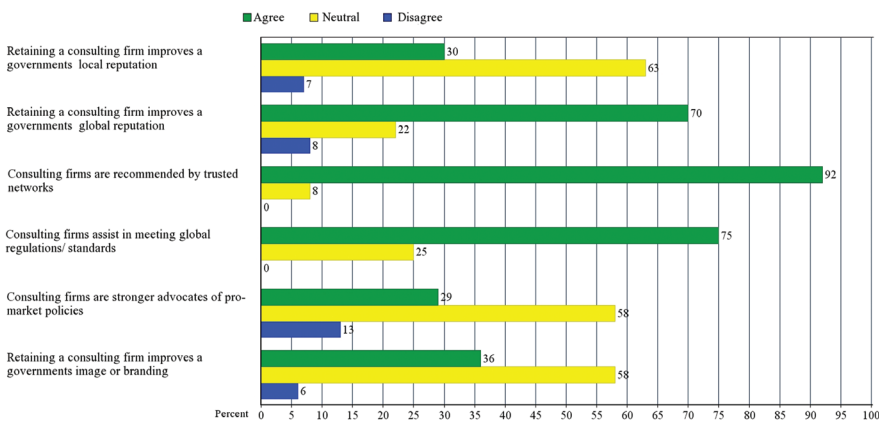


Figure 3 Survey responses on reputation and emulation questions.

in governments, but they are not contracted to improve reputation per se. Surprisingly, there was mild support for reputational arguments. It appears that management consultants do not strongly believe that consulting firms assist in improving a government's image either locally or globally, nor do they believe that this improves a government's image or brand. Again this is quite interesting and is perhaps a clear contrast with consulting for the private sector, where corporations are argued to hire consultants to help improve reputations and brands.

5 Conclusions and discussion

Based on survey data of US-based management consultants, they perceive the motivation and meaning of their provision of advice to the US public sector as best explained by both capacity and intersubjective arguments, while there is only mild support for the reputation and emulation arguments. Management consultants may indeed find governments to be incapacitated, and this could very well be because the public sector lacks the unique expertise that management consultants bring to the table. Management consultants may be able to work more effectively within time constraints and produce better results, respondents may argue, because of their innovative staff or because of their familiarity with the issues they have been tasked with. A synthesis of the two hypotheses would uncover why management consultants thought that the two major capacity constraints were that public sector workers were slow to enact changes (a lack of innovation) and that they did not know how to complete tasks (a lack of expertise).

While this article represents the views of management consultants and not the public sector, it does provide needed empirical and theoretical considerations to initiate further research on the underexplored topic of management consultants engaging in work with the civil servants and in understanding the views and perceptions of management consultants about the public sector. The perceptions of consultants are important to identify, as they help to unpack why management consultants believe that their skills are useful or needed in the public sector, thereby indicating how they justify their work. This allows researchers to compare the perceptions of the public sector and management consultants, and allows policymakers to identify ways of improving the quality of the public sector. It is important to emphasize that this article only takes preliminary steps towards better understanding and management consultants' perceptions and their engagement with the US public sector, and that these findings will be enhanced

by future research. It may be that the responses of public officials will run counter to those of the management consultants, though it is as yet not possible to know this with a high degree of certainty. It is possible that management consultants, instead of responding in a way that reflects the realities of their encounters with the public service, may have responded in a way that would fit into their own worldview, where they form an indispensable and invaluable source of knowledge. Consequently, it would be beneficial in many ways to also survey US public servants to assess their views and opinions. Should, for instance, a future study on the perceptions of public sector workers vis-à-vis management consultants indicate that public sector workers also believe that management consultants are more innovative and more qualified to work on a particular issue, it would give much credence to the intersubjectivity hypothesis. Interviews with public officials would enhance the robustness of the findings in a future paper. Opposing results from a future study of public sector workers would not, by themselves, undermine the survey results presented given that the current paper seeks only to build on the general literature regarding the public sector as a growing client base for management consultants and the perception of management consultants in their work with the public sector. In future case studies, the author seeks to also evaluate the quality of management consultants' advice and its implementation challenges. This is beyond the current scope of analysis, but this article serves to begin initial research and discussion. Indeed, political science literature would indicate that political and financial costs of hiring management consultants are highly likely to exist.

This article provides a set of core assumptions and arguments that are comprehensive and could be further replicated and used across industries, governmental jurisdictions, and countries. The development of the American state and increased use of privatized forms of governance is of considerable importance to both scholars and the wider public. The increased use of management consultants is further evidence of the hollowing of the state,⁵⁵ and yet its prevalence leads one to question, as posited by Heinrich et al. as to whether "the state no longer has the ability to arrange contractual networks or otherwise carry out its functions without the assistance of agents?"⁵⁶ The questions generated from this study and future studies examining the use of contracting out government services and activities to management consultants are worthy of more research and investigation.

⁵⁵ Milward and Provan (2000, 2006).

⁵⁶ Heinrich, Lynn, and Milward (2010).

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