THE INCREASING CONTRIBUTION OF MANAGEMENT CONSULTANCIES TO MANAGEMENT KNOWLEDGE: THE RELEVANCE OF ARENAS FOR THE COMMUNICATIVE VALIDATION OF KNOWLEDGE

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Abstract
Organizational research has provided considerable evidence for an increasing homogenization of organizational structures and strategies strongly supported by internationally operating consultancies, which became highly reputed contributors to general managerial discourse. On the other hand organizational structures and strategies still vary to a considerable degree referring to crucial institutions on a national, sectoral, or field level and due to organizational idiosyncrasies, although this is disguised to a certain degree by a pervading new language associated with management fashions. This paper attempts to reconcile the (at first sight) inconsistent evidence for both diversity and homogeneity by a closer analysis of actors, processes, and places by which homogeneity is promoted and equally diversity maintained or reproduced. It emphasizes the relevance of arenas (formally institutionalized and personal networks) for the communicative validation of knowledge at a transorganizational level, and thus for the emergence or dissolution of fashions. At the transorganizational level de-contextualized ideas are spread, but also “translated”; a process by which different meanings are associated to these quite general ideas. A first step of re-contextualization of ideas takes place, within which the results of the enactments of ideas at the organizational level are reflected and interpreted. It depends on the composition of actors within, and the selectivity of access to these arenas, what the outcomes of this process will be. The relevance of arenas is emphasized by the evidence that the media, broadly “diffusing” models and concepts, are integrated into a variety of arenas themselves, wherefrom the “gatekeepers” of these media derive their intuition which ideas seem plausible and sound promising in a given context. The “societal effect” operates through and within these arenas. We expect the increasing internationalization of arenas and the thereby reinforcing influence of the “double-dealing” international consultancies to contribute to the perceived homogenization and “Americanization” of management knowledge, because the validation of knowledge is increasingly decoupled from local experiences and national (or other sub-contexts’) institutions. But this process appears not to be irreversible, nor inevitable. Anyway, it deserves more attention.

1 Helpful comments on a first draft of this paper came from Christoph Deutschmann, Owen Gorman, and Peter Jauch. Owen Gorman from Trinity College (Dublin), on a research visit at Tübingen University, did a great job trying to improve my English. The remaining “Germlish” and all other insufficiency have to be counted to my “credit”. Quotations from German texts have been translated by the author.
1. Introduction

“What makes organizations so similar?” This question opens the famous article of DiMaggio/Powell (1983) on institutional isomorphism. “Organizations are still becoming more homogenous” (ibid:147). “Much homogeneity in organizational structures stems from the fact that despite considerable search for diversity there is relatively little variation to be selected from. (...) Large organizations choose from a relatively small set of major consulting firms, which (...) spread a few organizational models throughout the land” (152ff) - and throughout the globe, we might add. An impressive body of research has provided evidence for organizational isomorphism, and for the growing influence of the aforementioned homogenizing actors (e.g., see Scott 1995). But the position outlined in the following quotation could equally find support:

“... the organization and control of work processes, and of workplace relations (...) vary substantially between institutional contexts. (...) scientific management principles (...) are now seen to be historically and societally contingent patterns of work organization (...) which by no means dominated industrial organizations in Europe or Japan (...). Equally, the idea that these sorts of work systems are being replaced by a single standardized form of work organization and control in the more ‘advanced’ capitalist economies (...) is increasingly discredited. Rather, the prevalent ways in which work is organized and controlled, and connected to more general labor management policies, in different sectors, regions, and countries vary considerable and there is no reason to expect any particular pattern to become dominant across institutional contexts on the grounds of economic efficiency or through “globalization by multinational companies” (Whitley 1997:227) - or multinational consultancies - we might add.

How can these different assessments be reconciled? How can we bring together diversity and homogeneity, variation and uniformity? Of course, there are some general answers: Level of analysis matters (worldwide, national, sectoral, field); whether we conceive of institutions as determining or to be “translated” or “actualized”; conflict between different institutional pressures matters, and institutional change matters (see also CEMP 1997:1f).² The following paper tries to contribute to the reconciliation of diversity and homogeneity by a closer analysis of actors, processes and places by which and where homogeneity is promoted and equally diversity maintained or reproduced. This is done in three steps. First, we suggest a model for the analysis of the emergence and change of management knowledge, which focuses on actors, arenas and media for the communicative validation of management knowledge. Second, we provide some evidence for the increasing contribution of consultancies to the management knowledge and discuss some of its effects. Third, we more closely analyze the process of the validation of contributions to management knowledge by and within arenas and media. We concentrate on a transorganizational level of analysis. Although we cannot pay equal attention to the processes of translation at an organizational level, we are interested in

² As Czarniawska and Joerges (1996:34ff) suggest, the paradoxes of fashions might serve as a bridge: homogenizing variation, varying homogeneity.
the re-translation (observation, interpretation) of organizationally enacted ideas. But we have to admit, that even for the main arguments our empirical evidence covers only some aspects of the whole process. The research project on which these are based is explorative in character. Thus, we have to be very tentative in our assertions.

The research project is dedicated to the two interrelated questions: First, for which reasons and motives are consultancies increasingly engaged. Second, to what extend and by which means do consultancies contribute to management knowledge beyond specific consulting projects. The results support the view that consulting has become a taken for granted service within German business and in many public and political issues (Faust 1998a), and that the consultancies emerge as a “new reflection elite (Deutschmann 1993). The research is based on two kinds of empirical evidence. (1) Quantitative analyses of origins of contributors to media and arenas for the communicative validation of management knowledge. (2) Interviews with different kinds of actors involved: high ranking managers of large and medium sized companies who decide about consulting projects and select consultancies; members (mostly partners) of some of the large international consultancies, but also of medium sized and smaller ones; professors of management science, who are additionally editors of journals, and gatekeepers of other media and of some selected arenas.

2. Emergence and Change of Management Knowledge - a Recursive Model

There are different attempts available to conceptualize a recursive model of the metamorphosis of knowledge, of institutionalization and de-institutionalization, “settled” and “unsettled lives”, “periods of crisis” and “periods of structure” (see e.g., Barley and Tolbert 1997; Czarniawska and Joerges 1996; Deutschmann 1997; Heintz 1993; Ortmann 1995). The different approaches have in common the idea that not a cycle but a spiral is the adequate image to represent what is happening. Visual objectivizations of this image have been provided by Barley and Tolbert (1997) and Czarniawska and Joerges (1996). The reason why our attempt only shows a cycle, is not only due to poor skills in handling Harvard Graphics, but - mainly - to the special attention we want to draw to specific aspects of the process of emergence and change of management knowledge which would overload a chart when integrated in a three-dimensional picture. Thus, the reader has to keep in mind the spiral-like characteristics of the process on his or her own.

The diagram emphasizes two major levels of the process by which management knowledge emerges and changes, and underlines their interdependency. We refer to them as phases of the translation (re-contextualization) of de-contextualized ideas (Czarniawska and Joerges 1996). Thus the recursive model can be described in three major steps, starting with any promising idea promoted by a reputable contributor.

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3 We gratefully acknowledge the funding of the research project by the German Science Foundation (DFG). Research is carried out at the “Forschungsinstitut für Arbeit, Technik und Kultur”, Tübingen, Germany, directed by Prof. Christoph Deutschmann.

4 We have to start somewhere, but do not forget, that any new idea does not start from scratch (see third phase). It is embedded in, but not determined by the institutional context given.
(1) Translation at the transorganizational level

The transorganizational level can be national, sectoral or related to an “organizational field” (DiMaggio and Powell 1983). Each sub-level is characterized by crucial institutions and a related managerial discourse. Contributions to management knowledge usually refer to one of these sub-levels and its institutionalized patterns of action, but each contribution to the sectoral or field level has to be aware of the prevailing institutions on the national level. Generally speaking, we can conceive of the transorganizational level as the “institutionalized environment” of organizations (Meyer and Rowan 1977; Furusten 1995). It is an “option setting” context of organizations (Perrow 1986) and builds a “corridor for decisions” (Ortmann 1995). New contributions to management knowledge are directed at the managerial discourse on the transorganizational level, where we can witness the first step of the translation of ideas (Czarniawska and Joerges 1996).^5 We will further analyze the actors, arenas and media involved and their various interdependencies later on. The main aim of this

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^5 What is the relevance and meaning of “Scientific Management”(see e.g.: Whitley 1997), “lean production” (see e.g. Ortmann 1995), “Intra/Entrepreneurship” (see e.g. Alvarez 1991; Faust et al. 1998; Wagner 1994), or “Shareholder Value” (e.g. Faust 1999) in different national contexts, where quite different national institutions governing, for instance education, private property, and industrial relations intervene with the de-contextualized concepts?
analysis is to specify the notion of the “general managerial discourse” as an “element in the institutional environment of organisations” (Fursten 1995:5).

(2) Translation at the organizational level
The general managerial discourse is interactively connected with the second step in the translation of the initially promoted idea: at the organizational level. Although the transorganizational level serves as a major option setting context for the organizational level actor, there is considerable room for an organization-specific interpretation and adaptation of any promoted and at least provisionally accepted concept, because the new idea only provides “rules of appropriateness” (March and Olsen 1989). These rules restrict the pool of socially supported patterns of behavior, but are still too heterogeneous and ambiguous to provide clear instructions (Hasse and Krücken 1996). The new rules of the game have to be “actualized” (ibid.) by the specific organization, i.e., they need to be perceived, selected, interpreted and worked out for different functions and levels of organizational activity. Translation (Latour 1987; Czarniawska and Joerges 1996; Fursten 1995) of ideas appears to be the adequate notion for this process, ideas are not passively “consumed”. “The translation model (...) can help us to reconcile the fact that a text is at the same time object-like and yet it can be read in differing ways” (Czarniawska and Joerges 1996: 23).

Following Barley and Tolbert (1997), this might be interpreted as the process of “encoding scripts” from the institutional realm, which includes the “revision” of existing scripts (see also Lepsius 1997). Organizations have to be conceptualized as “active players”, not as “passive pawns” (Scott 1995:132), also because they are exposed to different, even contradictory pressures (Friedland and Alford 1991, Lepsius 1997). And as Sahlin-Andersson (1996) has convincingly shown, also an

“‘imitating organization’ is not a passive adopter of concepts and models defined and spread at the macro-level. However, the ability to maintain and form local practices is not mainly found in the choices between institutions but rather in the editing of models and concepts. New meanings are ascribed to the imitated models so they can be combined with previous working models” (ibid.: 92).

“Agents of actualization” (internal “change agents” and external consultants), who are in close contact with the transorganizational arenas contribute to the translation of a new leading idea at the organizational level, but alongside these a wide range of internal actors with different professional views, sources of power, will and skill to influence organizational life (Mintzberg

6 The separation of the levels is analytically. Actors permeate levels. As we will see, many of the actors at the transorganizational level act also at the organizational level. The interdependency of the two levels (the recursive loop) mostly works through these actors

7 For the increasing “diffusion” of knowledge from social science - sometimes labeled as “scientification of everyday-life” - holds the same: The applied knowledge is not the knowledge applied; “application” of science appears to provide the same (mis)understanding as “black-boxed” “transfer” or “diffusion” of knowledge (Beck and Bonß 1989; Ronge 1996).
1983) invest in translating the idea. Thus, whether a promoted idea will be actualized or “edited” by a specific organization not only depends on the cultural and political support in the broader institutional environment in which the firm is located, but also on the emergence of a “coalition of change” within the organization (see Faust et al. 1994/1999). If the concepts involved become broadly accepted, it is very likely that the new language associated with them will prevail in the organization. Internal participants will feel forced to reformulate their interests or orientations to reflect the new vocabulary and fit within the new frame of references. To refer to institutionalized beliefs becomes a promising potential source of power in the ever ongoing micropolitical struggle for success and promotion within management. “Control over symbols” is crucial (March and Olsen 1989: 52).

(3) Re-translation: Observation and re-interpretation of organizational enactments at the transorganizational level

In a recursive model linking action and institutions (Barley and Tolbert 1997) we expect the results and experiences of change at the organizational level to inform the processes at the transorganizational level. But, because of the complex causal texture there is no unambiguous or immediate evidence of “results” or “experiences” available. Selection is necessary and inevitable both ex-ante and ex-post. Causality is open to negotiation (Czarniawska and Joerges 1996: 47). Who the interpreters of the experiences and results will be, and which actors will gain access to the arenas and media where management knowledge is validated is not only important for the rise of a new idea, but also for the further consolidation or revision of that idea - the selections from the complex causal texture (Weick 1979). What the “result” will be, is based on assessments and interpretations of the effects of the externalization and objectivization of organizational activities following new scripts.

To complete the picture we have to emphasize that the initial selection of ideas was already based on interpretations of the results of a former turn of the translation of previously convincing ideas. One full turn of the “myths’ spiral” (Deutschmann 1997) is completed when an assessment of the consequences of previously enacted ideas and concepts results in their replication, revision or modification. If those actors who had a stake in the initial formulation of the concept are the ones to evaluate the results, the more likely it will be that the initial idea will be judged successful and hence their application inevitable. Whether “globalization” will make progress and displays a homogenizing influence depends at least partly on the structure, actors and processes by which management knowledge is produced and communicatively validated, by on the degree of homogenization of the “significant carriers of management technology” (CEMP 1997:3). But the account of homogenization or isomorphism, which might derive from this process, will still disguise a lot of diversity concerning local patterns of activity and the different meanings ascribed to the translocal labels, until these eventually find their voice.
Within such a model a procesual conception of knowledge seems more adequate, emphasizing the metamorphosis of knowledge are constantly undergoing. “The meaning of the concept ‘knowledge’ is not definite” (Furusten 1995:23). Obviously, the full extent of this concept of knowledge, given its constant conversion, cannot be kept present in each step of institutional analysis, and we need different research methods for the different phases of the “translation of ideas”.

3. The Increasing Relevance of Management Consultancies

“Reality is socially defined. But the definitions are always embodied, that is, concrete individuals and groups of individuals serve as definers of reality. To understand the state of the socially constructed universe at any given time, or its change over time, one must understand the social organization that permits the definers to do their defining. Put a little crudely, it is essential to keep pushing questions about the historically available conceptualizations of reality from the abstract ‘What?’ to the sociologically concrete ‘Say who?’” (Berger and Luckmann 1967:116).

3.1 The set of actors and the role of consultancies

The presented chart highlights three major groups of contributors to management knowledge: consultancies, academics, and “pioneer” or outstanding entrepreneurs or managers (also called “hero-managers” by Huczynski 1993). Out of all these groups, but principally from consultancies and business schools, arises a fourth group the “management guru” (Huczynski 1993; Micklethwait and Wooldridge 1996); they are the main instigators of “popular managerial manifestations” (Furusten 1995). But no single group, nor any single actor, no matter how powerful this group or actor may be perceived, has the capacity to solely determine the outcomes.

Alongside the major contributors, other actors are involved in creation and dissemination of the managerial discourse from which management knowledge emerges: These include non-guru-status professional writers of popular management books or, journalists writing for important journals of the business press, representatives of professional associations, employer associations and unions; corporatistic collective actors, and diverse government agencies. Their role varies from time to time, and the intensity of their particular involvement and commitment depends on the issues that are being raised. But these actors are not contributors in the sense of a “creator” or “author” of new ideas. They mostly comment on,

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8 It involves objectified (mostly verbal) knowledge and subjective cognition, which can work “deliberate” and thus better observable, or “habitual”; represented in “scripts” and “schemata”, which we become aware of by continuous enactment. However, the scripts and schemata are also subject to “the schematizing power of institutions” (DiMaggio 1997; also Weick 1995). It appears as “common sense” knowledge in “settled lives”, and as highly ideological and questionable manifestations of knowledge of uncertain reality status in “unsettled lives” (Swidler 1986; Heintz 1993; Douglas 1986).
appraise, confirm, criticize, adapt, or further elucidate the “creative” contributions. They take part in validation. On the other hand, to become an accepted contributor usually involves being a credible validator as well.

“Creation and transfer of knowledge is not the ultimate goal of consultancies. Profit is it.” (Kieser 1998a: 11) But consultancies have to engage in the production and distribution of management knowledge, if they want to be successful in their primary field where they sell consulting projects. Management consultancies are involved both at the transorganizational and the organizational level. They act as “producers”, “wholesalers” and “retailers” of knowledge (Huczynski 1993). At the organizational level they mainly act as agents of “actualization” (Hasse and Krücken 1996) of new ideas. 9 As other “multinationals of expert services” international consultancies

“... practise the art of double-dealing (Bourdieu 1989) by guiding their clients through the regulatory (cognitive, we would like to add, M.F.) maze which they know all the better for having been, to a great extent, its designers” (Dezalay 1993:204).

Both activities are mutually dependent. Consultancies can sell their services to individual firms all the better, the more they develop a strong reputation as a knowledge provider (see Kaas and Schade 1995). Only on this basis can they meet the claims of their clients for orientation and legitimation. But also, demonstrable success in consulting activities is necessary, if a consultancy is to become acknowledged as a relevant contributor to management knowledge. By being engaged as a consultant by corporations which are recognized as excellent and by profiting from the aura of “hero managers” who successfully cooperated with the consultancy, they can prove the relevance, applicability, and beneficial nature of their knowledge on a worldwide stage. This fosters the consultancies’ position as a relevant contributor to management knowledge.10

Only large consultancies have a chance to become an acknowledged contributor to management knowledge, because they can afford the costs and overheads, necessary to build up their reputation: hire most talented candidates from the best business schools, establish research institutes and “practice groups”, write books and articles, attend relevant events. Overhead costs can only be met if the company already has a reputation which permits it to charge premium rates for their services. And only consultancies with an aura and reputation are likely to be invited to the most promising events. Therefore, only large consultancies operating on an international level have the opportunity to become fashion setters, to launch

9 The occasions for being engaged, the motives of their clients to engage them and the roles, they play within organizations, vary widely due to dynamics of internal and external coalitions (Kieser 1998b; Faust 1998a, b).
10 Consultancies widely provide exemplary knowledge, based on “world-wide best practices” and models of “excellence”. Although these “benchmarks” are to a great extent constructed by the consultancies themselves, they can only achieve their status, because they can demonstrate to be involved at the cutting edge of management innovations.
discourses that anchor certain practices as rational in the public opinion” (Kieser 1998a:16). The remarkable and increasing concentration of the international and German consulting markets (see Ittermann and Sperling 1998) goes back to a great extent to the need to become an acknowledged contributor to general managerial discourse, which can only be achieved by reputation, the image of a brand, and size. Most other, smaller consultancies or consultants do their business within the emerging context of fashions and trends, but do not have a chance to influence the overall creation process, although many of them try to be present in media and other arenas relevant to them. They mostly contribute to the actualization of trends at the organizational level; specialize in specific fields of expertise, are engaged in the field of small and medium sized companies, which are partly decoupled from the fashions emerging in big business, or occupy niches. Some of them exploit the growing uneasiness with management fashions and fads, which has created a niche of its own both in consulting and in the market of popular management media (see Shapiro 1996; Hoerner and Vitinius 1997; Staute 1996; Rust 1997).

3.2 The growing influence of consultancies - and its limits

Bendix (1960) identified a first major shift within the contributing groups to “management ideology” in the first half of the century: from outstanding practitioners (“men of action”) to “men with ideas” (see Neuberger-Brosch 1994). Whereas before the 1930s outstanding practitioners had a considerable share in producing the legitimation of management, within the Human Relations movement and thereafter increasing numbers of authors coming from the large group of intellectuals gained influence. The increasing academization of management itself within the following decades lessened the reservations of practitioners to the contributions from academically educated people. More and more academic professionals became involved in managerial tasks and filled staff positions of the growing corporations. The rise of the consultants as a major contributing group within the second half of the century and especially during the eighties can be seen as a special shift within the group of “men with ideas”. Contributions to management knowledge are increasingly provided by commercial contributors from consultancies and the Guru-Business. This process started earlier in the U.S., and emerged in Germany only after World War II. The late development of the consulting business in Germany is due to specific institutional arrangements and historical contingencies, which we cannot address here (see Kipping 1996; Kipping and Sauviat 1996; McKenna 1995), but can be seen to have contributed to the dominance of U.S. based consultancies in Germany, which continues to this day.

Starting in the 1960s the big U.S. consultancies, following their American clients to Europe and legitimated by the pervading U.S. model, gained a considerable influence on major managerial issues (see McKenna 1996; Kipping and Sauviat 1996). During the eighties consultancies not only expanded their services in scope and scale, but also, using all kinds of
media and participating in all relevant arenas, gained increasing influence on management discourse itself.

The influence of consultancies can be detected in almost all major management trends, particularly with regard to rationalization, strategic change and reorganization. Their contributions\(^ {11} \) became widely recognized and had a considerable impact on organizational change: the promotion of the Divisionalized Form, Overhead Value Analysis, Portfolio Analysis and Success Strategies in the field of strategic management in the 1960s and 70s, the Corporate Culture Movement in the 80s (for Germany see Neuburger-Brosch 1994), Lean Production; Just-in-time Strategy and Total Quality Management; Business Process Reengineering; Back-to-Core-Business and Outsourcing Strategies in the late 80s and 90s, and recently the Shareholder Value Concept. The importance of their contributions is stressed by the fact that some of the propagated concepts (like the Portfolio Analysis, Overhead Value Analysis) were not only widely used in German corporations, but also found their place in standard academic textbooks, still showing the authorship of BCG, McKinsey, A.T. Kearney and ADL (see Faust 1998a; Kreikebaum 1993). For instance, the German debate on “process management” was initiated by the consulting business. Business Process Reengineering is a “consulting product”; almost all Anglo-American books and articles opening the debate on this topic are written by consultants (Nippa 1995:66f; see also Jackson 1996; Fincham 1995). The German academic contributors to the field of knowledge are quite occupied to keep the pace (see Nippa and Picot 1995). The Business-Process-Reengineering and the shareholder value fashions are excellent examples of the dominance of the consulting companies contributions and their impact on academic debates. Critical academic assessments of these issues are inclined to stress that the underlying ideas are by no means new or innovative, but rather have been developed by scientists long before, and have either been forgotten or their practical usefulness has been previously underestimated. But these objections only serve to underline the degree to which the consulting business is able to influence academic “agenda setting”.\(^ {12} \)

Although consultancies have gained influence and can be seen as “fashion leaders” (Czarniawska and Joerges 1996:36), they are not the only contributors to management

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\(^ {11} \) Consultancies are best known by their fashionable concepts like “Overhead Value Analysis or “Reengineering”. Less obvious is that they influence agenda setting, and define situations and problems. Thereby, not only the promoted strategies and concepts come to be perceived as “inevitable”, but also the manager’s perception and world view are shaped beyond the peculiar strategy or concept (e.g. for the case of “value based management” see McKinsey & Company 1997; Copeland et al. 1998; Price Waterhouse et al. 1998).

\(^ {12} \) Abrahamson (1996:269), referring to the study of Barley et al. (1988), gives similar evidence for mass media influence: “Their study suggested that the corporate culture rhetoric, developed in the popular management press, shaped the academic press’s rhetoric, rather than vice versa”.
knowledge. Their contributions often refer to those of others, and sometimes compete with them.

Outstanding Practitioners: The times have gone when management knowledge was closely associated with the illustrious names of practitioners - a Henry Ford, Chester Barnard, Henry Fayol or Alfred Sloan. Continuing the trend which has been described by Bendix (1960), practitioners only rarely significantly contribute new ideas. The phenomenon of “hero-managers” mostly stems from the American context, although the published ideas of a Lee Iacocca, or Jack Welsh (see Kieser and Hegele on this conference) are recognized in Germany, too. But the German management tradition, emphasizing far more collegial decision making, hardly produces “hero managers”. But also American hero managers are often a product of mass media, management gurus, and consultants, who like to give their views and recommendations the appeal of applicability and credibility by referring to extraordinary managers (see e.g. Peters and Waterman 1982; Pinchot 1985), and at the same time maintain the feeling of managers to have a “contribution-ownership” (Huczynski 1993). Thereby, they stabilize the authority of top-managers, which helps to sell services. “Hero managers” are often second-hand heroes. But nevertheless reputable managers play a considerable role in the process of fashion building and dissolution in Germany. They contribute to the ongoing debate by writing articles for books and journals, as speakers at conferences, and as teachers on training events. They confirm and sometimes refute a new idea, criticize an outmoded traditional habit to manage, and - most important - show with evidence from their company that and how a new idea can be introduced with positive effects on competitiveness, or has to be modified referring to the specific context. Ideas which cannot find articulated support by practitioners are not likely to become a fashion and widely enacted, but practitioners do not stand at the beginning of a fashion. Managers who are actively involved in the managerial discourse have always been a minority, and their share has decreased in recent years. Many of our interview partners pointed at the fact, that “Lean Management”, the decline of staff positions with considerable freedom to reflect on management, and the increasing workload and responsibility of line managers have all lessened the capability of managers to engage in the general managerial discourse (see Faust et al. 1998). E.g., an editor of a journal, which is attempting to serve as bridge between management science and management practice, reported that it is quite difficult to attract authors from practice, despite the fact that the editing board has been trying harder than ever before.

Academics (as individuals) contribute directly to practical management knowledge to a considerable extent: as teachers of students who are the future managers, as authors of books and articles addressed to a broader public than the scientific community, as teachers of managers on seminars and conferences, and sometimes as consultants. We do not want to go
into the debate whether all these contributions can count as scientific. Much of the knowledge provided by teaching is quite often practically used and acknowledged by managers. It is part of the common sense knowledge of managers (instruments, techniques, knowledge about basic institutions like established accounting principles, legal status and forms of companies etc.). The influence of scientific knowledge on everyday knowledge - even in fields that are considered as scientized - goes far beyond the knowledge transfer of academics. It works through different carriers (graduates, consultants) and media, and very often travels quite winding, or even unknown paths, along the way it undergoes a constant metamorphosis; it is selected and reconstructed newly, so that the initial academic “authorship” vanishes (see Beck and Bonß 1989, Bosch 1998).

Due to their scientific socialization and because they have to legitimize their contributions to practical management knowledge within the scientific community, academics mostly show a critical attitude to management fashions and the dramatization of newness promoted by consultants. Although on some levels the academic agenda setting is influenced by the agenda setting in general managerial discourse, academics are not the initial authors of new ideas in managerial discourse. At least in the German context, the status of “management guru”, as described by Huczynski (1993), does not go very well with an academic reputation. But the increasing pressure on management science to prove the relevance of its achievements on a practical level has induced more academics to address managers’ needs and problems more directly, and to become personally involved in the translation of scientific research to managers, or even to take up consultancy activities directly themselves. These academics are the ones who become best recognized by the gatekeepers of the media, and are invited to conferences and training seminars for managers (see below). Thus the academics’ affinity to practical needs is met by the selectivity with which gatekeepers of media and arenas refer to sources of management knowledge. But still, the reasons why contributions of academics are appreciated within the general managerial discourse differ widely.

The increasing relevance of consultancies can be demonstrated by their appearance in a variety of media and relevant arenas for the communicative validation of management knowledge. Within our research project we analyzed the composition of contributors (as

13 It depends on how “applied science” is integrated within the “highly autonomous system” of science (Kieser 1998a:6ff; Luhmann 1977). The “fragmented adhocracy” (Whitley 1984; see also Engwall 1995) of management science not only provides for a highly specialized, inconsistent, and multi-paradigmatic body of knowledge (see also Kieser 1998a:9), which allows for selective use and transformation by practitioners and managers. Management science is also characterized by quite different attitudes to managerial practice and external expectations of applicability. Thus, what can count as scientific contributions differs on the epistemic assumptions which gain influence within management science, which can be traced back in very different perceptions and practical attitudes reported by academics (for the German case see: Osterloh/Grand 1994/1998; Bosch 1998; Howaldt/Kopp 1998; DBW 1996).
authors; speakers, or cited experts) to several media (book programs, journals, magazines) and arenas, which are differently related and dedicated to management practice or management science. We cannot present the results of our analysis in detail\textsuperscript{14}, but only want to consider some major trends. The more practitioner-orientated the medium is, the more contributions of consultants are likely to be observed. The more closely related the medium is to science, the less becomes the influence of the consultant. Turning to the arenas under analysis, we can see a similar picture.\textsuperscript{15} The closer the organizer is related to science, the less consultants are invited as speakers. The editors of scientific journals and academic organizers of conferences mostly try to express their expected dedication to management practice by inviting more practitioners. In the following passage we present the quantitative results for two media - a book program dedicated to popular management literature, and a popular management journal. Interviews with gatekeepers can give explanations, how the quantitative evidence is produced (see the next section).

\begin{enumerate}
\item \textit{The book program of the “Campus” publishing house.}
This publishing house is one of the leading and most successful German publishers in the market segment of popular management literature. It published some of the most fashionable and best-selling books of the last decade. In 1983 a special series dedicated to “business practice” was established. The analysis covers all titles of this program for the period from 1983 to 1997. The main results are (see Figure 2, appendix):
\begin{itemize}
\item A decreasing share of academic authors.
\item An increasing share of consultancy-based authors; at the end of the period more than 50 percent of all authors came from this group. A remarkable increase occurs after 1986, coinciding with a sharp decline of academic contributions.
\item At the same time the share of contributions from practitioners increased to about 20 percent, but stayed constantly below the consultants’ share.
\end{itemize}
The dedication to the market segment of popular management literature and to commercial success seems to have resulted in a growth in the importance of consultants and a corresponding decline in the importance of academic contributors.

\item \textit{The “manager magazine”}
This is one of the major German magazines addressed to managers with about 120 000 copies sold per edition. According to independent media analysis almost 60 percent of the readers come from the two upper ranks of management and 27 percent are self-employed business people. The analysis of the composition of the cited experts from 1980 to 1996 shows the
\end{enumerate}

\textsuperscript{14} Results will be published in a forthcoming research report.

\textsuperscript{15} The selected arenas are different conferences which were repeatedly held for a longer period. They refer to formally institutionalized arenas, introduced in the following section.
following trends, although the shares over time fluctuate considerably (see Figure 3, appendix):

- Managers are still the major group to which the journalists refer to as experts of management and business issues, but within the period they become significantly less appreciated as experts of their own business. The share of other, non-managerial practitioners fluctuates over the period with no obvious trend.
- Since the mid-eighties consultants have been more acknowledged as experts. At the end of the period they constantly account for about 20 percent of citations. For most of the period consultants are considered more as experts than scientists. But the increasing share of consultants has not been at the expense of scientists, whose share fluctuates around a slightly increasing trend line.

**In summary we can see:** When we consider the more obvious manifestations of knowledge in management literature and authorship of pervading management fashions, consultancies and management gurus would appear to have gained a considerable influence on management knowledge. Furthermore, consultancies are increasingly acknowledged as experts on most managerial and business issues by all groups of actors we covered with our interviews: managers, scientists, media gatekeepers, and the consultants themselves. Meanwhile, they are also consulted as well respected counselors for many political issues (see Faust 1998a). The increasing importance of consultancies for managerial discourse has two major effects:

1. A growing “commercialization” of management knowledge (Neuburger-Brosch 1994; see also Czarniawska-Joerges 1990; Fincham 1995; Huczynski 1993). This leads to an considerable acceleration of the “myths’ spiral” (Deutschmann 1997) and an increasing “dramatization of newness” aided by the mass media with its general affinity to novelty.
2. Given the significance of internationally operating consultancies of U.S. origin within the German market this has contributed greatly to the widely perceived “globalization” and hence “homogenization” of management knowledge, which in practice means an “Americanization” or at least has lent a “North American bent” to this knowledge (CEMP 1997:1).

But this is only half of the story to be told. The acceleration of spiral turns of management fashions and the perceived Americanization is also a constant cause of uneasiness within German management circles. The diversity within consulting itself can not only be explained by diversification strategies of consultants, but also by diversifying attitudes of organizations and hence management to mainstream and big business consultancies. As has been pointed out before: Which contributions to management knowledge gain influence or are rejected, whether a new idea will become a fashion or will help to create a new master idea, what meanings are associated to the de-contextualized ideas, and finally how the results of the enactment of new ideas will be judged, is decided within managerial discourse in different arenas, a process in which a wide variety of different actors are involved.
4. The Relevance of Arenas and Media

4.1 General managerial discourse and arenas

Accepted knowledge emerges within “general managerial discourse” (Furusten 1995:5). With the concept of “arenas” we specify the “general managerial discourse”. It takes place somewhere, specified in time and space, and is related to existing institutions (nationwide, sectoral, field). The term “arena” - compared to “media” - stresses the image of “places” where contributors to practical management knowledge and other participants of a field meet personally. Thus it emphasizes copresence of actors and personal communication.

Interpersonal communication is important because individuals may arrive at new insights, but cannot develop trust in new insights on their own (see Siegenthaler 1987:256). Below, we will give an impression of relevant arenas for the German case, which has been derived from interviews with managers, consultants, academics, and gatekeepers of media and arenas. We identify two different types of arenas: formally institutionalized and personal transorganizational networks.

(1) Formally institutionalized arenas cover the whole spectrum of organized occasions where managers and other participants in the broader institutional context meet outside of their organization (committees, congresses, conferences; seminars and workshops for further training and exchange of experiences). These arenas focus on different fields of activities and knowledge, and are either of a more general or a more specific relevance (general or functional management, organizational fields and industries, professions). They are provided by a variety of suppliers and are formally institutionalized to quite differing degrees. Formally institutionalized arenas are an important stage for the contributors to management knowledge, and are actively attended by them. For the German case these arenas are mainly:

- commercial suppliers (e.g. “Institute for International Research” (IIR)).
- professional associations (e.g. “Verein Deutscher Ingenieure” / “Association of German Engineers” / “Deutsche Gesellschaft für Personalführung” (DGFP) / “German Association for Leadership”).
- Employer, trade and industry associations and other private, non-profit organizations from the so-called “Wuppertaler Kreis” (e.g. “Akademie für Führungskräfte - Bad Harzburg” / “Academy for Managers”). Of particular importance for general management issues are the “Universitätsseminar der Wirtschaft” (USW) / “University Seminar of

16 Many congresses are “rituals of confirmation” without critical debate, they confirm the already “convinced” participants and further isolate the doubters (Kieser 1996:29). These events also provide for occasions for informal communication which is often more important than the official agenda.

17 Their primary intention may not be to provide someone with knowledge, but to raise funds, to gain contacts, to market their company, to cultivate their ego or to gain a contract.
Business” and the “Baden-Badener Seminare” of the “Bundesverband der Deutschen Industrie” (BDI)/“Federal Association of Industry”. These institutions have been characterized as the “hidden German business schools”, and the USW is estimated as the German answer to Harvard (see Kipping 1997: 15ff).

- Corporatistic organizations like the “Rationalisierungskuratorium der deutschen Wirtschaft” (RKW)/“Committee for the Rationalization of German industry”\(^{18}\), and the “Verband für Arbeitsgestaltung, Betriebsorganisation und Unternehmensentwicklung (Refa)”/“Association for workplace design, organizing and organizational development” and state agencies, responsible for the implementation of political programs concerning technological innovation, or workplace reform (e.g. the diverse “Projektträger”/ “carriers of government programs”).

- Institutions of higher education and applied research, including: a growing number of university chairs of technology and business departments\(^{19}\), many “universities of applied science” (“Fachhochschulen”)\(^{20}\), the private university WHU (Vallendar/Koblenz), “Fraunhofer-Gesellschaften” (FhG), a partially government funded organization for applied research, and the “Schmalenbach-Gesellschaft”. The latter is an organization established to act as bridge between management science and corporate practitioners. It holds yearly conferences, and organizes several working groups (e.g. on corporate finance, organizing) which publish their findings.

- Media producers: Leading publishing houses (e.g. the “Handelsblatt”) themselves organize important conferences and seminars for management training.

(2) **Personal networks:** Their relevance for the communicative validation of knowledge is often underestimated as they are much less obvious and observable than institutionalized arenas.\(^{21}\) We want to highlight their importance. They arise from direct interpersonal relations of an individual to which he or she is committed on a more or less regular basis. As we are interested in the transorganizational level and the specific issue of management knowledge, we concentrate on relations outside the home-organization.\(^{22}\) But we do not forget that

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\(^{18}\) In 1998 the RKW changed its name to “Rationalization and Innovation center ...”. This can be seen as an attempt to overcome its outmoded tayloristic image.

\(^{19}\) E.g., for German managers St. Gallen University, although located in Switzerland. In general, relevant university “chairholders” are quite often the same people who in addition act in a consultancy mode.

\(^{20}\) Some of these “Fachhochschulen” and their attached academies and knowledge transfer centers are meeting points for a specific industry in a region, part of an “organizational field” (DiMaggio/Powell 1983). Few of them have achieved even an international standing as business schools.

\(^{21}\) The personal network may be symbolized by a couple of telephone numbers in a manager’s address book.

\(^{22}\) We are not interested in all dimensions of network relations of an individual, but only in those relations which are connected with business/management, i.e. an uniplex perspective on personal networks (see Schenk 1995:16).
management knowledge is also validated within the specific organization. A selected circle of people permeates the organizational and transorganizational level. The transorganizational network is more extended and more heterogeneous, but inversely related - less dense than the intra-organizational “network” (Schenk 1995: 17). New ideas are mostly brought up via institutionalized arenas and by mass media. The personal network operates under this “umbrella”. The main effect of a personal network for the individual is not to enable him or her to know of new ideas first, but rather to hear from more closely related and trusted individuals, which ideas are worthy of recognition, seem plausible, or which are likely to become fashionable and as such cannot be neglected. The individual seeks to develop a better understanding of the various meanings which may be associated with general new ideas, how these ideas might be operationalized and what has been the experience of others when these new ideas have been introduced into other organizations. Thus, people from other contexts are of interest. These people provide different experiences and often also different types of knowledge. These interpersonal relationships are not characterized by organizationally defined dependency or considerations. Communication partners of a personal networks are voluntarily chosen; the relations require a certain level of trust in order for them to be maintained.

Personal networks emerge from quite different occasions, many of them are everyday organizational activities. Many of the personal network relations do not start out with the explicit intent of experience exchange, e.g. the initial idea may have been to utilize the “strength of weak ties” to sound out external career opportunities (see Granovetter 1973). However, they may take on this feature over the course of the interaction; sometimes this remains a casual, but useful side-effect of interactions, driven by other needs in the first place.

E.g., personal networks arise from repeated interaction with people from customer or supplier organizations (including consultancies), and even competitors (e.g. fostered by the increasing importance of benchmarking). Personal networks also arise from membership in boards of other companies (maybe company boards have to be added as an important institutionalized arena). Although relations to customers, suppliers and especially competitors often require a cautious attitude, they can become detached from the type of interaction originally defined by the organizational context or contract relation. Contact is maintained to former colleagues who have moved to other companies. A special form of network arises from the mutual relations between consultancies and their former members who have moved into a management position elsewhere. Besides informal relations the consultancy as organization pays official attention to its alumni network, which is well recognized, and widely used as device for marketing and acquisition.

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23 To expose oneself as doubter within an organization can be highly risky for the person’s internal power base and career prospects. Managers cannot reveal their uncertainty or even objections to a fashion to subordinates or colleagues, because they may be forced to follow this fashion anyway and might consequently lack the authority and support when it really counts.

24 Personal networks of top-managers and owners, often themselves top-managers of corporations or managers of banks, are a crucial feature of the German system of corporate governance (see Windolf/Beyer 1996). Important meeting points of the German business elite are the boards of large corporations, including the banking sector.
Personal networks also arise from education, as people keep in touch with colleagues in other companies with whom they shared university life (in some countries fostered by official alumni-networks, but hardly ever in Germany). Furthermore, personal networks emerge from institutionalized arenas, as managers meet colleagues at training events or conferences whom they appreciate as a partner for further exchange of ideas and experiences. The personal network of a manager does not only include relations to colleagues of the same profession or other managers, but often other actors involved in a field.

E.g., a professor of business administration repeatedly meets an entrepreneur from his region. The professor appreciates these meetings because he can keep up contact with practical business problems. The entrepreneur likes to discuss the current problems of his company and new concepts with a neutral, independent person without any contractual obligations. A top-manager of a company from time to time meets a consultant for dinner, whom he learnt to esteem through a consulting project. Without aiming at a consulting contract, he discusses the current problems of his company. He expects to hear about emerging problems in the industry and about promising new concepts. Although the consultant’s ulterior motive of acquisition may remain vivid, the relation can take on a different character from his side, too.

The validation of management knowledge occurs within overlapping networks of consultants, managers, management trainers, university teachers and researchers, members of different government bodies, and intermediate organizations (e.g. the chamber of trade and industry), and sometimes gate keepers of media (see below). Each personal network is indirectly connected to the ideas and experiences, which circulate within the different structured networks of the partners of one’s own network (second/third order network, see Schenk 1995:16). New ideas circulated by management press and within the institutionalized arenas are picked up there, and critically assessed. The personal networks are closer to the knowledge “applied” in and emerging from existing institutions. Which new directions seem inevitable? Which new ideas only sound like the “flavor of the month”, and not even a fashion, to be attentive to. Do new ideas appear to be at least partially compatible with established routines? Which ideas or concepts potentially boost the manager’s or the professional group’s power within the company or an organizational field? The communication which takes place here appears to be a relevant phase in the graded process of the translation of ideas. Whether fashionable ideas are picked up, and eventually contribute to an evolving “master idea”, or are neglected or refused, is decided to a great extent within this context, which can be seen as a link between organizational experience and the constant flow of ideas.

4.2 The change of arenas and its selective effects - a tentative approach

Institutionalized arenas are mostly nationally based, many of them rooted in national institutions which pervade the economy and society and link both together: the educational system and professions, (other) state agencies, the system of industrial relations. But even
most suppliers who act within markets still operate only on a national basis. So, all actors who try to influence management knowledge have to gain access to these nationally based arenas. For small and medium sized consultancies these national, and very often clearly focused arenas (trade/industry, functional) are their natural playgrounds, because it is there they meet their potential clients from small and medium sized enterprises (SME). They have to participate in the management discourse of this sector which still differs significantly from that of “big business”. Additionally, consulting in this sector is funded by government programmes, which are distributed by state authorized organizations like the RKW. Amongst SMEs the RKW is still an important hub of contacts, funds and knowledge. Small and medium sized consultancies are quite eager to be admitted to the pool of consultants administered by the RKW. Traditionally, the large consultancies and particularly the U.S. based firms address this sector at most marginally. But of course the U.S. based consultancies have sought access to the other national arenas which focus more on big business and general management issues.

In international comparison the relevant arenas differ to a considerable degree. This refers to the extent to which state agencies and the associations of industrial bargaining are involved in the creation of arenas. In Germany organizations as the “Refa-Verband” and the RKW used to be important arenas for management debate, and brought together a wide range of actors. In other national arrangements some actors, as for instance the unions, are almost excluded, and both government bodies and employer associations are of less importance, whereas in the corporatistic German arrangement these actors have the opportunity to raise their voice.

E.g., in the Anglo-Saxon world commercial consultancies (the “Bedaux Association”) played an important role in the distribution and implementation of the guiding ideas of “scientific management”, whereas in Germany the RKW and Refa-association were strongly involved in this process; commercial consultancies played hardly any role (see Kipping 1996; Kipping and Sauviat 1996). These different arrangements are likely to have influenced the specific national translation of the guiding ideas, the diversity of “taylorism” (see Whitley 1997).

More generally, we can conclude that arenas for the communicative validation of management knowledge are more or less integrated into the broader societal discourse, and are open to issue raising and influence by social movements which mostly have a national basis. The “societal effect” (Whitley 1997: 254) operates through and within these arenas. But transnational arenas have been gaining importance. This is due to the ongoing internationalization of business organizations and hence management and the growing importance of the supra-national level both for state agencies (especially the European level),

25 A “transnational bourgeoisie” is at the most a tendency, if we consider education and career paths (Hartmann 1999).

26 Many of the large transnational corporations cooperate with the most highly respected European and U.S. business schools and send managers of their higher ranks to these schools for further training. The need for an internationalization of management has been broadly acknowledged in the last years (see Faust et al. 1998).
transnational regulatory bodies and the internationalization of industry/trade and professional associations. Lagging behind, some universities or university departments have created international arenas through international cooperation with educational institutions from the U.S. and other European countries. In turn international personal networks are supported by the alumni networks of these educational institutions. Furthermore, the highly reputed European business schools (like Insead) have gained a growing influence in the education of the higher managerial ranks, and hence have helped to create transnational arenas by organizing conferences and seminars and thereby have contributed to the emergence of international personal networks (see Marceau 1989). Last, but not least, large commercial training institutes like the IIR - “the World’s Leading Business Information Company”, or at least this is how they advertise themselves - penetrate the German market of business training. Correspondingly, arenas which are strongly rooted in specific national institutional arrangements have come under pressure and are loosing influence.

The RKW as well as the Refa-association have lost recognition as an arena for the more general managerial discourse. The RKW right now is most likely to loose its government support as the provider of an arena for the more general management discourse, and to be pruned back to an agency which administers funds to foster SME consulting, and to just another, ordinary supplier of management training exposed to a competitive market.

The internationalization of arenas favors large, internationally operating contributors to management knowledge, who are held in repute, the “double-dealing” consultancies. Therefore, it reinforces the trend towards the concentration of the consulting business and the significance of the guru business. The restructuring of arenas and the concentration of knowledge contributors are mutually reinforcing. Most probably, this goes hand in hand with a specific selectivity of contributions.

Participation in international arenas is also highly attractive for career orientated managers. It not only serves as an incentive; these managers can use the inputs from the cutting edge of business knowledge and the aura of a “consecrated” person in order to attain a better position in the competition for concepts and careers within organizations. Access to these international arenas will be more restrictive than to the traditional, mostly nationally based ones. “High potentials” and the higher ranks of management will be favored. Therefore, the communicative validation of management knowledge which takes place in these arenas will become more selective as well, because its participants will be removed from operative experiences and will suffer the filtering effects of organizational hierarchies. Furthermore the personal networks do not stay unaffected by the internationalization of economic activities and the institutionalized arenas from which these personal networks often emerge. Therefore, the personal networks of an elite of managers will also change their center of gravity. New ideas and the advantages or disadvantages of established structures, strategies, routines and procedures at their home base are more and more validated in communication with members of an international management elite and within the type of discourses appropriate to this
level. Tensions between different arenas and the respective knowledge validated are likely to emerge, especially between the internationalized arenas and those which remain nationally focused. Some of the relevant institutionalized arenas will become increasingly decoupled from the primarily nationally operating personal networks of many managers. The ideas and concepts which the participants of these internationalized arenas inject into their home organizations might often clash with the more local and indigenous knowledge of most of the other actors. We can call this “increasing cognitive decoupling”. But how far this process can or will proceed is difficult to assess.

At first sight, the “globalization” of arenas appears to be a highly unstructured process driven by different actors who themselves operate on a global level. A corresponding decline of the power of the nation state to regulate economic affairs seems to be emerging. But as has been stressed throughout the extended debate on “globalization”, parallel to this at first sight unstructured process globalization also involves structured responses, such as the creation of transnational regulatory bodies, or with regard to an EU level, new transnational political institutions are being built up which to varying degrees (re)regulate (sometimes deregulate) markets and organizations. Within these emerging institutions new arenas are likely to be created. Within this process of transnational institution building different kinds of “double-dealing”, transnational knowledge intermediaries (consultancies, tax and audit companies, analysts of investment banking; law companies) appear to be of great importance (see: Dezalay 1993). The European level deserves more attention (of course, within a European group of Researchers). European political institutions manage huge funds to foster applied research and other business innovation activities which are highly attractive for internationally operating consultancies. The European Union is covering more and more fields of economic activities with regulative initiatives. As far as we know, there is only scattered information on the arenas emerging from the European political institutions (committees, project groups to work out and implement Commission programs, conferences etc.). Some occasional evidence shows that consultants benefit broadly from financial support from the European Union, and that the large international consultancies are heavily involved in the development and implementation of European Commission’s programs and initiatives.27 How these European arenas are set up is very likely to have a strong influence on whether the internationalization of arenas will reinforce the “Americanization” of management knowledge or if it helps to maintain or even foster (European) diversity (see Crouch and Streeck 1997; Whitley and

27 The European Commission supports itself on the “research” and the recommendations of international consultancies, sometimes probably because it lacks an alternatives of an equally powerful, initiating and internationally connected set of actors from science. E.g., the “Phare Customs Program” is implemented by a Price Waterhouse project group; the Commission’s partners for the “EXPROM” program, dedicated to the “export promotion to Japan”, are a consortium of “Eurochambres” and “international market specialists Roland Berger and Partner GmbH” (all information from the web-site of the European Community, but not further investigated).
Kristensen 1997). Probably, the CEMP Research Project can help to find answers to the questions raised.

4.3 Media revisited: Media production and social networks

The business press and book market has gained an increasing share within the whole media market. The market for business related media products is highly diversified, and not all products are commercial products (e.g. journals of non-profit associations which are distributed to their members), nor can they all be considered mass media products. Some only address a very specialized public (specific professions, business functions, industries or trades). Thus, some are only of importance for specific organizational fields, others for the general managerial discourse. For this paper we have chosen to concentrate on mass media in the business field. It can still be argued that the proposition we are going to make applies even more to focused media groups which are clearly connected to arenas of an organizational field.

The term (mass) media usually refers to the transfer of information to a dispersed public, with no direct interaction between producers and readers or among readers. Therefore mass media are seen as means of the “diffusion” of knowledge; media appear to be mere “carriers” of knowledge. But the contributions to management knowledge spread by the media emerge by a process of selections. “By rigorous selection and structuring of the disposable supply of pieces of news mass media shape our image of reality, and tell us what is important right now, what is worth to be thought about” (Schenk 1995: 1). Although the mechanisms and codes of selection and structuring differ between the different types of media, selectivity is the common feature of all media production.

Manuscripts from authors are revised and selected by editors, editorial and review boards; particular authors are invited to contribute to edited volumes or journals; journalists and editorial conferences decide on key topics of planned volumes. And journalists and editors decide about, whom to consult when they choose a relevant issue or investigate a specific topic (see: Charlton 1997; Haller 1994; Peters 1994). Finally, they decide to whom they refer to when writing their article in order for it to appear convincing to the addressed public.

Research on mass media has therefore put strong emphasis on the power of the “gatekeepers” concerning “agenda setting” and “reality construction”. But to what extent, in which respect and under what conditions various media in fact influence public agenda setting and - even more doubtfully - public opinion on a given topic is by no means without contention, as the considerable body of research on mass media influence shows.28

The quite popular image of an atomized society of passive media recipients exposed to the agenda setting and persuasive power of mass media producers which was suggested by the concept of mass society is inadequate. Research on the cognitive effects of mass media was shifted to their agenda setting capacity, e.g. not the power to tell people what to think, but

28 For the following passage we mainly refer the comprehensive review of the research by Schenk (1995).
what to think about. Still, agenda setting could have implicit effects on opinions, as it involves
the definition of problems, which often leads half the way to a restricted set of “adequate”
solutions. But the term “agenda building” (Rogers and Dearing 1988) better encapsulates the
notion that public agendas emerge from a complex interaction within social networks, in
which journalists and editors are involved. Here we witness an important shift in research on
mass media effects as an result of the growing attention being paid to social networks as
“places” where public agenda setting and opinion building takes place. Small groups are not
necessarily only to be taken into account, but also extended social networks (Schenk 1995: 13).
The “weak ties” of extended personal networks unfold their “strength” (Granovetter
1973). “One should speak of a cyclical process of communication, within which mass and
interpersonal communication interact, but interpersonal communication serves as a hinge.”
(Schenk 1995:231). Autonomous media influence has traditionally been overestimated (ibid:
233; see also Peters 1994). This also sheds a different light on the perceived autonomy of
“gate keepers” to select. How free are the to ascribe relevance to issues, to promote specific
opinions, to select relevant contributors and to expose opinion leaders? Media producers who
act in a commercial market place have to be especially aware of “leading” opinions and
agenda setting “outside” the media world to have the chance to arrive at selections which
make their products a commercial success. Therefore, the gatekeepers have to take into
account the social networks or arenas within which specific agendas and opinions prevail.
They keep in contact with “opinion leaders” within social networks, who are better conceived
of as mediators and representatives of a given group’s thinking. In this manner they preselect
topics and beliefs, which appear to be selected only in the late phases of producing a specific
dition or article. They develop a “feeling”, an intuition for what is relevant. This ability is
also used by other participants in the arenas. The gatekeepers of highly respected media are
sought after as communication partners for managers and consultants as they provide them
with an overview of the broader managerial discourse in a more personal and convincing way
than that provided by mass media products themselves. Thus, media gate keepers can take on
the character of personalized two-way bridges between media and arenas or social networks.
The gatekeeper’s activities emphasize the importance of interpersonal communication for the
validation of knowledge. The selectivity practiced by gate keepers is then pushed a step
further by the acts of selecting arenas to attend and selecting actors whom they perceive as
relevant and credible. On the other hand each particular arena is embedded in the constant
flow of mediated knowledge. To give an impression of how gate keepers select and thereby
refer to their personal network, institutionalized arenas and other media, we consider once
again some concrete evidence from our field research.

(1) An editor of the above mentioned publishing house stresses that the main selection
criterion of manuscripts and authors is: “Will it be bought, does it pay out?” To achieve this,
the book must have some relevant new aspects. Asked, which type of author he estimates to
contribute most to these demands, he responded that he favors practitioners in the main, also
consultants (“if they have an interesting concept”), and professional writers. (Social) scientists are of less importance, unless they are already acknowledged in management practice. But these articulated preferences only partly coincide with the results of our authorship analysis (see above); practitioners and professional writers are especially overestimated, and consultants (gurus from consultancy included) underestimated, whereas the declining share for scientists does appear in our figures. The editor uses a wide range of information sources to develop his intuition about what seems “new”, attractive for managers and therefore what will “pay out”. International, mostly U.S. publishing agencies provide him with information about best-selling or promising authors, books and issues from the international scene. Regularly he takes notice of the best known international business press and journals (Economist, Business Week, Fortune, Harvard Business Manager) to get a sense of international trends and fashions.

The publishing house is well known for its German translations of many of the best-selling guru-books worldwide. But to decide which books, authors or topics stemming from the international scene will be equally attractive to the German market, he takes note of the acknowledged German business press (Handelsblatt, Frankfurter Allgemeine Zeitung, Manager Magazine, Wirtschaftswoche, Capital, Spiegel, Focus), and participates in various institutionalized arenas. He appreciates the yearly conference of the Schmalenbach-Gesellschaft, where he can meet scientists as well as high-ranking managers, and talk to them informally. But he also attends other conferences he gets invited to by all kinds of contributors to management knowledge (consultancies, scientists), many of whom are already authors of the publishing house. Frequent communication with house authors is a main source of his assessments. He maintains a personal network which adds to the overall picture he derives from conferences, media, and the international agencies. Although contacts to practitioners are of importance for his selections, his judgement to a great deal rests on different knowledge intermediaries and other media. Because he strongly refers to house authors, the emergence of relevances takes on a self-referential character.

(2) The social network of a journalist of the “Manager Magazine” shows a somewhat different picture; it is more extended and immediate contact to practitioners is of considerable weight. He also attends many institutionalized arenas, mentioned above, and reads almost the same national and international newspapers and journals as the editor. Additionally consultancies, international business schools, German university chairs provide him with newsletters and press releases; and the above mentioned publishing house sends new books to him in advance. Because the journal is well acknowledged all kinds of actors supply him with information, stories, and new concepts, they want to attract attention to. Thus, he is like a spider in the web of circulating ideas and stories. But this implies a particular selectivity. Only a few university chairs actively relate to the business press, mostly those engaged in applied science or themselves acting as consultants. And “consultancies very actively and professionally” seek contact to the journal, both personally and by sending newsletters, booklets and books.
Out of all these activities a personal network of the gatekeeper emerges: a smaller circle of persons from (social) science, management and consultancies which he regularly contacts not only in connection with specific investigations. In the gatekeepers’ view academics have become more attractive as a source of validation in recent years, because an increasing number of them have close relations to business practice. The big international consultancies (e.g. Boston Consulting Group, McKinsey, Andersen Consulting) are of particular importance in his view, because,

“they deliver a different view, a global, international or at least European view. Each of us (journalists) is in permanent contact to one of these.” All these network partners serve as “advisors to develop a thesis which is still quite vague. From time to time I visit them or ring them up, to tell them that I am considering to produce a story. Is this a relevant topic, or not? Do I grasp the relevant aspects of it? Do you have consulting projects in this field? Is it still highly relevant or already outmoded? These people are important for the emergence of stories and topics, for trying to develop an evaluation.”

The selectivity of references is shown by our quantitative analysis of the field of origin of cited experts in the journal’s articles from 1980 to 1996. As acknowledged experts consultants gain importance, to a lesser extent so too do scientists, whereas managers are of lesser importance as experts of their own business. Although the emerging personal network emphasizes relations to knowledge intermediaries, journalists are provided with a wide variety of information and assessments from practitioners. They impact considerably the journalists’ intuition. During the journalists background research for articles they obtain much occasional information, random observations, and assessments about what is going on or is about to come up in companies. Moreover, because the magazine is to a certain degree acknowledged for its investigative journalism, many practitioners - not only from the top ranks - provide the journalist with stories, e.g. about failures to implement fashionable concepts. The journalists seek these contacts because they themselves appreciate such stories. They resonate with their audience, because these stories give many readers the feeling that their “practical” views have been recognized.

The interviewed gatekeeper is well aware of management fashions.

These are “sometimes mere creations of consultancies, but on the other hand they are constantly on the spot. Very often they (the consultants) are sensors, seismographs of developments, and react themselves to something which begins to emerge actually in business. It is an interplay. But I do not want to underestimate the enormous public-relations value, turnover value behind their activities and contributions. It’s a game.”

He is also aware of the journal’s contribution to the emergence of fashions. Nevertheless, he claims to contribute to a critical assessment of trends and fashions, resting on the broad network of relations to the field.
5. Conclusions

The business press selectively refers to contributors to management knowledge. The specific selectivity is at least partly due to the growing reputation of the “double dealing” major consultancies, the commercialization of management knowledge, the quite naturally more active part of the commercial contributors, and their tendency to dramatize newness, which gives these actors a natural affinity to mass media (e.g. see also Czarniawska and Joerges 1996: 31f; Abrahamson 1996:268; Weick 1995:112). Thus, Hirsch is confirmed when he argues that we should view “the mass media in their gate-keeping role as a primary institutional regulator of innovation” and that “the diffusion of particular fads and fashions is either blocked or facilitated at this strategic checkpoint“ (Hirsch 1972: 649, cited by Abrahamson 1996:268f). But this process is best described as “agenda building”, which links this process to the arenas in which the gatekeepers are involved. Thereby the “blocking” or “facilitating” is influenced by the broader institutional context, and a broader spectrum of meanings which are or can be associated to a specific guiding idea are poured into debate. The de-contextualized ideas are infused with meanings which stem from the national (or other sub-level) context. E.g., what does “Lean Production”, “Business Reengineering”, or the “Shareholder Value Concept” mean within the German institutional arrangement? The mass media should not be conceived of as a passive platform for the newest trends coming from the international managerial discourse. Because their own commercial success within the market depends on journalists’ and editors’ intuition about what issues and concepts are of interest, the media producers have to participate in the different arenas where management knowledge is validated. Therefore their selectivity is probably the same as the one which emerges by the change of relevant arenas we described above: Another cycle of mutual interdependence. The evidence from mass media production highlights the relevance of arenas in the emergence and change of management knowledge. The increasing influence of international consultancies, the acceleration of fashions spreads its effects through and within these arenas and the interrelated media, more or less, for better or worse. Which arenas become relevant, and who has access to them appears to influence the degree to which homogenization (or “Americanization”) is promoted and diversity is maintained or reproduced. The internationalization of arenas and its increasing decoupling from local experiences and national institutions appears to enhance homogenization and “Americanization”, and reinforces the relevance of the “double dealing” consultancies. But this process is not irreversible, nor inevitable. We suggest that more attention should be paid in research on management knowledge to the structures at a transorganizational level. There are many questions which remain unanswered at this level. For example, we need to examine the political processes (national and European) by which the relevant arenas are created, selected and access to them is granted.
Bibliography


Neuburger-Brosch, M., 1994, Die soziale Konstruktion des "neuen Managers". Eine wissenssoziologische Untersuchung zur Managementdebatte in den achtziger Jahren. Tübingen: Fakultät für Sozial- und Verhaltenswissenschaften, Universität Tübingen (Diss.).


Appendix

"Campus" publishing house
Authors of the program "Wirtschaftspraxis"

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<th>Years</th>
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<th>Practitioners</th>
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Shares are computed as a gliding 3-years average.

FATK/Faust 1999
"manager magazine" - cited experts

Main groups of cited experts.
Shares do not sum up to 100%.

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Analysis based on "title stories" of the same four editions each year.
Shares are computed as a gliding 3-years average.