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Have Knowledge, Will Travel:
The Difficult Knowledge Transfer from Analyst to Consultant

Professor Martin J. Eppler prepared this short case as a basis for class discussion rather than to illustrate either effective or ineffective handling of a business situation. The case is based on the compilation of authentic situations in an international consulting and auditing company.

Harald Mueller, partner at a reputed international advisory and auditing firm, was angry. He had just been through a rather unsuccessful briefing by a potential client in which he didn't really have much to say, let alone amaze the customer-to-be with his background knowledge on relevant industry trends or the company's recent problems. And this, in spite of the elaborate information package that he had screened just before driving to the prospective client's office. What had gone wrong, he wondered? He had known of the opportunity of this meeting ten days in advance and had thought it through many times before today. And four days ago, he had even written an e-mail to Roger Jäger, one of the firm's top business analysts and a crack company researcher. He had asked Jäger to compile a comprehensive information package on the company and on the manager he was to meet. And Jäger had delivered. The information package had arrived a bit late, only one day before the meeting, but Jäger had done the research job in his usual, thorough manner. Mueller had received a comprehensive slide collection and article digest from Jäger that covered everything from the company's structure, main products and competitors, to the profiles of the managers, including his contact today. But somehow, this just hadn't helped as much as Mueller had anticipated. He would need to follow this up, he thought. Getting back into his car at the client's garage, he phoned his secretary and asked her to write a short e-mail to Roger Jäger.

Roger Jäger had been working for the consulting firm's 'Knowledge Room' for over two years now. After his first job as a financial analyst at a private bank, he had decided to extend his scope beyond financial questions and he had thus joined the consulting firm's staff of 10 local business analysts. He took great pride in his work and he enjoyed the diverse topics that he

was asked to cover. What he enjoyed less, however, was the lack of feedback from his internal clients, mostly senior consultants or partners who need assistance for their business development research or client acquisition activities. Another thing that frequently drove him crazy was the way the consultants articulated what they needed to know. "You know what I'm looking for", they would often say, or worse, write to him, only dropping a few hints on why they needed a certain company package and what they already knew about the company or their prospective client. Rarely did they indicate focus areas or how they wanted to have the information presented. This in spite of the fact that the Knowledge Room had developed a set of standard research products (such as company packages, profile packages, industry brush-ups, etc.) that allowed managers – in theory – to choose exactly the format that fitted their needs. But it seemed that the partners in the company had more important things to do than study their internal research products. The internal clients (partners and consultants) were quite specific, however, about the deadlines of research assignments. Usually, they expected a report within two to four days. Needless to say this not only created stress for analysts like Jäger, but also restricted their research to short-term activities, such as desk research or telephone interviews. For Jäger's latest assignment for Mueller, he had been given less than three days to come up with an up-to-date package on the company, including background information on its management. Jäger had already prepared four other packages for Mueller, but until now, had never received any kind of feedback. This time, however, he got a very short e-mail from Mueller's secretary, asking him to stop by his office on Friday afternoon.

"What are you guys paid for anyway?" was the first thing Jäger heard on entering Mueller's office that following Friday. "I was dying out there with the client," Mueller said, a bit more conciliatory. But then he went right on:

"If we lose this bid to our competitors, I won't be surprised. The only thing I was able to do in the meeting with the client was nod, and re-categorize what he was telling me with the help of our usual decision frameworks. That impressed him at first, but didn't really move the conversation where I wanted it to go. I mean, I mentioned their general industry problems, as indicated in your reports – but I knew this anyway, and so did he. Why didn't you tell me about the risk issue they're facing, and the new regulatory demands they have to meet? That way, I could have prepared our risk assessment tool together with Daniel from Risk Services. But all you gave me was the same old overview stuff."

Jäger was in shock. Mueller himself had asked for material that gave him "a good overview" of the company and its markets. The e-mail, probably written in two minutes between client meetings, did not include any contextual indicators of why the information was needed. Jäger thought the meeting with the client candidate was of an informal kind and that Mueller only needed to be informed of the main industry trends and the key people. He had actually read about the risk management problems at the company in one of the articles, but had decided not to include it in the final presentation that was sent to Mueller electronically. He did, however, include the

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article in the press digest that he had sent to Mueller by internal mail. But he knew it was pointless to bring this up now. Probably Mueller had not read a single article, only browsing through the headlines of the first four articles in the digest. Quietly, he sat through the meeting with Mueller, who went on to ask for "service level agreements" with the Knowledge Room and ended the talk with the clear demand for better work next time.

As Jäger left Mueller's office, he was frustrated. He knew he could have been more proactive and have linked the prospective client company's issues with their own advisory services, but he had been told he wasn't a risk, audit and legal specialist, and that he should leave the service packaging to the 'real' consultants. So he had done everything by the book. Maybe, he thought, we need to re-write the book. Although slightly demotivated, he was determined to do something about the situation. He knew he wasn't the only analyst frustrated by the current way of communicating with consultants. And he also knew that other partners had voiced their reservations regarding the Knowledge Room's research service. But where should they start? What could he have done differently? And how should he react to his next assignment?

He had to do something. He was even ready to change the way he worked. But first he needed to carefully analyze the situation and answer a few critical questions.

Case Questions:

1) What are the root causes of the sub-optimal knowledge communication in this case? Can you categorize these problem drivers systematically?

2) Who should behave differently, how? What would be the steps that Jäger could take without asking anyone's permission? How could Mueller positively influence Jäger without changing all of his habits?

3) What structural (or organizational) elements could impede a change in behaviour and how would you address them? What would have to change beyond the behaviour of consultants and analysts to radically improve the knowledge transfer and use at this company?

4) Do you see any potential for the use of tools, templates or standard operating procedures? If so, how should they be designed?

5) How is this problem relevant for other companies outside the consulting context?