

THEORY INTERGRATION

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Systems Theory and Relationship
Management Theory as Mechanisms for
Building Consensus and Commitment in
Client-Consultant Practice.

ABSTRACT

Management consulting involves an order of processes and activities intended to influence positive change. Over and above solving problems, the best outcome is attaining successful engagements between internal and external stakeholders. Building consensus and prolonged commitment is beneficial to both client-consultant relationship and organizational relationships.

The aim of the paper is to introduce and theorize the integration of systems theory and relationship management theory as mechanisms for building consensus and commitment in client-consultant practice. It also discusses the rationale of the integration and the implications of this integration in the client-consultant relationship.

August 16, 2022

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A PARTNERSHIP

Introduction

In this integration, the consultant engages in prescriptive and remedial approach by using systems theory. Von Bertalanffy (1968), defines system as a set of elements standing in interactions, as complexes of elements standing in interaction, expressed in different forms. Systems are viewed as a whole and not as a collection of small parts. In systems theory approach, problems solving is focusing on relations between the parts rather than separating parts within the entity. Senge (2006) recommends applying the conceptual framework of comprehensive systems thinking, that leads to easy visualization and clarification of patterns within system interdependencies.

Relationship management theory is derived from the management philosophy that the greatest impact to business, economy, and all social engagements results from well managed relationships. Those relationships drive value in organizations and contribute to their internal and external success. Functional relationships management and arrangements are essential for a successful organization structure. The application of human relations in managing human resource is critical in today's business competitive environment (Christen, Iyer & Sober man, 2006).

Relationships are the hallmark of organizational performance, prosperity, and sustainability. With respect to management consulting, client-consultant relations seek to understanding the system, and then apply relationship management theories to build long lasting consensus and commitments. The outcome of the integration is a construct of systems with well managed relationship frameworks. It is a model that sets systems theory as the basis for implementing relationship management for a cohesive culture within organizations and their environments. As a system, it requires systems thinking which is a pragmatic approach that aligns perspectives, and promotes cultural cohesion by enhancing communication, facilitating individual and organizational growth, and demystifying complex concepts (Shaked & Schechter, 2013).

Literature Review

Systems theory application is not new in modern day organization management. Because organizations are considered as systems having integrated parts, and are working with other entities, Schoderbek et al, (1985) affirm that; systems are a set of objects together with relationships between the objects and between their attributes related to each other, and to the environment so as to create or form a whole. Its application goes beyond organizational management as it is also used in the healthcare system. Meadows (2009) defined system as “a set of things—people, cells, molecules, or whatever – interconnected in such a way that they produce their own pattern of behavior over time.” According to Meadows (2009), a system can lose its ‘system-ness’ when the multiple interrelations that held it together no longer function and dissipates. Failure of internal relationships within an organization is a strategic crisis. And solving failures such as lose of ‘system-ness’ is part of the consultant’s process. In crisis, organizations have to make decision about how to navigate their relationships with both internal and external stakeholders (Massey, 2001).

However, even the consultants face relationship challenges when providing consultancy services. Failure in solving and providing solutions have also been part of client-consultant literature reviews. Even though there are not much empirical studies on consulting failures, a

study by Pries and Stone (2004) on Managing CRM implementation with consultants revealed that failure in the system was due to lack of internal communication. Therefore, integrating relationship theory with systems will enhance communication between the organization and the client-consultant relationship. Along with effective communication and relationships are feedback loops. The success of a relationship depends on how good the feedback loop is working. Feedback is an integral part of successful and effective relationships. According to Gibson et al (1997), the concept of the organization as a system that is related to a larger system, introduces the importance of feedback. As stated earlier that failure of relationships in an organization is a strategic crisis, the same applies to unproductive feedback loops. Carless presents feedback as a dialogue, "The pedagogy of feedback processes also involves relational issues, such as care, trust, class atmosphere, and relationship between participants. Relational aspects of feedback are salient in that feedback is an aspect of interpersonal communication" (Carless, 2016). Both feedback loops and relationship management have been reviewed as part of management tools.

Description and Rationale of the integration of systems theory and relationship management theory

Systems Theory:

It describes and explains how the organization works by applying multiple ways to accomplish goals. It is a fact that organizations cannot survive alone. They are interdependent with others and must interact to some degree with various constituencies in political, economic, and social realms to survive and thrive (Swann, 2020, p. 587). The success of an organization is in organizing and managing existing systems and subsystems, work teams within departments, and all the vendors. This is a dynamic of interconnected relationships. Change in one part of a system or sub-system will affect other parts directly or indirectly. In organizations, sustainable change requires a systems overview. But with change comes other challenges related to behaviors from personal to groups. If not managed properly, change can either be resisted or accepted, and can also impact relationships positively or negatively. It is argued that organizational change processes are influenced by the institutionalization of power and the behavior of interest groups in and around organizations (Mintzberg, 1983; Pettigrew, 1973, Pfeffer, 1992, p.98).

However, institutionalization of power and the behavior cannot take place without some carefully managed relationship. Therefore, interrelations within and outside of the organization will be strongly supported by integrating relationship management theory as a mechanism for managing power and behavior.

Relationship Management Theory:

The theory focuses on relationships and understanding processes and effects that produce successful outcomes. Good relationships that are well managed are investments and social currencies. Understanding public relations requires more than understanding communication processes and effects. It may require understanding organizations, understanding publics, and understanding the larger social environment within which these two social units exists" (Ferguson, 1984, p. 22). The expectation in any healthy relationship is mutual benefit. And in business and organizations, the positive outcomes of relationship management can be identified through customer loyalty. Loyalty and trust can only be achieved through personal and relational approach. Swann affirms that relationships must be mutually beneficial if they are to continue (Swann, 2020, p. 587). In client-consultant relationship, the theory effectively supports building consensus and commitment.

Correct diagnosis for sound convincing and recommendation will first need a better understanding of the system as whole. However, any action to build consensus and commitment to anything will need relationship management.

Relationship with the principal client is the first basis for success in providing consultancy service. It is also the foundation for processing, gauging, and effectively managing the organization's external relationship outcomes. James E. Grunig maintains that "in order to have the public relations valued inside organizations, the PR practitioners must be capable to demonstrate that their efforts are part in reaching the objectives of this organizations by building long term behavioral relationships with strategic publics" (Grunig, 1993). In this integration, the consultant wears the hat of a PR practitioner.

Consequently, the consultant will integrate the application of six relationship theory indicators and outcomes that characterize good relationships: control mutuality, trust, commitment, satisfaction, exchange relationship, and communal relationship. By maximizing awareness and utilization of relationship models in relationship management theory, the consultant adds high premium value to the client's systems of operation and business to business interaction. The following models of relationship interactions can be found in any social, business, and organizational systems: exchange relationship, communal relationship, covenantal (win-win), contractual relationships, exploitative relationships, manipulative relationships, and symbiotic relationships.

A brief analytic example illustrating how the theories illuminate client-consultant communication problem or phenomena.

Example of problem intervention by building consensus and commitment Need intervention/Problem intervention: ***A local start-up restaurant is getting bad reviews on Yelp. The owners find out that the complains are about orders taking too long, incorrect deliveries, and staff inconsistencies.***

Systems theories application:

Consultant mobilizes key members of the company and begins the first step of problem analysis and exploring the context of the problem. Consultant proposes a scanning of the existing systems and sub-systems, work teams within department, all vendors, and stakeholders. Scanning will help to understand the dynamics of interdependence, interconnection, interaction of all the parts within the system. The behavior and performance of the system is compared to other successful systems of the same scale for similarity and model testing. This help both the client and consultant to identify problem areas in the system and fix the problem areas in relation to the whole system's *input* (resources & information supplying the whole system), *processes* (all activities that gets the work done in the system), and *outputs* (outcomes, products, and services or delivered by the system). The effectiveness of systems approach is in fostering participation at the beginning of the problem intervention. The model allows a two-way communication channel from the early stages. It enables an open platform for employees and stakeholders to communicate freely about their work and challenges. It also shifts the agenda from witch-hunting to focusing on solving problems in the system.

Relationship Theory application in relation to the Systems Theory:

Systems are not void of human interactions. And if system problems are to be solved, relationship between all the parties involved must be examined. As a result, the consultant's application of relationship theory after a systems analysis is to measure or initiate consensus building and commitment. Unless relationships are well managed, people will not have consensus and commitment to solve any issues facing an organization.

Diagnostics will be centered around studying all levels of relationships and engagements within the system's internal and external operations. Depending on the situation, the goal of the consultant is to utilize models of relationship as either prescriptive or remedial solutions. For example, a covenantal relationship (win-win) is a great option for building consensus and commitment. Otherwise, the diagnosis and all recommendations for change will not be accepted and implemented.

Conclusion

Integration between systems theory and relationship management theory in client-consultant relationship is yet to be fully explored. This paper presents an initial formation of a possible integration that can be further studied. Its theoretic implications are yet to undergo the benefit of explicit tests of the hypothesized processes for consulting methods. As separate theories, they have been developed, and continue to be developed within the client-consultant framework.

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