Master thesis: RSD in Management Consulting

University of Twente
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Master Thesis

A STUDY OF SUCCESS AND FAILURE IN RADICAL SERVICE DEVELOPMENT: THE CASE OF TWYNSTRA GUDDE MANAGEMENT CONSULTING

THESIS

Twynstra Gudde
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MANAGEMENT SUMMARY

Cause and research goal

History showed that new services are necessary in order to compete, to adapt and to survive in the changing environments of today and tomorrow. In today's views on innovation management the emphasis is to stimulate both on incremental and on radical innovation. Incremental innovation is about improving and developing existing services by using more communication, efficiency etc. Radical innovation is about more research, exploration, selection and implementation of new business. The implication is that when organising and managing an innovation, the balance constantly has to be kept between incremental versus radical innovation. One wants to improve today's and invent tomorrow's products. The management board of Twynstra Gudde recognized the implication, but came across a number of problems:

- A lot of incremental innovation (product development) and not so much radical innovation (business development) occurred.
- The results and the turnover of investments in innovations are often unclear.
- It is difficult to get commitment from current business units for radical innovations.
- There are many new initiatives but not so many successes

The management board of Twynstra Gudde is therefore looking for a solution of these problems and wants to achieve more turn-over and more success, specifically from radical services. But currently, little is actually known about how radical services have been developed; what steps must be taken, what factors obstruct and what factors facilitates success. That is why Twynstra Gudde management board would like to know:

Which factors effect success of radical service development in Twynstra Gudde Consultants and Managers?

The goal of this research is to answer this question, in which Radical Service Development stands for the concurrent process of idea generation, concept development and testing, building and launch (Vermeulen 2001). This process will be referred to as RSD in the following thesis.

Theory

An extensive literature study has been conducted in order to find a preliminary answer to the central question based on literature. The success factors from other development processes were therefore explored and subsequently used to structure the empirical analysis of RSD in management consulting. Those success factors were not used as prescription about how development processes in management consultancies should be organized, but were merely used to explore how management consulting firms could develop radical services as successful as industrial and other services firms do. Eventually it resulted in 19 preliminary prescriptions.

Method

The preliminary prescriptions particularly served as a point of departure to actually explore two RSD cases within Twynstra Gudde. In order to compare two extremes and to highlight success and failure factors, a purposeful sample of one successful and one less successful 'RSD project' was chosen, resulting in the selection of AdviesTalent and Strategic Sourcing respectively.

The development process of AdviesTalent was chosen since it was one of the company's most successful projects. However, nobody could really tell where the success came from and what obstacles had to be removed along the way. The other project, Strategic Sourcing, was chosen since the project passed through some difficulties after more than a year. It was already introduced onto the market but one of the initiators was not content with the rate of development and shut the project down. It was found to be worthwhile to investigate what went wrong.

The data was primarily collected using qualitative semi-structured interviews during 2 hours. Conversations were recorded and subsequently coded to be able to make a comparison among different perceptions of interviewees. Company documents, published articles and business plans were additionally studied. The information was used to cross-reference the findings provided by the case respondents.

Conclusions and recommendations

Success seems to be an set of factors which work together to achieve a stimuli for RSD. Based on the study of cases it is possible to draw out from these preliminary prescriptions a set of factors which appear linked to success. Each factor is supplemented with corresponding recommendations.

Senior management commitment and decision-making mechanisms.

Because of the non-committal attitude, the existing situation is that of a 'country club' (Birkinshaw and Gibson 2004) with a number of parallel initiatives. The current management is confronted with a great number of initiatives and cannot support all of them sufficiently. In both cases there was observed to be an absence of management commitment. The top management provided a lot of room for manouevre (autonomy). Nevertheless, the board was too passive and too positive about the initiative. It is understandable that this is done in a professional organization with lots of crazy ideas, but they could check on things more frequently.

To change the situation to a high performance situation the senior management could pass the task to a group of people already experienced in the field of RSD. By doing so, the management will have more time available to concentrate on other important factors.

Recommendation 1: facilitate a self-organising Community of Practice in the field of RSD

Facilitate the establishment of a self-organising Community of Practice (CoP). A similar recommendation was given by O'Connor (2008) and Weggeman (2008). In this case the choice of a *self-organising* CoP is explicit since Twynstra Gudde is a bottom-up organization. The CoP should not been seen as institution but as a persuasion tool that works as a magnet attracting and bringing valuable people for RSD together. As the name suggests, practitioners of former RSD projects, regardless of their post or position *volunteer* to share their stories, experience and lessons learned with everybody else within the organization.

Recommendation 2: create both focus and support

The idea is to split the CoP in 1) the CoP board responsible for the selection of promising initiatives and 2) the rest of the CoP responsible for the collection of information relevant for RSD in order to prevent the repetition of past mistakes. Anybody interested in the RSD can join the second group. Contrary to the non-committal participation in the second group, the membership of the CoP-board, however, must be approved of by the management who might require from the candidates to have developed at least one successful RSD.

Recommendation 3. The CoP-board and not the management determines the selection and the progress of the projects

A member of the CoP can represent his 'apprentice's' interests and elucidate certain points at the CoP –board. Naturally, the initiator does it himself, as well. Afterwards, at previously determined gates, the CoP–board takes the Go or No-go decision. It hardly needs saying that the CoP consisting of experts is well capable of identifying the most promising initiatives. Once chosen, the initiatives can be provided with proper means. It might mean time or money to actually work out the idea. But since resources are limited, it has been suggested that they should be taken away from persons lacking the right characteristics for RSD. It implies the role which CoP-board should play in taking the decisions whether to provide more support, leave things the way they are, limit the support given till that moment, or end all support.

Recommendation 4. The CoP presents its evaluation to the board of directors

Finally, the CoP-board can write the evaluation reports for the board of directors. They can include information about the duration of the project, investments already made, the stage the project is in and the turnover of projects in initial marketing phases. To prevent unnecessary paperwork it might be better not to report monthly but every three months. The question of financing the CoP will be discussed in the following section.

Personal fit and focus

To make sure that the service fits in with a personal or professional drive to realise an idea and personal focus so that initiators are able to commit full attention to a limited number of initiatives rather than doing a number of initiatives half.

Recommendation 5. Make sure that an idea is in line with personal instead of organization goals

Make sure that the idea fits an initiator's wish so he/she will find in it the source of strength to realize the idea and act entrepreneurial. Let people not fall into the trap of not choosing because of their interest in many fields. Create focus on a limited number of initiatives instead.

Probe-and-learn processes:

Some elements of the innovation process are not clear cut from the start. During the process of developing your idea you will come across many surprises. Thus having a clear plan and sticking to it, does not add extra value to the enterprise.

Recommendation 6. Try different options simultaneously to reach your goal

Explore multiple options (e.g. market possibilities, resource combinations) through probe-and-learn as much as possible until you know enough for the next step. Dare leave the beaten track and learn till you know enough for the next step. Investigate various options, experiment and learn from your mistakes.

Recommendation 7. The CoP assessment is based on the one hand on the lessons learnt during the process and on the other hand on the amount of money invested in the project.

In order to reach the right decisions at the Gates, the CoP should take the probe-and-learn processes into account. The progress of the project should not be based on ticking off targets versus budgets and plans. The emphasis should lie on probe-and-learn processes. It is better to judge a RSD project on the basis of lessons learnt during the process than on the money invested in it. To learn until one is ready to take the next step seems to fit the RSD projects better than the formal strictly planned paths of progress.

Entrepreneurial role

It is beyond doubt that it is difficult to develop a radical service. It requires not only the nerve, the drive and the determination to cross the unwritten laws of Twynstra Gudde, but it also means taking high risks with no guarantee of success. In other words it requires pro-activeness, risk-taking and autonomy to overcome hurdles during an uncertain development trajectory.

Recommendation 8. Convince the staff that it is easier to ask for forgiveness than for permission

The PMC managers should convince their staff that steps can be taken and that the matter of permission is of later date. That is because if you keep asking, you will get answers you do not look for. That is why you should simply do whatever you think is needed and ask afterwards. Be pro-active and not allow to be delayed by the existing bureaucracy.

At the same time this asks for personal fit and a strong belief in the idea. The initiator should be convinced of his/her idea to dare do whatever is needed to achieve the goal without approval.

Recommendation 9. Organise training sessions to improve entrepreneurship

Training sessions and courses can be seen as personal rewards that stress the importance of entrepreneurship, bring entrepreneurs together and make them aware of what their role is in developing radical services.

Appropriate metrics

Senior management expects that employees innovate by being personally and culturally rewarded for it. However, when metrics for the hours spend at clients (claimability) are stressed, this will not increase their incentive to work on innovation.

Recommendation 10. Do not say the RSD is important but be explicit in rewards

To increase the importance of RSD, the balance in favour of client-assignments could be restored by introducing ambidextrous metrics for both claimability and risk-taking that stimulate but do not pamper innovative activities.

Tight intra-team linkages

Tight intra-team linkages help creating an esprit-de-corps and sense of belonging to something that is most promising. To prevent that everybody have to do his/her say about the end-product it requires informal contacts and the competence to include the professionalism of others by lettings things go and accepting that the final end-product could be a bit different than the initial idea was.

Recommendation 11. Show respect for both work and private circumstances

Create team bonds by making staff aware to show respect for both conflicting work and private circumstances of team members.

Recommendation 12. Stimulate the team to invest in informal contacts

Stimulate informal contact so that they can talk without having to plan an official meeting. In such a way nothing will be left unsaid.

Recommendation 13. Convince the staff to be open to the contributions of expert colleagues once an idea is strong enough.

Make people aware that they cannot do everything on their own. However, let them not forget to leave space for other's need for professional autonomy since they are fond of theirs too. The CoP for instance might elucidate that it is better to accept the possibility of the final product being different from the initial idea. Convince people to trust that the final product will be better thanks to the collaborations with colleagues. This awareness inside the development team will strengthen the bonds within the team. It furthermore prevents never-ending debates in which everybody will have to do his/her professional say.

External linkages with lead-users and suppliers

The involvement of lead-users are used to test the idea, improve it and acquire potential clients/providers. The value of lead-users is furthermore stressed because linkages or partnerships with lead-users are both the input for future assignments (e.g. market potential) and market fit.

Recommendation 14. Facilitate linkages with lead-users

Senior management should facilitate linkages with lead-users in order to understand and invest in need-satisfying activities that will lead to radical services with long-term potential for growth. Examples are investments in lead-user solutions that are based on new insights in markets or knowledge areas. New services can be tried out by offering those solutions free of charge. The potential is enormous because complete new markets might emerge in which Twynstra Gudde could create a first-mover advantage by building a reputation. High investments through free of charge offerings might be downsized by involving such activities together with partner consultancies like Berenschot. One might also think about partnerships with lead-user companies to mutually explore and benefit new insights as Cradle-to-Cradle.

A similar line of reasoning holds for lead suppliers. E.g. people that are willingly to deliver the new service to potential client. In case of AdviesTalent it concerns the willingness of young academics that had to be tested.

Loose intra-firm linkages with respect to budgeting systems and accommodation

Loose intra-firm linkages with respect to budgeting systems and accommodation are therefore necessary to focus on an innovative project, protecting the idea for interference of the mainstream (especially in the early phases of development when the initiative is still fragile) and preventing team members to fall into the trap of performing client assignments.

Recommendation 15. Initiate an incubator room to realize loose intra-firm linkages

New initiatives seemingly remote from the current core business do not flourish well within the budgets and targets of the existing departments. Therefore management should offer accommodation (own space) in which new initiatives could be developed safely and undisturbed, to emerge as beautiful butterflies.

It furthermore implies that radical services are developed in the incubator room could in latter phases of development be transferred into the parent organization or outside into a spin-off.

Tight intra-firm linkages to communicate the role and value of the initiative.

It is important to ensure the new projects don't stray off. The input of the mother company sharpens the project and provides resources like knowledge and contacts with guru's of Twynstra Gudde. The Not Invented Here syndrome (the unwillingness to adopt an idea or product because it originates from another culture/business unit) is thereby also prevented by involving others.

Recommendation 16. Prevent the total isolation of new incubators

To prevent the total isolation of new incubators the management needs to remain involved by the developments and at the same time ensure the communication between the incubator and the rest of the organization. Once more it can be looked after by the CoP responsible for coaching the incubator. As the CoP is also involved with the rest of the organisation the incubator will not be easily forgotten and will be given access to the firm's resources. In short, combining an incubator room with linkages to the parent company enables the innovators to use the knowhow of the parent company without being restricted by targets and departmental cultures.

Recommendation 17. The CoP has its own portal on the Internet and supplies periodical newsletters via e-mail

To keep the rest of the organization well-informed about the developments one may consider a periodical update on new ideas, RSD projects under construction and past successes. The communication with the organization might take place by way of a portal in combination with a digital bulletin which might also include other innovation-related topics. In this way, not only others will be kept informed about the new developments, but also the importance of the innovations will be emphasized. At the same time, a portal creates an opportunity to install applications (e.g. Webstorm), introduce forums, panel discussions, store information of projects being worked on and finally it will became the source of information for and about RSD. Last but not least, it will keep the CoP alive within the organization.

Firm-resource fit

Enabled competitive advantage. A lot of resources of Twynstra Gudde are generic in nature and valuable for new services that not conflict with current resources. However, depending on the degree of radicalness the firm-resource fit is either important or less important.

Recommendation 18. The CoP simplifies the access to the firm's resources and brings the right people in touch with each and one another

Firm's resources are valuable due to their general nature. However, if you are not one of the heroes (who are written about in newspapers and who work on interesting assignments), it is very difficult to claim the resources. That is why the CoP can have a positive influence on the situation. The CoP or the tutor can help the initiators get in touch with the right people and put in a good word for them. Independently of the stimulating function of the CoP it is also important to remember that the CoP facilitates but does not take over the initiator's job!

Self-managing team structure

Both cases showed that top down initiation of teams does not work. It is important to seduce people to become part of the team. This ensures that people really want to participate in the project. They will then go an extra mile for the project if needed.

Recommendation 19. Make the team self-organising

Make the team self-organising and do not initiate it top-down. Let initiators convince colleagues that they will participate in a promising project. Allow them the freedom of choice. Those who agree will be prepared to work harder because it fits in with their personal ambition (personal fit).

PREFACE

With this master thesis I hope to finish my masters in Business Administration with the specialization of innovation management at the University of Twente. I am interested in initiating and successfully implementing innovations. Therefore I have chosen the Innovation Management track as my specialization. This interest is further shown in this thesis in which I have done research in the field of radical innovation at Twynstra Gudde Consultants and Managers, in Amersfoort. The challenging part of this research was that the context was special, as little was known about development processes in management consulting.

Last year I have been busy with this research and I wish to thank the people in my environment for their support and vision. In specific I would like to thank my supervisors Klaasjan Visscher and Rick Middel for the learning exposure they have given me. I have learned to work independently and cope with my perfectionistic style.
Furthermore I wish to thank the employees of Twynstra Gudde for providing me this opportunity to do my research. I received a lot of autonomy to choose the subject of my research. In specific I would like to thank Carol Lemmens for his patience and commonsense approach towards my research. In difficult times he calmed me down and gave me the strength to conduct this research thoroughly. I would also like to thank all respondents and especially those whom I have interviewed several times: Jaap Berends, Marc Pel en George Maas. Besides that I would like to thank the employees of The Bridge Innovators for providing a pleasant work environment and interesting meetings in which I was welcome.
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I wish everyone a lot of pleasure reading my work!

Apeldoorn, June 2009
Rick van Helden

TABLE OF CONTENTS

1. INTRODUCTION

This thesis focuses on Twynstra Gudde Consultants and Managers, a national player in the Dutch management consulting industry (read chapter 4). Several definitions of management consulting exist. The international Council of Management Consulting Institutes defines it as “the rendering of independent advice and assistance about the process of management to clients with management responsibilities” (ICMCI 2008, p.2). A more precise definition is given by Greiner and Metzger (1983 p.7): “management consulting is an advisory service contracted for and provided to organizations by specially trained and qualified persons, who assist, in an objective and independent manner, the client organization to identify management problems, analyze such problems, and help, when requested, in the implementation of solutions”. The latter definition is used here since it stresses the competencies of management consultants. Professionals in management consulting develop services through which they can assist managers in the identification of problems, the design of solutions (e.g. plans) and sometimes in implementing these solutions. In other words, management consulting heavily relies on professional knowledge and supplies intermediate tools and services that are knowledge based. Such services consist of a coherent body of thought that is applied in the client organization. Little is known about how such services could be developed in a management consulting context that differs from manufacturing and other services firms. The specific nature of management consulting follows directly when looked into what, where and by whom new services are developed. Management consulting firms develop intangible services in project-based organizational structures with a workforce primarily filled with highly skilled professionals, instead of tangible products in functional organizational structures filled with a less professional workforce. Three distinctive characteristics of management consulting are thus believed to have implications for the development process: services, project-based organization and professional workforce. The academic relevance is to contribute to current insights about development processes given the specific characteristics of management consulting. In the belief that development processes in management consulting could avoid reinventing the wheel it is assumed that the literature about other development processes could be of value. Thirty years of empirical research already exist about the factors that affect success of new product development (Brown and Eisenhardt 1995, Ernst 2002, Van der Panne 2003). Similarly for services, researchers have explored the success and failure factors about how to develop new services (Cooper and Edgett 1999, De Brentani 1996, Vermeulen 2001). Moreover, much of the past research about products and services proclaimed to have found ´one best way` of development (Ernst 2002, Cooper and Kleinschmidt 1995). Currently it is argued (O’Conner 2008, De Brentani 2001, Tidd et al. 2005) that those studies have overlooked the degree of newness and that projects can differ substantially in success based upon their degree of newness (e.g. incremental projects are related to other success factors than radical projects). Therefore, a demarcation is made (and elaborated in section 2.2) between development processes of incremental services (e.g. line extensions, improvements and adaptations to current services) and radical services (e.g. ventures that take developers in new directions in terms of knowledge and market segment). This research focuses on radical services only and in particular on the success factors for the concurrent process of idea generation, concept development and testing, building and launch (Vermeulen 2001). This process will be referred to as 'radical service development' (RSD). The main goals of this research are to understand this process and to identify what factors appear to govern the success and failure of radical services. The research is conducted in assignment of Twynstra Gudde Managers and Consultants because the current understanding of this process within Twynstra Gudde is insufficient. ´Radical services development happens´ rather than occur through a process. A literature review is firstly conducted in order to find out how management consulting firms could develop radical services as successful as industrial and other services firms do. Whether those preliminary prescriptions remain valid is being investigated by means of case studies. Two cases were selected within Twynstra Gudde Managers and Consultants and described accordingly (read chapter 5).

1.1 Necessity for RSD: the changing environment

RSD is necessary in order to compete, to adapt to and to survive in the changing environments of management consulting. This follows directly from the development of the management consulting industry itself. The changes which have been occurred during the 20th century will therefore be described. The general description will be followed by a more narrowed description towards the need for RSD and it is stressed that radical services should be designed in such a way that they respond to tomorrow's changing environment. Successively, the problem statement and research objective are presented followed by the research questions. Section 1.4 will present a research design and the last section of this chapter will consist of an overview in which the structure of the following chapters is presented.

New services provide (1) increased profitability of existing offerings, (2) new customers, (3) improved loyalty of existing customers and (4) opportunities for new markets (Storey and Easingwood 1999). Whereas the advantages may be clear, the need for new services has been increased even more due to shortening life-cyles. In case of one specific type of services for instance, both Pascale (1990) and Carson et al. (2000) argue that (1) the life-cycle of recent management concepts have been shorter than earlier ones, (2) the influence of recent management concepts is increased and (3) that recent management concepts peaked earlier (see appendix A for an illustration accompanied with a more thorough description). Furthermore, the need for new services is fostered from a historical point of view. Kipping (2002) identified three distinct but overlapping waves of consulting: consulting focused on 'efficiency improvements of workers and production', consulting focused on 'top management advise about decentralization and portfolio planning' and consulting focused on 'internal and external coordination in networks'. History showed that in each wave well-established firms were locked up in path-dependent ways of working and were more concerned to fuel their own growth. They were trapped in their wave: earning money today made them blind for opportunities of tomorrow (see section 2.1 for a more detailed description).

Their inability to both exploit services and to explore subsequent waves endorses the notion that management consultancies are indeed confronted with tensions of innovation, defining innovation as "the total set of activities leading to the introduction of something new, resulting in strengthening the competitive advantage" (Meer 2007, p 192) and stressing the integration of technological, market and organizational change to foster innovation (Tidd et al. 2005). New service development, as part of innovation activities, is therefore not a straightforward exercise and tensions are additionally related to the paradoxical nature of innovation. Firms that try to innovate are faced with multiple opposing demands and require a continuous balancing of both, short- and long-term objectives, exploitation and exploration (March 1991), incremental and radical (Tidd et al. 2005), path dependency and path creation (Garud and Karnoe 2001). History showed that management consulting firms are indeed imposed with the challenge to reconcile those contradictory demands. They especially lack the ability to explore subsequent waves instead of current ones. Twynstra Gudde and other management consultancies thus not only need to improve, adapt and extent current services in order to compete in today's environment but also need to develop more radical services to compete in tomorrow's changing environment; a good understanding of RSD becomes necessary.

1.2 Problem statement and research objective

History showed that new services are necessary in order to compete, to adapt to and to survive in the changing environments of today and tomorrow. The development of new services is thereby stressed and a demarcation is made between incremental services (e.g. line extensions, improvements and adaptations to current services) and radical services (e.g. ventures that take developers in new directions in terms of knowledge and market segments). The management board of Twynstra Gudde is especially interested in the development of radical services by which the firm could be able to explore new business opportunities. Although Twynstra Gudde has been able to develop such services, little is actually known about how radical services have been developed and what factors contributed to success and failure. At the moment of writing, ideas are generated and then gradually transformed into new business opportunities. Nevertheless, nobody (except the developers themselves) is able to explain where ideas came from, how success is achieved, how the projects were managed or how to build upon and learn from the struggles of others. RSD just happens and that is why Twynstra Gudde would like to gain some insight into this fuzzy development process. Twynstra Gudde management board would like to identify lessons learned in order to improve and stimulate the development of radical services. This research helps Twynstra Gudde Manager and Consultants to learn from those projects, to prevent running into the risk of repeating mistakes made and to highlight those factors that contribute to success and failure. This research consist of a challenged reflection on RSD projects (e.g. what happened, what worked well, what went wrong) and captures the lessons learned into a certain set of success factors. The problem statement can therefore be defined as:

> *The current understanding of RSD within Twynstra Gudde is cluttered; radical services happen rather than occur through a process.*

This thesis describes the ways in which several radical services are developed within Twynstra Gudde and what factors affect success and failure. The following central question will be answered during this investigation:

What factors affect success and failure of RSD in Twynstra Gudde Consultants and Managers?

1.3 Research questions

The subsequent research questions are formulated in order to answer the central research question:

1 What factors could affect success and failure of RSD in management consulting?

The point is that managing RSD in which uncertainty levels are high requires approaches that differ from those of incremental service development (O'Conner 2008, De Brentani 2001, Tidd et al. 2002). Radical innovation literature will be investigated to describe how Twynstra Gudde Managers and Consultants could be able to develop successful radical services as efficient as industrial and other services firms do. The first sub-question will be used to make a clear demarcation between incremental and radical services, the second to highlight the contextual characteristics that are believed to influence the radical development process.

1a What is radical innovation in management consulting?

Although much of the past research proclaimed to have found ´one best way` of product development (Brown and Eisenhardt 1995, Ernst 2002, Van der Panne 2003), it is argued that those studies have overlooked the degree of newness and that projects can differ substantially in their degree of newness and corresponding success factors (O'Conner 2008, De Brentani 2001, Tidd et al. 2002). It is believed that radical innovations foster under different conditions than incremental innovations do since radical services share a characteristic that incremental services do not, high levels of uncertainty. The literature about innovation management will be studied to be able to make a distinction between them.

1b What are contextual characteristics of management consultancies?

Services in management consulting differ from physical goods. Customers do not need physical goods but need knowledgeable and respected consultants which offer security to drive back the uncertainty about several circumstances within or outside their organization. Consultants therefore help managers with problem-solving. It is believed that the value creation logic of management consulting differs from manufacturing firms (Stabell and Fjeldstad 1998). The specific characteristics of management consulting will therefore be investigated.

2 How are radical services developed in Twynstra Gudde Managers and Consultants?

RSD in management consulting is a fairly new area of research and there is a need for better understanding (Clark 2004, De Lange et al. 2003, Vosbergen 2006). Although RQ1 describes the factors that are believed to affect success, it describes how Twynstra Gudde management consulting *could* be able to develop successful radical services as efficient as industrial and other services firms do. In other words, RQ1 is based upon a theoretical line of reasoning instead of an empirical one. This research question will therefore describe the latter by looking into several RSD projects in a retrospective way. The theoretical lines of reasoning will successively be used as steppingstones during fieldwork. The results will provide a description of RSD in the past. The next research question will analyze whether those findings (RQ2) are in line with the success factors found in radical innovation literature (RQ 1).

3 What lessons can be learned from RSD projects in Twynstra Gudde Managers and Consultants?

Services are often inefficiently developed and Behara and Chase (1993, p. 87) argued that "if we designed cars the way we seem to design services, they would probably come with one axle and five wheels". Whether this hypothesis turns out to be true for Twynstra Gudde will be investigated by comparing empirical with theoretical findings. A cross-case analysis will be conducted and lessons learned will be elaborated and compared against the success factors that could affect RSD in management consulting (RQ1). Whether those findings are consistent or inconsistent with each other will become clear at the end of the analysis. Implications for managers and developers will finally be given in the form of a list containing success factors that contribute to RSD in Twynstra Gudde Management Consulting.

1.4 Research design

According to Babbie (2007), research design requires the researcher to specify what he wants to find out and to determine the best way of doing it. The 'what' have been discussed in all of the above, the best way of doing will be discussed here.

1.4.1 Type of research

According to Babbie (2007, p. 88) researcher can focus on one or combine more than one of the following research purposes:

- Exploration: the attempt to develop an initial rough understanding of some phenomenon (e.g. RSD). Has to do with question from the *How*-type
- Description: the precise measurement and reporting of the characteristics of phenomena. Has more to do with *what*-question.
- Explanation: the discovery and reporting of relationships among different aspects of the phenomenon. Has more to do with *why* a certain phenomenon happens.

Derived from the research question and the large amount of 'What'-questions it can be argued that this research is descriptive in essence. This research attempts to report the factors that contribute to the success and failure of RSD in management consulting. An initial rough understanding of related aspects such as NPD, NSD and radical innovation is already described by other scholars and will be displayed in chapter 2. Whether the success factors remain valid in a management consulting context will be investigated in this thesis. The purpose of this research is thus for a large extend related to the description of the phenomenon RSD in a management consulting context. The specifics of the management consulting industry will therefore be elaborated in chapter 2, followed by specific characteristics that increase the success for radical innovations to occur. The management consulting industry differs from most of the research about NPD in manufacturing and also from most research about NSD. The latter often deals with more tangible services than those in management consulting: insurance companies provide some kind of product in the form of insurance policies, banks provide e-Banking or customized credit-cards and businesses in the transportation sector provide transportation devices such as trains or airplanes. Management consultants instead develop vague concepts and ideas for new businesses. Since the available knowledge about RSD within the specific context of management consulting is too scarce, it is believed to be an interesting area of research. Qualitative research is appropriate since it allows for explanations that are highly contextualized (Eisenhardt 1989).

1.4.2 Roadmap for conducting research

Followed from the type of research, this section in particular explains how the research will be conducted. A research strategy is needed which is appropriate for this kind of descriptive and at the same time explorative research. This research attempts to develop a complete understanding of RSD through in-depth research of some RSD projects. An idiographic research strategy is preferred since it “aims at a complete understanding of a particular phenomenon” Babbie (2007, p. 116). According to Eisenhardt (1989, p. 534), the case study is an idiographic research strategy which focuses on understanding the dynamics present within single settings (e.g. the management consulting setting). Since RSD is dynamic by nature, this research would gain the best understanding of the phenomenon by selecting multiple cases of ‘particular kinds of radical services ‘. The unit of analysis is thus ‘radical service development projects’ and multiple case studies will be used to generalize towards an overall understanding of both the successes and failures in RSD. Cross-case analysis will be conducted in order to determine the recurring patterns in RSD in a management consulting context.

The previous paragraph was rather general. In the following section a more specific roadmap is designed to conduct this research. Research of Eisenhardt (1989) and research of Dubois and Gadde (2002) have been inspirational to formulate this roadmap.

The problem statement and objectives have been presented in section 1.2. Still little is known about innovation management in the field of management consultancies (Clark 2004, De Lange et al. 2003, Vosbergen 2006).

In the first phase, the exploration phase a review is made of the literature about NPD, NSD and radical innovation which can then be applied to the specific field of management consultancies. This creates a solid foundation for the first research question. Open entry interviews (1.5 hours each) were held with 6 experts in Twynstra Gudde to gain understanding of the organization and further channel and direct the theoretical analysis. At the end of the exploration phase, a transformation is made from the preliminary insights towards preliminary prescriptions for RSD in management consulting. These prescriptions function as an initial framework which provides the input for the following phases.

Some authors stress the theory free starting point of case study research (Eisenhardt 1989). In fact it is hard to conduct a study without a clear starting point and in congruence with Dubois and Gadde (2002) it is emphasized that this research requires an initial point of departure. Consequently, “an initial framework consists of articulated ‘preconception’. Over time, it is developed according to what is discovered through the empirical fieldwork, as well as through analysis and implementation” (Gadde and Dubois, p. 555). In short, the answer of RQ1 will be the results of the exploration phase and provide the means for empirical investigation of research questions 2.

In the second phase the problem statement, the preliminary interviews and literature study, the research method is developed. After the data collection, a detailed description of the way in which it has been conducted, sampling choices, triangulation and reliability and validity issues will all be discussed.

The third phase consists of an in-depth data collection method for RQ2. Case studies will be used and individual RSD projects within Twynstra Gudde management consulting will be elaborated. A iterative process of going 'back and forward', asking about dissimilarities, confirmation and dealing with conflicting and supporting material is repeated until a robust and consistent understanding is considered representative for the answering of research question 3. Whilst the exploration phase provides premature insights, the main objective of the case studies is to provide empirical evidence and to describe how RSD in Twynstra Gudde Managers and Consultants happened during the past years and what factors contributed to the success or failure.

The case studies will successively be followed by a cross case analysis which identifies the recurring patterns across cases. Whether the success factors mentioned in the literature will be applicable for RSD in a management context will become clear from the unanticipated empirical case findings. Lessons learned will be elaborated and implications for managers and developers will finally be given in the form of success factors which are beneficial for RSD success in Twynstra Gudde management consulting.

The last phase will provide the reader a synthesis of the main findings. The central research question will be answered and accompanied with the conclusions and recommendations for further research.

Figure 1 exemplifies the followed research steps in order to answer the different research questions.

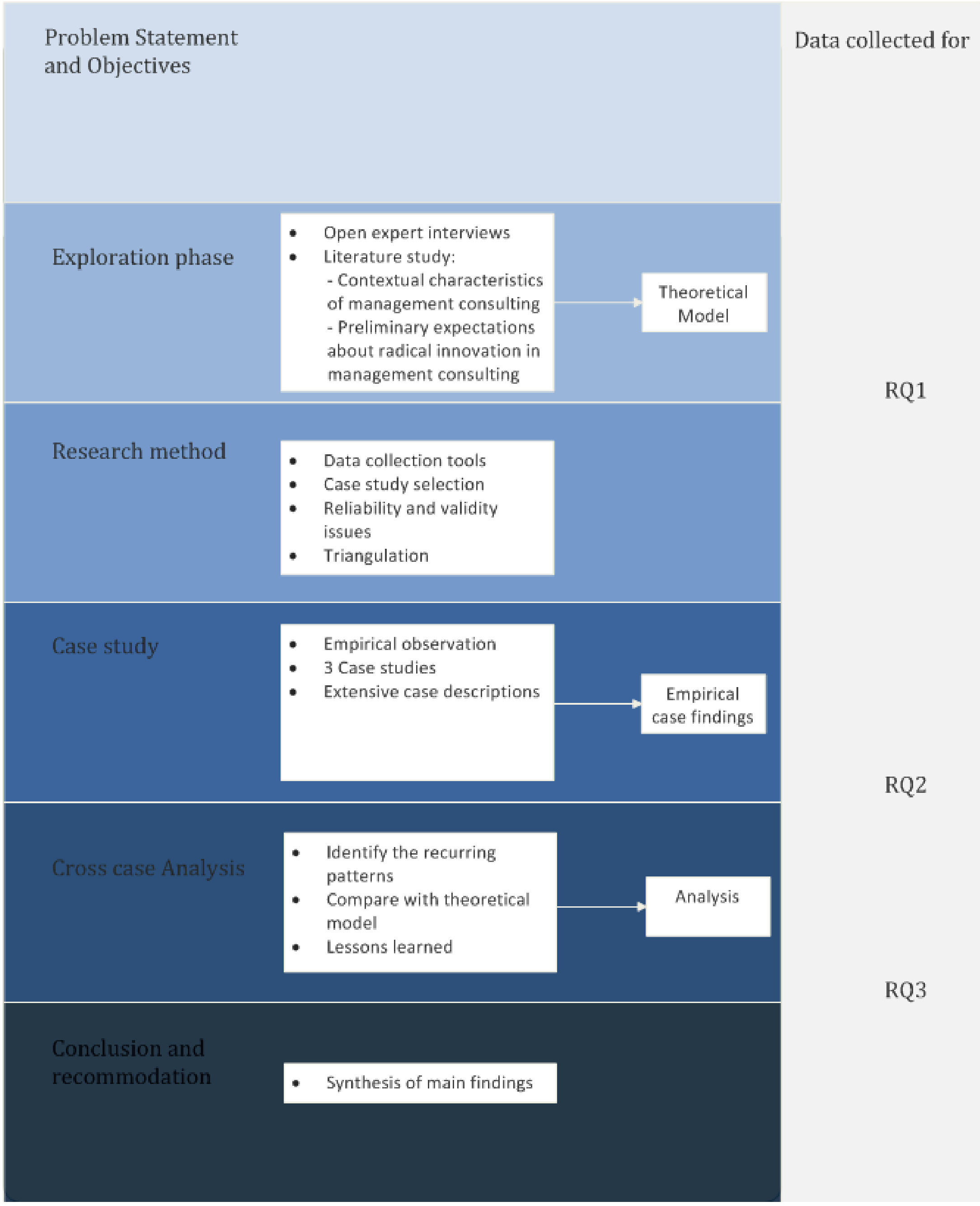


Figure 1 Roadmap for conducting research

1.5 Outline of the thesis

In this chapter; the necessity for RSD, the problem statement, the central objective, the supportive research questions and the research design have been presented. Chapter 2 will further explore RQ1 and will outline the state-of-the art; a starting assumption is created through expert interviews and an extensive literature study. Chapter 3 will describe the methodology, a detailed description of the way in which the research has been conducted, sampling choices, triangulation and reliability and validity issues will all be discussed. The subsequent chapter 5 will present the results per case, followed by chapter 6 which highlights the recurring patterns across the cases. In the last chapter 7 a synthesis of the main findings of this research will be given.

2. THEORY

At the moment of writing there is little known about RSD in a management consulting context. The aim of this chapter is to provide a theoretical starting point for research execution. Section 2.1 describes the development of the management consulting industry and outlines the most important trends and acquisitions in the industry. Three different waves of consulting are described which show that innovation is not only necessary in client-firms but in management consultancies as well, a fact that often remains hard to believe under management consultants themselves. Section 2.2 attempts to clarify that there exist no 'one best way' of development but that development processes are instead contingent upon contextual characteristics. Four contingencies are described: the radicalness, the specific features of services, the project-based organization and the professional workforce in which the development processes take place. Little is known about development processes under such contingencies. Given those contingencies, it is assumed that literature related to other development processes could be of value and could avoid reinventing the wheel. The success factors from current development processes (Brown and Eisenhardt 1995, Ernst 2002, Van der Panne 2003, O'Conner 2008, De Brentani 2001) are therefore explored. The aim of section 2.3 is to identify how management consulting firms could develop radical services as successful as industrial and other services firms do. Several preliminary prescriptions regarding development processes under contingencies of radicalness, service features, project-based organization and professional workforces are simultaneously constructed. Those prescriptions will subsequently be used to structure the empirical analysis that follows in chapter 5.

2.1 Relevance of the research from a historical point of view

In this section it is emphasized that management consulting not always have been the same. In line with organizations in other industries, management consultancies have changed and have been acquired by or originated from other consultancies. Kipping (2002) identified three distinct but overlapping waves of consulting: scientific management consulting, organization and strategy consulting, information and communication consulting. The waves make clear that management consulting is indeed a dynamic business that requires new services in order to survive and compete in constantly changing environments. In terms of Teece (1997) they require dynamic capabilities: being able to build and reconfigure internal and external competences to address rapidly changing environments. Whilst the analogy with waves is insightful, it must be remarked that it is not considered to be a core ingredient that helps answering the research questions. The reader, who is primarily interested in the factors that are believed to affect RSD, could read more about those factors in section 2.3. However, the following sub-sections provide an overview of the most important developments in the management consulting industry since the early 20th century. They provide the reader with knowledge about the management consulting industry and endorse a fact that often remains hard to believe under management consultants themselves; the fact that innovation is not only necessary in client-firms but also in their own (Kipping 2003).

2.1.1 The scientific management wave

Consulting to management became a recognized business activity since the development of scientific management in the early 20th century. Several authors mentioned Frederick W. Taylor as the grandfather of consulting since he developed a new approach towards the management of shop-floor workers based on scientific measurements (Tisdall 1982). Taylor's scientific management approach was thereafter adopted by Harrington Emerson who developed his own method of payment-by-results. Emerson was later followed by Charles E. Bedaux who developed the Bedaux system. Although Bedaux wasn't first-to-market, Bedaux's system eventually became the most widely used method in the States, exceeding the ones of Emerson. From 1926 the industry expanded to Europe and the need for efficiency improvements and corresponding consultancies was further stimulated during the Second World War (Kipping 1999).

Bedaux became eventually the originator of the emerging consulting industry when some employees left to establish their own consultancies. This resulted in the foundation of 'Production Engineering' and 'Urwick Orr and Partners' in 1934 and 'Personal Administration' in 1943. Together with Bedaux, renamed in 1938 to 'Associated Industrial Consultants', these consultancies were referred to as the 'Big Four'. A similar trend can be found when looking into the development of Dutch consulting firms. Hijmans and Van Gogh founded their firm in 1920 (Berenschot 2000). In a similar way as Bedaux, they became the originator of the emerging consulting industry in the Netherlands when some employees left to establish their own consultancies in 1933. Louwerse established an 'Adviesbureau voor bedrijfsorganisatie', Van Gogh and Rentenaar an 'Adviesbureau voor Organisatie en Rationalisatie' and Hijmans established a 'Raadgevend Ingenieursbureau voor Efficiency'. Most of these first generation consultancies diversified their activities from 1950 onwards, but diversified around the central method of 'efficiency improvement' (Ferguson 2001).

Despite the previously mentioned success and expansion of the industry, almost all firms have dissolved or were purchased and incorporated into second generation consultancies. Only 'Berenschot', a partner of Louwerse, and 'Personal Administration', renamed to 'PA consulting Group', were able to survive.

2.1.2 The organization and strategy wave

The first generation consultancies, focused on 'efficiency improvements of workers and production', were to a large extent displaced around the 1960s by emerging companies from the 1930s. Those companies focused on 'top management advice about decentralization and portfolio planning' and are called second generation consultancies.

The second generation consultancies benefitted from the changes in size and structure of firms (Kipping 2002). Because of rapid growth, diversification and higher market pressures client-firms were confronted with new organizational problems. In order to solve these problems, large and diversified companies were decentralized into independent divisions (e.g. the multidivisional M-form), controlled and coordinated by a corporate office. The second generation consultancies played an important role in the dissemination of new organizational structures like the M-form and offered all kinds of advice to the management of these new structures. The need for advice consequently moved from 'efficiency improvements' towards 'organizational and strategic' advice. Peculiar, not the well-established 'efficiency focused' firms took advantage of these opportunities but a wide range of newcomers like 'Berenschot', 'Arthur D. Little', 'Booz Allen & Hamilton' and 'McKinsey & Company'. The success of these new consultancies resulted in a number of spin-offs, 'Krekel, Van der Woerd and Wouterse Management Consulting (1960)', 'Horringa en de Koning (1968)', 'BMB' (1969) and 'Twynstra Gudde' (1964) all have been emerged from Berenschot. All these consultancies focused on strategic, change and project competencies to consult to client organizations. In more or less the same period, 1963, Bruce Hendersen left Arthur D. Little to set up the Boston Consulting Group (BCG). Although second generation consultancies were growing it must be noted that the first generation consultancies had significantly more staff and revenues in 1962. Whereas first generation consultancies were still up front, second generation consultancies as BCG and McKinsey gradually surpassed these consultancies. They reached successful international expansion by focusing on new innovative tools like the portfolio matrix and 'budgeting' as ways to obtain in-depth insight into organizations (Wolf 1978).

All second generation consultancies have benefitted from structural and corresponding management changes of firms. Through new service offerings they have helped top managers to control their growing businesses and hierarchies of middle managers. In short, new services such as portfolio matrices and budgeting systems became key to serve upcoming customer problems about growing businesses instead of efficiency improvements.

2.1.3 The information and communication wave

The third generation consultancies benefitted from new structural changes as well. The success of the leaner Japanese firms (e.g. Toyota) and the growing importance of shareholders rights resulted in smaller and more focused organizational structures (Kipping 2002). Instead of diversification, firms were now concentrating on core competencies and outsourcing the rest. Structural changes are also stressed by Operation Management scholars (Hayes et al. 2005) and the Industrial Marketing & Purchasing Group (Ford et al. 2006) which both endorse the change from the 'old' industrial firms focused on economies of scale towards the 'new' information firms focused on network economies. Once again a gradually related shift in organizational structures and management opened up new opportunities for (new) consultancies.

The concentration on core competencies and outsourcing activities demanded a mechanism to control and coordinate internal and external networks. Efficient coordination became more and more a prerequisite for competitive advantage and subsequently changed the roles of managers, focusing more on the management of the whole value chain, with internal as well as external relationships, and less on corporate organization and strategy. IT-based tools provided the means to maintain control. Accounting firms benefitted from significant competitive advantages because they were among the first users who became familiar with large IT systems, as well as the hardware and software providers. Their former consulting activities were negligible in relation to their accounting and auditing businesses and to those of the second generation consultancies. Nevertheless, the revenues of these third generation consultancies were growing rapidly because of the exploitation of IT-based tools. Rather than designing and implementing the systems, as done by companies like Oracle and SAP, clients were helped to adapt their organizations and to teach their employees to use these systems. Anderson Consulting, nowadays renamed to Accenture, even exceeded its accounting progenitor Arthur Anderson. Other firms which exploited the opportunities for new third generation types of consulting were Deloitte & Touche, Ernst & Young, KPMG, PriceWaterhouseCoopers, IBM and Cap gemini.

Whereas second generation consultancies were able to remain among the top 20 of the consulting industry, they clearly lost market share to newcomers from accountancies. Especially since this loss was somewhat masked by the overall growth of the consultancy industry (Kipping 2002). Since there is no doubt that networks and IT became increasingly important for management, it is therefore important for management consulting as well. But it must also be noted that there has been a debate about whether the third generation consultancies really offer 'management consulting'. Despite this debate, there is no doubt that the organization and strategy wave is a smaller and more difficult market to compete and whereby most of the third generation consultancies have decided to focus on IT. It remains questionable whether history will repeat itself; if second generation consultancies will suffer from similar destructive patterns as first generation firms, like Bedaux, did. Nonetheless, the authors would like to endorse that the presented historical analysis demonstrates the necessity for new services and the need for the exploration of new paths. Table 1 summarizes the main results.

Wave	*Trigger*	*Changes in the needs of client-organizations*	*Consul-tancies provided*	*Overall durati on*	*Major expan-sion*	*Examples*
Scientific management	Industrialization Economies of scale	Efficiency improvements of workers and production	Control of workers by managers	1900s till 1980s	1930s-1950s	Emerson, Bedaux, 'Big four', Hijmans, Van Gogh, Louwerse
Organization and strategy	Increased firm size Diversification	Decentralization and portfolio planning	Control of managers by plans	1930s till - 20??*	1960s-1980s	Arthur D. Little, BCG, McKinsey, Berenschot, BMB, Horringa en de Koning, Twynstra Gudde
Information and communicati on	network economies shareholder rights focus on core competencies and outsourcing the rest	Internal and external coordination in networks	Control over all stakeholde rs	1960s till????	1990s-????	Accenture, Deloitte & Touche, Ernst & Young, KPMG, PWC, IBM, Capgemini

Table 1 Three distinct but overlapping waves of management consultancy development (*Adapted from*: Kipping and Kirkpatrick 2005)

*note: *??* means that the wave is still flowing but believed to end somewhere between 2000-2099

2.1.4 Historical lessons

As shown in the previous sections, the management consulting industry has changed significantly in the last century. Opportunities for new services arose due to those changes but history showed that threats also emerged. In each wave well-established firms were locked up in path-dependent ways of working and were more concerned to fuel their own growth. They were trapped in their wave: earning money today made them blind for opportunities of tomorrow. Their inability to cope with innovation might be explained by the overlap of subsequent waves (e.g. see the 5th column in table 1 and compare 'the overall duration of the waves'). This overlap made it more difficult to see the emergent threats from the following wave and could explain why first generation consultancies were trapped in their wave. Nowadays, even second generation consultancies (Twynstra Gudde included) still experience growth rates in their market of 'control of managers by plans' (4th column in table 1). The temptation to exploit those business rather than looking into new and uncertain (next wave) business is thereby very attractive. Whereas the importance of exploitation remains important, second generation consultancies should also be concerned about the much higher growth rate of the accountancy and IT firms which could eventually threaten their own survival. Some of the second generation consultancies have already been acquired by firms of the third generation (e.g. 'Krekel, Van der Woerd and Wouterse Management Consulting' have been acquired by Deloitte & Touche Consulting in 1997). In essence, the reader should now be able to recognize that firms like Twynstra Gudde need to have dynamic capability, being able to build and reconfigure internal and external competences to address rapidly changing environments (Teece 1997). RSD is a way to reconfigure those competencies and making consultancies able to catch subsequent waves or new businesses. Therefore it is valuable to identify which factors contribute to the success or failure of RSD. Section 2.3 elaborates those factors but the contextual characteristics that are believed to moderate the affect of those factors will be described first.

2.2 Specific characteristics of management consulting

The previous section described the development of the management consulting industry. Three waves of consulting and the need for new services have been stressed. This section elaborates specific features of management consulting firms. Those features are described to be able to look for management consulting-specific solutions to RSD. The specific nature of management consulting will therefore be discussed first. Four contingencies are described: the radicalness, the specific features of services, the project-based organization and the professional workforce in which the development processes take place.

2.2.1 Radicalness

The first contingency that is believed to affect the development process is well-known in the literature and related to the type of innovation. In order to provide scientific and practitioner clarity, it is necessary to define what is actually meant with radical in this research. Two specific dimensions have been identified to determine the radicalness. Those dimensions will be discussed in this section.

2.2.1.1 Dimensions that determine the radicalness

It must be mentioned that a wide range of innovation types exists: incremental, really new, discontinuous, imitative, architectural, modular, evolutionary, breakthrough, disruptive, radical and so on innovations (Tidd et al. 2005, Bower and Christensen 1995, Garcia and Calantone 2002, Johannessen et al. 2001). The aggregation of innovations typologies has even resulted in the same name being used for innovations with different dimensions and innovations with similar dimensions being labeled with different names. The aggregation stresses the need to define what is actually meant with radical in this research. Moreover, a definition is needed that will be applicable before and not after the development of the service, because the required activities depend upon the type of project. Radical innovation as defined by O'Conner and Ayers (2005) and Leifer et al. (2000) will therefore not be used here. Other literature instead, (Garcia and Calantone 2002, Johannessen et al. 2001, Tidd et al. 2005) showed that all types of innovation shared two common constructs, market newness and technology newness.

The market newness for new consulting services will cause similar development problems when compared to market newness for new products. Both will have to deal with market uncertainty and greater marketing efforts when markets not yet exist. Market newness will thus be used here as one dimension to determine the radicalness of services.

Technology newness instead needs some elaboration since consultancies not primarily have to deal with technology but are more concerned about new knowledge or body of thoughts about certain problems. Products in manufacturing are often technology-based and improved through new technology development. Examples are televisions with new LCD or PLASMA technology and lights with new L.E.D. technology. Radical technologies can even change the world, as has been the case with the World Wide Web. Services in management consulting instead are primarily knowledge-based and rely more on knowledge than technology development. This follows directly when looked into what kinds of problem are solved and why consultants are hired. The client's lack of knowledge and skill is often mentioned as main reason why clients hire consultants (Twijnstra and Keuning 1988, Kubr 1996). Helping managers with problem-solving is therefore the most frequently mentioned purpose of consulting. Management consultancies thus need special knowledge and skills to assist client organization. They belong to the so-called Knowledge Intensive Business Services (KIBS) as described by Den Hertog (2000) as:

- private companies or organizations;
- relying heavily on professional knowledge, i.e. knowledge or expertise related to a specific (technical) or (technical) functional domain; and
- supplying intermediate products and services that are knowledge based.

Based on their knowledge and experience, management consultants assist managers in the identification of problems, the designing of solutions (e.g. plans) and sometimes in implementing these solutions. They develop knowledge-intensive services to supply to client organizations. Despite the difference with technology-based firms, it is argued here that technologies are no more than transformed knowledge into tangible assets and that the analogy between knowledge development and technology development can be made. In order to be consistent with the literature it is chosen to use the term (non)technology which both includes knowledge as well as technology.

It should now be clear that the following dimensions will be used:

- market newness: refers to the portentous newness of a certain set of buyers, a market segment, and especially to the revenues gathering from those buyers in relation to current buyers.
- (non)technology newness: refers to the portentous newness of technological- and/or knowledge-based resources in relation to current resources. Resources are described by Barney (1991) and include both tangible and intangible resources which are owned by the company or in the heads of employees. Current resources include the core competencies or 'doing what we do best' competencies and organizational structures, cultures, incentive systems and process competencies (Tidd et al. 2005).

Portentous, because the impact of new services is never known ex ante the development, it might only be forecasted with great care.

2.2.1.1 Ranging from incremental to radical levels of innovation

All authors argue that the previous mentioned dimensions can be compared against different degrees of innovation. Roughly, the literature can be broken down into two extremes, ranging from an incremental to a radical level. A clear demarcation between the wide range of innovation types doesn't exist and debates about the newness are ongoing (Bower and Christensen 1995, O'Conner and Ayers (2005), Leifer et al. (2000), Garcia and Calantone 2002, Johannessen et al. 2001). Despite the debates, radicalness has in this thesis to do with innovations that are *new to the firm* both in terms of a) market segment and b) current (non)technologies. It is presumed that radical innovations are by far the most challenging development projects. Both market and (non)technology are new to the firm, and from start it is uncertain if the service could be developed and if it would finally be bought (e.g. generate new businesses). Customer needs are hard to identify and radical services require lots of marketing effort to make the market familiar with the new service, especially for services in which markets and actual customer requirements may not yet exist. In contrast, it is presumed that incremental services are easier to develop since they require less out-of-the-box thinking and are close-related to the current business, (non)technologies and core competencies of the firm. Moreover, current market segments are much easier to serve since customer requirements are well-known and less marketing is needed due to an already well-established reputation.

What is clear is that all kinds of innovations, regardless whether other authors call it really new, discontinuous, imitative, architectural, modular, evolutionary, breakthrough, disruptive or radical innovations, share a common characteristic that incremental innovation does not: high levels of uncertainty on multiple dimensions. The more radical innovations require the move into uncharted territory, where reliance on current (non)technologies and current customers is not beneficial. The radical types of innovation are central here in the belief that projects in which uncertainty levels are high, benefit from different development approaches than incremental innovations. Radical services are thus defined as "services with high levels of uncertainty on multiple dimensions" and can be depicted as follows:

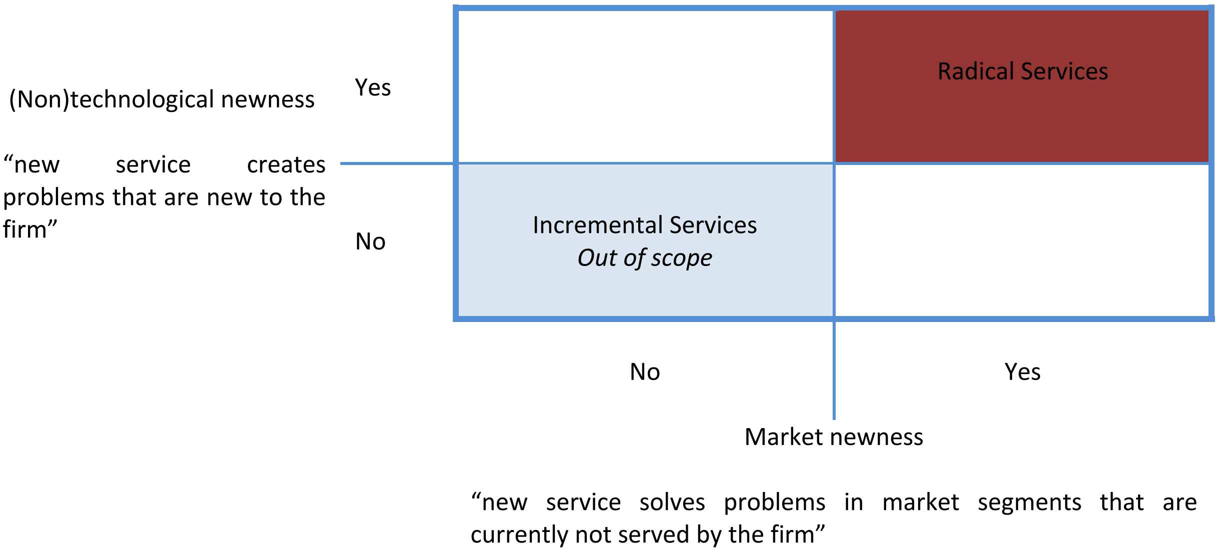


Figure 2 Incremental and radical services

2.2.2 *The specific nature of management consulting*

The previous section described the first contingency for the problem of ‘radical service development in management consultancy’ and was directly related to the type of service itself. It was stressed that radical types, in which uncertainty levels are high in multiple dimensions, benefit from different development approaches than incremental services. The following contingencies are related to specific features of management consultancies in particular. This section specifies those characteristics to be able to look for management consulting-specific solutions to RSD. The specific nature of management consulting follows directly when looked into what, where and by whom radical services are developed. Management consulting firms develop services in project-based organizational structures with a workforce that is primarily filled with highly skilled professionals. Manufacturing companies instead develop tangible products in functional organizational structures with a workforce that is primarily filled with lower skilled employees. The specific features of services, the project-based organization and the professional workforce in which the development processes take place are believed to influence RSD. The distinctive nature of management consulting will therefore be elaborated.

2.2.2.1 *Service characteristics*

Services have been defined is several ways. A service can be a “intangible, inseparable, variable and perishable product“ Kotler & Keller (2006, p. 374) or “an activity or series of activities of a more or less intangible nature that normally, but not necessarily, take place in interaction between the customer and service employees and/or physical resources or goods/or systems of the service producer, which are provided as solutions to customer problems” (Grönroos 1990, p. 27). Four specific characteristics of services can be identified from those definitions and most researchers (Kotler & Keller 2006, p. 374, Grönroos 1990, De Brentani 1991) address those features of services as opposed to physical products:

Services	*Products*
An activity	A physical object
Simultaneous production and consumption	Separated production and consumption
Customers participate in production	Customers do not normally participate in production
Heterogeneous: the service will be different each time it is delivered	Homogenous: the product will be similar
Intangible	Tangible
Perishable: cannot be stored	Can be stored in a warehouse and sold later

Table 2 Features that distinguish services from products (*Adapted from*: Vermeulen 2001)

The simultaneous, heterogeneous, intangible and perishable (SHIP)-characteristics of services and differences with products are displayed in table 2. The consequences of those features are believed to influence RSD in management consulting because lots of authors (Kotler & Keller 2006, Grönroos 1990, Vermeulen 2001 and De Brentani 1991) argue that 1) the intangibility makes the service more difficult to grasp, the service can simply not be touched or seen, 2) the heterogeneity makes the service unequivocal and open for a number of interpretations, different interpretations of the same service might exist which lead to confusion and obscurity about actually what should be developed, 3) the simultaneity of production and consumption require more skilled and professional front-line personal and 4) the perishability leads to the fact that the service cannot be produced in advance.

It should now be clear that services in management consulting differ when compared to products. The SHIP-characteristics are mentioned because most researchers specified those characteristics and it is therefore believed that they could influence the development process. The features of services are thus mentioned to be able to look for service-specific solutions to RSD.

2.2.2.2 Project-based organizational structure

Besides the difference in what is produced (product vs. service, tangible vs. intangible, homogeneous vs. heterogeneous), this thesis moreover identified a difference in organizational structure when compared to manufacturing firms. Instead of functional oriented manufacturing firms, management consultancies are project-based. That implies that consultancies are organized around projects, provide complex systems by order of their clients and usually take place in a business-to-business environment (Hobday 2000). It must furthermore be stressed that not every firm that executes projects is a project-based firm, solely firms in which project management is part of the core competencies belong to the category of project-based firms (Blindenbach-Driessen 2006). These firms enable the execution of large projects for their clients, such as construction firms that build a new railroad or consultancy firms that reorganize a company.

Although it is assumed that insights from innovation literature will be applicable, project-based firms are different from manufacturing firms that produce mass products. Project-based firms belong to the category of professional service firms. Reputation instead of efficiency is a key value driver and obtained through a strong culture (Maister 1985) and a mixture between structure, its workforce and the choice of challenging customer problems (Stabell and Fjeldstad 1998).

Hobday (2000) also stressed the difference between project-based and manufacturing firms. He made a distinction between several types of project firms and showed that functional departments in project-based firms have become less important when compared to manufacturing firms. Instead of functional or divisional responsibilities, the project-leaders themselves are primarily responsible for the coordination of the daily businesses. It might therefore be expected that project management in project-based firms are more the rule than the exception and that project-based firms are more capable of performing such projects than functional firms.

This section described project-based firms and their differences with functional firms. These differences are displayed and mentioned in table 3 to be able to look for project-based specific solutions to RSD.

Project-based firms	*Functional manufacturing firms*
Core activities: Solving customer problems through the formation of temporary project-teams	Core activities: Transformation of inputs into outputs by moving products, sequentially, from one department to the next
Value system: Reputation as key driver	Value system: Efficiency as key driver

Table 3 Features that distinguish project-based firms from manufacturing firms

2.2.2.3 Professional workforce

The last contingency for RSD concerns the workforce. The workforce in management consulting primarily consists of knowledgeable professionals and greatly differs when compared with manufacturing firms (e.g. in manufacturing the workforce primarily consists of lower skilled workers who operate machines). The specific characteristics of professionals will therefore be discussed in this section. In the belief that the professional workforce in management consulting influences the RSD process.

Based upon a comprehensive review of research literature, Kerr and Von Glinow (1977, p. 332) identified that the ideal professional exhibit behaviors and attitudes consistent with the following characteristics:

- *Expertise*, generally stemming from prolonged specialized training in a body of abstract knowledge.
- *Autonomy*, a perceived right to make choices which concern both means and ends.
- *Commitment*, to the work and the profession.
- *Identification*, with the profession and fellow professionals.
- *Ethics*, a felt obligation to render service without concern for self-interest and without becoming emotionally involved with the client.
- *Collegial maintenance of standards*, a perceived commitment to help police the conduct of fellow professionals.

The professional turns out to be individualistic in nature and prefers not to be bound by any kind of rules, policies, procedures, directives, dress codes, quality systems or working hours of the organization (Katz 2004). Freedom and autonomy are of great importance for the professionals and they prefer to do things their own way. Professionals are critical and independent, both in attitude and in behavior. They furthermore have a great need for achievement, personal growth and recognition by other professionals and a much lesser need for financial gain and profit maximalization of the firm in which they operate (Weggeman 2008).

The characteristics of management consultants may now be clear, but nothing is said about the known implications that originate from those characteristics. Among others, Roberts (1991) endorsed that a professional's attitude and behavior patterns affect the development process. He mentions that a professional's need for achievement, the desire to excel or succeed at some challenging activity or project, leads to increased motivation and success in entrepreneurial activities. Professionals seek to do things more efficient than before and they are willing to accept responsibility for a project's success or failure. Whilst it sounds promising, the actual management of professionals is problematic. This becomes clear when looking at the motivational framework of Hackman and Oldman (1980). They showed that people's motivations increases when they experience a high degree of skill variety, task identify, task significance, autonomy and feedback. Given table 4 it becomes clear that one of the problems in managing professionals is that there are almost always two alternative and somewhat contradictory ways of looking, from a professionals' perspective and from a firm's perspective. Both perspectives will now be described.

Task dimension	*Organizational perspective*	*Professional perspective*
Skill variety	To utilize one's skills and abilities	To learn and develop new skills and abilities
Task identity	To become a contributing member of the organization	To become a contributing member of the profession
Task significance	To work on projects that are important to the organization	To work on projects that are exciting within the profession
Autonomy	Strategic clarity	Operational autonomy
Feedback	Subjective data and information processes	Objective data and information processes

Table 4 Motivational framework of Hackman and Oldman (1980) adapted by Katz (2004) (*Source*: Katz 2004, p. 10)

Skill variety:

People prefer to use different skills and abilities to perform their jobs and managers should prevent employees from getting in the daily round. Professionals make it even harder for managers since they do not only want to utilize a variety of skills about what they already know, they also want to keep up-to-date. They want to incorporate state-of-the-art information about their areas of expertise into their project's requirements and specifications. Whilst this could be very beneficial for service development, professionals should not fall into the trap of developing elegant but purely incremental solutions. The manager is confronted with the difficult task to encourage 'business sense', to suit both organizational as well as the professional's goals, without burdening the professional with discouraging bureaucracies.

Task identity:

People should identify with and feel part of the job but in case of professionals it is not clear what that job is: whether the professional is a member of the organization or a member of the profession? Professionals often feel less concerned about strategic business goals and more concerned about their own business and identification with the profession and fellow professionals. Their profession and recognition in the scientific world is in their belief much more important than the firm's performance.

Task significance:

Another implication for managers who have to deal with professionals concerns perfectionism. Professionals might prefer comprehensive solutions for problems whilst organizations would prefer that professionals come with solutions that are 'good enough', solve customer problems and produce revenues (Steel 1988).

Autonomy:

Autonomy can be defined as a perceived right to make choices which concern both means and ends, in other words the degree of freedom a person has. Katz (2004) makes a clear distinction between strategic autonomy and operational autonomy. Between *what* has to be done in terms of goals, prescriptions and constraints versus *how* one chooses to accomplish the goals. Professionals should be empowered, given the freedom to function independently and make decisions based on their own careful professional judgments. Managers should increase strategic autonomy and should definitely not confuse professionals with operational directives and bureaucracy.

Feedback:

Another difficulty for managers stems back from the difference between subjective and objective feedback. While professionals are more familiar with objective forms of feedback (e.g. Ph.D. degrees and grades), managers in organizational environments provide more subjective feedback and do often have less knowledge and understanding about the tasks and problems on which the professional has worked.

Difficulties with the management of professionals have now been discussed and it may be clear that the workforce of management consultancies greatly differs from those of other organizations. The workforce primarily consists of highly skilled and knowledgeable professionals. It should be clear to the reader that the behavior patterns of professionals do not only affect motivational issues. The individualistic nature, lack of commercial viability of the firm, perfectionism and aversion from any kind of rules, procedures and other bureaucracies could affect RSD as well.

2.2.3 Conclusions about the presumed contingencies

A contingency approach is embraced and the previous sections described one general contingency, the radicalness, and three contingencies for management consulting firms in particular: the specific features of services, the project-based organization and the professional workforce of management consulting firms. In the corresponding sections it is argued that radical innovation differs from incremental innovation, services differ from products, project-based firms differ from functional firms and that management of professionals firms differs from the management in firms with a workforce filled with lower skilled employees. That is why it is expected that RSD in management consulting requires a different set of success factors than innovation process in other surroundings. Due to the intangibility of services for instance, development requires fewer resources and less investment in physical assets. That is why the total amount of time spent on such projects usually takes about half the development time than manufactured goods (Griffin 1997).

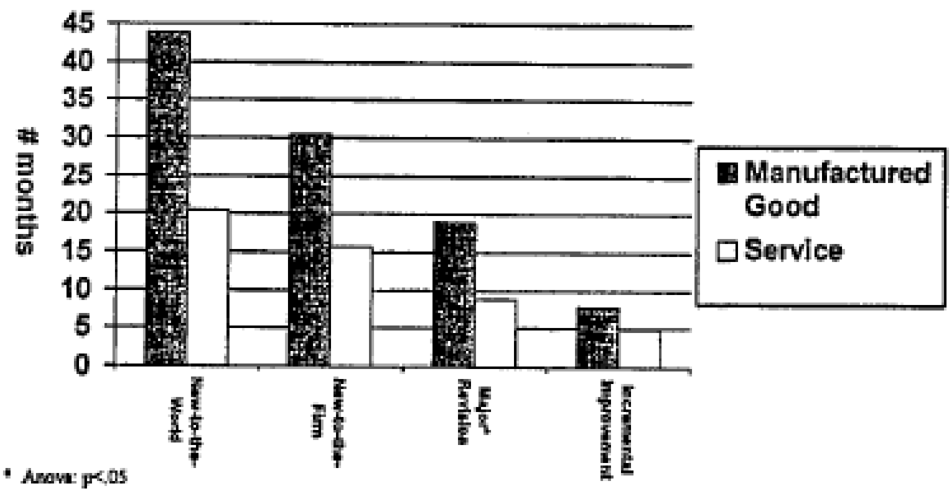


Figure 3 Innovation process cycle time: manufactured goods and services (*source:* Griffin 1997, p.449)

Service development not only takes less time but requires fewer dependencies on resources and financial assets of the firm. Developers in management consulting not only have the need to do things their own way (section 2.2.2.3), but are also capable of making choices which concern both means and ends. Management consultants could even leave the organization to exploit new opportunities, which they see and believe in, more easily than developers in manufacturing firms (Tidd et al. 2005).

The *ex-ante* knowledge about the context is described to make the empirical analysis easier to comprehend and to be able to explain management consulting-specific solutions for RSD. The following section will describe some insights from innovation management that could be useful as well.

2.3 Past studies of new products and services

The historical analysis (section 2.1) showed that management consultancies are trapped in their waves and require radical services to retain viable. Section 2.2 described four contingencies for RSD and stressed that management consulting firms greatly differed when compared to manufacturing firms. Management consulting was classified as a project-based firm in which respected consultants help managers with problem-solving and rely on knowledge-intensive services. Despite the difference as described in section 2.2, it is believed that many can be learned from the research about development processes in manufacturing firms. Griffin (1997) argues that most factors for service development are identical to those identified for manufacturing firms and that is why this section explores "How" management consulting firms could develop radical services as successful as industrial and other service firms do, keeping the specific characteristics of management consulting (read section 2.2) in mind.

2.3.1 Success factors for radical innovations

Thirty years of empirical research (Van der Panne et al. 2003, Ernst 2002, Brown and Eisenhardt 1995) already exist about the factors that affect success of new product development. Similarly for services, researchers have explored the success and failure factors about how to develop new services. Much of the past research proclaimed to have found ´one best way` of product development. Currently it is argued that those studies have overlooked the degree of newness and that innovations can differ substantially in their degree of newness and corresponding success factors (e.g. incremental innovations are related to other success factors than radical innovations). This research focuses on the development processes of radical innovations only, given that most large firms are unable to explore next waves due to the pressures between long-range strategic planning and short-term financial control (Tidd et al. 2005, p.430):

- Budgeting systems favor short-term returns on incremental innovations
- Operations favors efficiency rather than innovation
- Employees are rewarded on the basis of existing products and services

Large companies unwillingly create such an environment that favors planned and stable growth based on incremental innovation of processes and services. Such an environment is destructive for radical innovation and this research investigates what could be improved with respect to the development of those risky and uncertain services. A prescribed set of factors was investigated for that purpose only. It became clear that studies about radical innovation (De Brentani 2001 and O'Conner 2008) converged around similar factors as past studies, (Van der Panne et al. 2003, Ernst 2002, Brown and Eisenhardt 1995) but differed substantially concerning content. For example, radical innovations required different incentives but like all innovations they needed some kind of incentive. The investigation resulted in four categories and a number of success factors for radical innovation: product-related factors concern those factors that are related to the product itself. A product is defined as the output that is finally produced at the end of the development process; market-related factors concern those factors that are related to the market; firm-related factors include those factors that are related to the firm in which the project is executed; and team-related factors concern those factors that can be influenced by the team members themselves. Those categories can be depicted as follows:

Figure 4 Four categories of success factors

Success factors mentioned in the literature	*Sources*
Product-related	
• Resource fit	1, 2, 3, 4, 5
• Strategic fit	1, 2, 3, 4, 5
• Market fit	2, 3, 5
Market-related	
• Market potential	2, 3, 5
Firm-related	
• Senior management	1, 2, 3, 4, 5
• Appropriate metrics	1, 4
• Innovative climate	1, 3, 4, 5
Team-related	
• Probe an learn process	1, 2, 3, 4, 5
• External linkages	1, 2, 4
• Intra-firm linkages	1, 2, 4
• Intra-team linkages	1, 2, 4
• Team structures	1, 2, 3, 4
• Informal roles	1, 2, 3, 4, 5

1 = (Ernst 2002), 2 = (Brown and Eisenhardt 1995), 3= (Van der Panne 2003), 4 = (O'Conner 2008), 5 = (De Brentani 2001) see Appendix D for a complete overview and difference in terminology

Table 5 Overview of relevant success factors for RSD

All factors are derived from the literature and their references are included in table 5. Although those studies have prescribed how development processes should be organized, it is not clear what contributes to the success of development processes in management consulting firms. As described in section 2.2, those firms differ substantially when looked into what (SHIP services), where (project-based organization) and by whom (professionals) new services are developed. That is why those characteristics of management consulting firms are believed to moderate the success factors. This can be illustrated as follows:

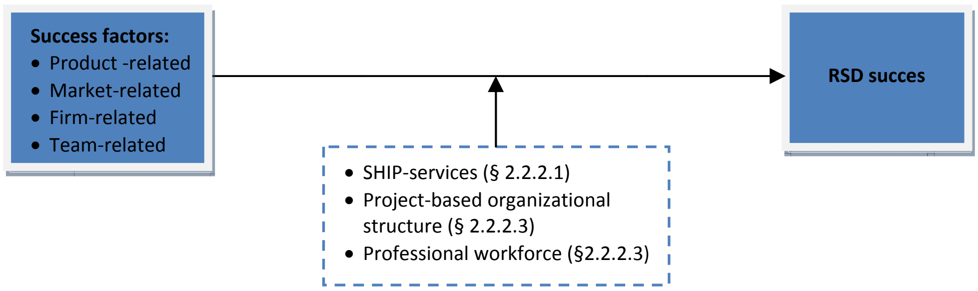
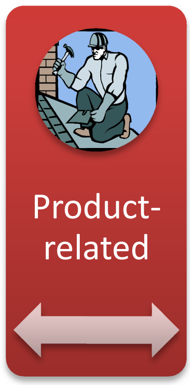


Figure 5 The influence of the management consulting context on success factors for development projects in other industries.

Entering a research field without any knowledge or expectations is very unlikely. The success factors will therefore be used to structure the empirical analysis (chapter 5). The literature study will first describe how management consulting firms could develop radical services as successful as industrial and other services firms do. As such, several preliminary prescriptions will be formulated before the empirical material is collected.

2.3.2 Contextual impact on product-related success factors

A number of product-related factors have been linked to success that can be expected to have an impact on the successful development of radical services in management consulting. Products are defined as the output that is finally produced at the end of the development process. Herein this paragraph it is stressed that the product should fit with the strategic goals and resources of the firm. In correspondence with Tidd et al. (2005, p. 364), it is believed that initiators should know (1) what, realistically, they could do? and (2) what they are going to do?. In addition it is stressed that the initiators should also make sure that the products fit with the requirements of the customer (De Brentani 2001). A detailed description of respectively resource, strategic and market fit is given in the following sections.



2.3.2.1 Resource fit of the product

The first product-related factor is mentioned to ensure a fit between what is currently known and the proposed change (e.g. new product) that has to be made, since new product failure is often caused by people trying to develop radical products which do not fit their competences at all (Ernst 2002).

Failure can not only caused by people who are trying to develop products which do not fit their competencies (team-resource fit), but might also be caused by products that do not fit the competencies of the firm (firm-resource-fit). Resource fit has to do with the degree to which people are believed to be able to make the proposed change by using knowledge that 1) is present in current development processes, current products, current people, current systems of the firm or knowledge that 2) can be accumulated through alliances with third-parties. According to Tidd et al. (2005) it does not mean a seamless fit with current knowledge but more that radical services should extent, build upon and have some relation with the overall competence set of the team and the firm (Tidd et al. 2005). For example, a consultancy firm should not invent a hybrid engine but might invent a new method of change management by which new markets can be targeted. A precise prescription of fit is unavailable but it is believed that the relation with current competencies of the developers and the firm should not be too optimistic. The following preliminary prescription is formulated:

PP 1: Successful RSD projects require a fit between what is currently known and the proposed change (e.g. new product) that has to be made.

2.3.2.2 Strategic fit of the product

When developers know what realistically they could do, they subsequently have to choose what they could do best. It is believed that the scare resources of the firm and the team have to be invested in a visionary way that differentiates the firm from competitors. That is why the presence of a business strategy, which contains goals that are not too myopic or short-minded, becomes a prerequisite. The strategy provides direction and should be clearly articulated to all members in the organization. The extent to which the new idea is aligned with the strategic intentions, the long term areas of expertise and objectives for growth, of the firm is believed to affect success. Those products are favored and could help the firm to reach strategic goals. The following preliminary prescription is formulated:

PP 2: Successful RSD projects require a strategic fit to ensure that the products remain relevant for the firm.

2.3.2.3 Market fit

Besides being able to make and choose the most relevant product for the firm, it is by far the most important prerequisite of RSD to ensure market fit. Market fit concerns the extent to which a radical product solves customer problems and satisfies customers' needs. Market fit stresses the importance of providing a significant competitive advantage in order to secure adoption by customers. It is expected that a professional's need for achievement might result in favor of professional- instead of customer needs. Given their need to learn and develop new professional skills (see section 2.2.2.3), it must be noted that they should not fall into the trap of developing elegant solutions to relatively simple or nonexistent customer problems (e.g. the better mousetrap that nobody wants).

PP 3: Unsuccessful RSD projects fall into the trap of developing 'elegant sciences' instead of 'good enough' customer solutions.

It is furthermore believed that distinctiveness, the relevance of a service's value relative to competing services or substitutes, is of undisputed importance for success (De Brentani 2001). Among others, it concerns the price relative to competing products or the extent to which the service reduces the customer's total-costs-of-use (Ernst 2002). Also the price-to-quality ratio is expected to be important (Van der Panne 2003). Moreover, successful services could meet customer needs on a number of features simultaneously and the right mix of quality, relative price, costs-of-usage, convenience of usage and after-sales services could increase success synergistically (Madique and Zirger 1984).

PP 4: Successful RSD development projects require distinctiveness to ensure that the product adds value.

Last but not least, it is expected that the intangible nature and complexity of services (see section 2.2.2.1) can create a major challenge for management consultancies in getting clients not only to grasp a radical service but to appreciate its distinctiveness compared to more familiar solutions. The lack of physical components can make it difficult to demonstrate differential facets. Especially because potential clients fear the unknown, don't understand the new idea and its benefits (De Brentani 2001). The team responsible for service delivery is therefore considered to be of significant importance and it is expected that the more successful projects emphasize the use of highly trained and skilled personal for delivery purposes. In line with De Brentani (2001) it is also assumed that the degree of tangible services added will contribute to a greater probability of success. Simplistic representations of complex scientific models can furthermore be used to communicate with and add value for the client in order to overcome the problems during adoption.

PP 5: Successful RSD projects emphasize physical components (e.g. people, simplistic representations and tools) to demonstrate the value of intangible services.

2.3.3 Contextual impact on market-related success factors

The product-related success factors and the preliminary prescriptions on the radical development process are described. Whilst the product was at the centre in the previous sections, this section is more concerned about the market. Just one market-related factor will be mentioned that is likely to affect RSD. That is because all market-related factors converge to one simple and comprehensive question: "is the market big enough?" This question can be answered regardless whether the competitiveness of the market (e.g. red vs. blue oceans) and is important to identity potential opportunities for new services.

2.3.3.1 Market potential

The market opportunities need to be recognized before solutions and 'market fit' can be achieved. That is why all kinds of innovations require a mechanism to recognize this potential (De Brentani 2001). Market potential concerns the amount of value that can be generated from the market. It is believed that radical services require a visionary instead of an objective exercise to identify that potential of the market. The visionary exercise refers to people who are more future-oriented and able to envisage changes in the current environment, based on a broad awareness of trends. Visionary exercises include "thinking out of the box" and "thinking in boxes other can't see" to recognize opportunities that are new to the firm. Objective exercises instead increase "thinking in boxes" and refer to the writing of thick reports, trend analysis, exact figures and extensive financial enumerations. The following preliminary prescription is as follows:

PP 6: Successful RSD projects emphasize a visionary instead of an objective exercise to determine the potential of the market.

2.3.4 Contextual impact on firm-related success factors

The product- and market-related factors and their preliminary prescriptions about successful RSD have been described. The following sections concern those factors that could be related to the firm or the environment in which the project is executed. Rather than forcing people to leave the organization, the firm should facilitate the project from idea to service launch by offering:

- senior management support,
- appropriate constraints and rewards for radical innovations, and
- an innovative climate.

It is believed that those factors lie outside the scope of the project-team and should be stimulated by senior management instead.

2.3.4.1 Senior management of the firm

The ideal types of senior management understand the associated risks during the development and create the most favorable environment for radical innovations to occur. They value the importance of radical innovation and act as caretakers and champions for such initiatives (O'Conner 2008). This is shown through resource support and subtle control. Resource support includes both financial and political resources and is necessary for project leaders to obtain the resources they need to attract team members, to gain approval to go ahead and to gain financial support to realize the project.

Moreover, senior management should be able to provide what Imai et al. (1985) call subtle control. Clark & Wheelwright (1992) described that senior management and development teams often specified in advance for which tasks the team had decision-making power, control and for what tasks they required a review. Whilst well-defined development paths and known budgets might be favorable for incremental development projects, it is believed here that subtle control is more appropriate for radical projects. Subtle control means being able to delegate and having vision at the same time. Vision is necessary to develop a risky and uncertain service together with the project leader, delegation to assign sufficient autonomy to the project team such that creativity and motivation can be stimulated inside the development team. It is thus believed that senior management needs to be able to both guide the project and empower the team to lead and act. A higher degree of delegation flows to those project leaders who are prepared to "stick their neck out" and act entrepreneurial. The following preliminary prescription is as follows:

> *PP 7: Successful RSD projects require senior management that recognizes the importance of the project through resource support and subtle control.*

An evaluation process at certain moments in time should be in place in order to prevent never ending development trajectories and dissipation of resources. According to O'Conner (2008) a real-option theory could be used to guide go/no-go decisions under uncertainty. With real-options, an investment in assets with a high uncertain future could be viewed as "taking an option that may or may not be exercised, depending on how new information changes the option value of that opportunity" O'Conner (2008, p. 324). The objective of each funding milestone is to learn more, thereby reducing uncertainty. So, depending upon the entrepreneurial behavior of the project leader and investments that need to be made, senior management could decide to commit a certain degree (i.e. an option instead of the whole) of resources to learn whether or not the idea is valuable for the organization. The following preliminary prescription is as follows:

PP 8: Successful RSD projects require funding milestones to prevent never ending development trajectories.

2.3.4.2 Appropriate metrics of the firm

Radical innovations require different metrics to make sure that resources are protected against day-to-day-operations (O'Conner 2008). Protection is crucial to develop and ramp up the service to a point where it can stand up on its own, relative to other operating units in the receiving unit (O'Conner and DeMartino 2006). A radical innovation requires protection until it is generating profitable sales. From then on it can be integrated into an existing business unit with less change of neglect by current businesses, or it may become a stand-alone business unit or spin-out with own profit and loss accounts. During the incubation period, it is believed that protection can be achieved through different metrics and rewards for radical services than those related to the exploitation of day-to-day operations.

When looked at the specific characteristics of professionals. Professionals do not move into risky and uncertain environments because the rewards are so promising. On the contrary, they have a high need for achievement, the desire to excel or succeed at some challenging activity (Roberts 1991). Professionals prefer not to be bound by any kind of rules, policies, procedures, directives, dress codes, quality systems or working hours of the organization and have a need to do things their own way. To allow for radical innovations, professionals in management consulting could therefore be rewarded with freedom to act and protection against day-to-day operations. The preliminary prescription is as follows:

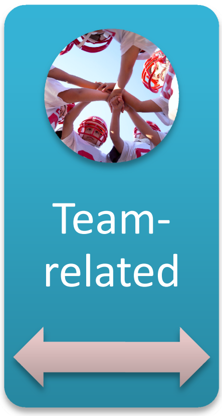
PP 9: Successful RSD projects require different metrics to provide incentives for the project and protection against day-to-day operations.

2.3.4.3 Innovative climate of the firm

Ideas not only need to come into existence but also require an innovative climate which stimulates and supports creativity. In terms of Ekvall (1996, p. 105), climate is regarded as "an attribute of the organization, a conglomerate of attitudes, feelings, and behaviors which characterizes life in the organization, and exists independently of the perceptions and understandings of the members of the organization." Ekvall (1996) discovered that an innovative climate is determined by the extent to which people experience challenge, freedom to explore, idea support, trust, dynamism, humor, constructive debates, less conflicts, tolerance for risk-taking and the amount of time that people can use to discuss and test their idea (The interested reader can read Appendix C for a complete overview and elaboration of all organizational conditions). In contrast, it is believed that a climate might be destructive for radical innovation when the time-pressures makes thinking outside the routines impossible, when people are afraid of being exploited and robbed of their good ideas, or when the reflexive 'no' prevails and every suggestion is immediately refuted by a counter-argument. The preliminary prescription is as follows:

PP 10: Successful RSD projects benefit from a climate which stimulates idea generation and creativity.

2.3.5 Contextual impact on team-related success factors



A final group of factors that researchers mention and which could contribute to success of RSD in management consulting deals with the activities that are performed by the team members itself. The team instead of the firm is capable of fulfilling the activities that are related to the following factors: type of process in which the project is executed, external linkages of the team, intra-firm linkages of the team, intra-team linkages, structure of the team and informal roles inside the team.

2.3.5.1 Probe-and-learn process

Researchers have focused on the description of the various stages during the development of new products. Many models have been described during the last 30 years and seem to have a significant influence on the success of new product development. Although the numbers of stages vary from four to over twenty, almost all of these descriptions consist of the following four: 1-idea generation, 2-concept development and testing, 3-building and 4-launch (Vermeulen 2001).

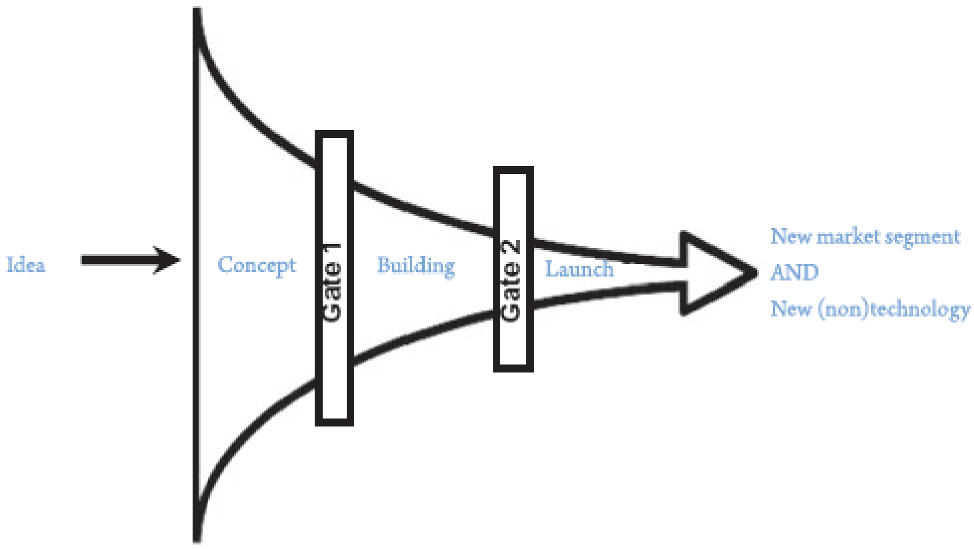


Figure 6 Stage-gate development process

Although the idea of stages have been commonly described, it is important to mention that Cooper and Kleinschmidt (1995) emphasize that the orientation along stages is noteworthy but cannot be understood in a sequential form. Rather overlapping and concurrent activities happen. Nonetheless, the idea of stages retains a conceptual meaning by structuring the process (Ernst 2002). Particular for projects where firms have a good understanding of the new service, its knowledge-intensity and market (e.g. incremental projects), the extent to which companies undertake up-front market studies, formal idea screening and business case analysis can be beneficial for ensuring market fit, speeding up the process and minimizing errors (De Brentani 2001). Although a formal, planned and concurrent process is recommended by more researchers, it is believed that such a process may be counterproductive for radical services (Leifer et al. 2000). Brown and Eisenhardt (1997) even noted that highly structured processes are effective for incremental projects but not for radical ones, since those processes favors exploitation over exploration. O'Conner (2008) suggest that a "probe and learn" approach is more suitable than deliberative and bureaucratic processes for RSD in which a) market requirements are fuzzy and difficult to predict and b) knowledge-intensive solutions are unclear. In high uncertain projects like RSD, variety enhancement is favored over closure for much of the development process and as stated by O'Conner (2008, p.322) "Generating multiple options and executing on each only to the point of learning what is needed for the next step is a more favorable process for radical services". In congruence with those authors, it is thus believed that in contrast to incremental project management processes, high-uncertainty projects foster under different processes than incremental projects. It is expected that a 'probe and learn' approach could be more in line with the many uncertainties and complexities that characterize radical projects (Tidd et al. 2005). The following preliminary prescription is as follows:

PP 11: Successful RSD projects emphasize a 'probe-and-learn' in favor of 'planned' project management processes.

2.3.5.2 External linkages of the team

Radical innovation is a knowledge creation opportunity for the firm. An explicit linkage between the firm and knowledge sources outside the firm will be expected not only to enrich information and opportunity recognition, but also to enhance knowledge creation (Tidd et al. 2005, O'Conner 2006, Rothwell 1992).

The importance of a broad set of tentacles is stressed first to grasp relevant information from the constantly changing environment. New ideas require an antenna to pick up signals for new products or services. New market or technological opportunities, changing legislation, competitor behavior or new trends like global warming should be monitored by visiting chat rooms, conferences, seminars and so on. The following preliminary prescription is as follows:

PP 12: Successful RSD projects emphasize a widespread antenna to pick up signals.

The importance of external linkages to enhance knowledge creation is stressed to highlight the limitations of the firm's own knowledge base and resultant need for external sources of knowledge, technology or human assets. This can be fostered through networking with suppliers, universities, research and technology institutes, customers and trade associations (Rothwell 1992). Some authors even call it the value net of an organization. In case of radical services it is believed that they could originate from or being developed with a specific type of user. Those users are called lead users (Von Hippel 2004) and demand new requirements ahead of the general market. Besides ideas, they might already have developed new features themselves to address problems others not yet experience. The following preliminary prescription is as follows:

PP 13: Successful RSD projects make use of external sources of knowledge, especially lead-users.

Firms should nevertheless be cautious with customer integration because it is hard to determine which actors are valuable and which not. E.g., the divergent nature of customers and the involvement of too few customers could even result in negative influences on the development project (Ernst 2002). The contribution strongly depends on the selection of the right number and type of actors. External linkages generate new ideas but it is essential that firms determine which linkages add value and which not. The following preliminary prescription is as follows:

PP 14: Successful RSD projects emphasize the selection of the right number and type of external linkages.

Finally, it is believed that external linkages are somewhat self-evident in case of management consultants and that idea generation in such an environment is less the exception than the rule. Management consulting are project-based firms that provide knowledge-intensive solutions for customer problems. Hargadon (2002, p.46) argue that such firms move in their daily-businesses between multiple domains and innovate by recognizing how knowledge learned from working in one domain may be valuable to clients in another. Management consultants can obtain even more ideas by choosing challenging customer problems and it is therefore believed that they contain sufficient ideas but might lack the supportive environments and certain success factors that help them transforming those ideas into successful businesses. The other factors mentioned in this thesis will therefore be believed to play a more important role.

2.3.5.3 Intra-firm linkages of the team

In a similar way of reasoning, it is believed that due to the movement between multiple domains in their day-to-day operations, focus should also be about infra-firm linkages. The radical project's role must first be clearly and widely articulated so that no threats are perceived among others in the organization, and that the rest of the organization can help the radical service as it is seen as a legitimate organizational process (O'Conner 2008). The following preliminary prescription is as follows:

PP 15: Successful RSD projects communicate the role and value throughout the firm.

Through infra-firm linkages, management consultants could than learn who has what knowledge in the organization and how the combination of those ideas can solve new problems. It must nevertheless be endorsed that the couplings with respect to others, resources, business units, and operating systems cannot be too tight and formal due to what Leonard-Barton (1992, p. 118) calls the organization's core rigidities; systems that served the company well in the past, are experienced by others as core rigidities or inappropriate sets of knowledge. Furthermore, organizational members may feel threatened when the organization is moving into new areas of competence. Members of current BU's and partners for instance, might even lack a willingness to cannibalize (Chandy and Tellis 1998) and respond in all possible means, just to hinder the development of radical services. It means that senior management and project leaders should both fight for loose intra-firm linkages in such a way that RSD cannot be hampered by bureaucratic routines, budgeting systems, resources expenditure plans nor by current employees that feel threatened. Firm could instead use idea-sharing fairs, knowledge conferences and innovation fairs to loosely network members of the radical service and rest of the organization. Such loose couplings are believed to be more beneficial since outsiders are not part of the project and could function as negotiating partners; they provide team members with fresh viewpoints and feedback. Moreover, Ancona and Caldwell (1992) argue that this type of linkages persuades others of the importance of the project and includes lobbying for resources and seeking senior management support. The power of such loose coupling or informal networks within the firm is also emphasized by

O'Conner and McDermott (2004). In contrast to formal networks and codification of knowledge, it is expected that RSD benefits from widely-stretched linkages throughout the firm for obtaining rich information, skills and other resources to solve the problems, validate proposals and bring people together. Infra-firm linkages could additionally increase dissent behavior which results in better and more original solutions. Nemeth (1997, p. 83) states "if an existing idea is correct, it is likely to remain with even greater clarity as a result of the challenge of dissent; if it is flawed, most likely it will be replaced by a better one. Either way, the team will profit". The following preliminary prescription is as follows:

PP 16: Successful RSD projects emphasize loose intra-firm linkages to learn who has what knowledge in the organization and to prevent hindrance from current operations.

2.3.5.4 Intra-team linkages

Intra-team linkages are the last kind of linkages that are believed to contribute to successful RSD. Intra-team linkages and communication among team members increases clarity and brings in new information from team members. It prevents misunderstandings, especially when the communication is structured in (1) formal and concrete meetings or shared group experiences and (2) informal and non-routine rule breaking surroundings (Dougherty 1992). In congruence with Ernst (2002), it is believed that intra-team linkages are important and that they stimulate interactive (e.g. esprit-de-corps) relationships among the members of the project. The following preliminary prescription is as follows:

PP 17: Successful RSD projects emphasize 'esprit-de-corps'

2.3.5.5 Team structures

Different team structures exist and a traditional distinction has been made between functional and cross-functional teams. Brown and Eisenhardt (1995) argue that cross-functional teams are preferred that consist of members from more than one functional area such as engineering, manufacturing or marketing. The diversity of these teams increases the amount of information and also the variation of information. Despite the advantageous of cross-functional teams, the choice of which structure to use primarily depends on the product that has to be made. A clear distinction between commonly used project structures is made by Clark and Wheelwright (1992). They distinguish between functional team, lightweight, heavyweight and tiger team structures. It is believed that the heavyweight project structure is favored for radical projects because Brown and Eisenhardt (1995) argue that heavyweight project teams are more applicable in times of dynamic problem-solving. In heavyweight team structures, team members reside a member of their department but are sometimes co-located with a senior and heavyweight project manager. Heavyweight project managers may even outrank functional managers and have primary influence over organizational resources and their liaisons. Heavyweight team members have accountabilities beyond their functional ones. They have 'team hat accountabilities' as well as 'functional hat accountabilities'. Functional are those responsibilities that concern the functional perspective on the project. The following preliminary prescription is as follows:

PP 18: Successful RSD projects emphasize the heavyweight project structure

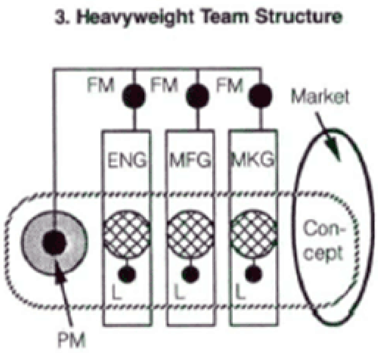


Figure 7 Heavyweight team structure (*source*: Clark and Wheelwright 1992, p.11)

2.3.5.6 Informal roles inside the team

Whilst several areas of expertise and different formal types of functions exist within a team, Roberts and Fusfeld (1981) identified five informal but critical roles for successful technology based NPD projects. The following five informal work roles must be carried out by one or more individuals to effectively develop new products and are believed to be of value for RSD as well:

- *Idea generation role:* searching for breakthroughs by linking diverse ideas.
  Analyzing information about markets, technologies and other interesting phenomena which happen in the environment and from which an idea for a new services is generated. The analysis and information gathering may be implicit or explicit, formal or informal, structured or unstructured.
- *Entrepreneuring or Championing role:* sells new ideas to others in the organization and gets resources.
  Recognizing, proposing, pushing and demonstrating a new idea for formal management approval.
- *Project Leading role:* provides the team leadership and motivation.
  Planning and coordinating the diverse sets of activities and people involved in moving a demonstrated idea into practice.
- *Gatekeeping role:* passes information on to others
  Collecting and channeling information about important changes in the internal and external environments. Information can be gathered from developments in markets, technologies and organizations.
- *Sponsoring or Coaching role:* provides encouragement, guidance, and acts as a sounding board for the project leader and others.
  Guiding and developing less experienced personnel in their critical roles, behind-the-scenes support, protection, and sometimes bootlegging of funds.

Roberts and Fusfeld (1981) argue that it is desirable to have a balanced set of those roles. Few organizations actually have such a balanced set, some organizations emphasize one role (e.g. idea generation) and underplay another (e.g. sponsering). Consequently, many organizations suffer because one or more of the critical roles are not performed adequately. For instance, idea generation is inadequate if the organization is not thinking of new and different ways of doing things. However, the real problem may be the lack of entrepreneurs or champions who propose the idea for management approval. When gatekeeping is not performed well, information about markets, technologies or legislation comes without warning (e.g. when a new service is invented just as a regulatory agency outlaws its use). In general, people with different characteristics can work together to complement each other. Some persons might fulfill multiple roles simultaneously but it is especially important that each person understands his or her expected role(s) in a project and appreciates the roles of others. The following preliminary prescription is as follows:

PP 19: Successful RSD projects emphasize a balanced set of 1) idea generation, 2) entrepreneurial or championing, 3) project leading, 4) gatekeeping, and 5) sponsering or coaching roles.

2.4 Conclusion

An extensive literature study has been conducted and the exploration throughout the literature mentioned three distinct but overlapping waves (Kipping 2002) from consulting: scientific management, organization and strategy, information and communication. It became clear that management consulting firms were trapped in their waves and required radical services to remain pre-eminent in the next wave. Little was known about how such services could be developed in a management consulting context that differed from manufacturing and other services firms. The specific nature of management consulting followed directly when looked into what, where and by whom new services are developed. Manufacturing companies develop tangible products in functional organizational structures with a workforce that is primarily filled with low skilled employees. Management consulting firms instead develop intangible services in project-based organizational structures with a workforce primarily filled with highly skilled professionals. Three distinctive characteristics of management consulting were thus believed to have implications for the development process: the simultaneous, heterogeneous, intangible and perishable (SHIP) characteristics of services, the project-based organizational structure and the characteristics of professionals. Entering a research field without any knowledge or prescriptions is very unlikely and under the consideration of those moderating characteristics it was believed that the literature about other development processes could be of value. The success factors from other development processes were therefore explored and used to structure the empirical analysis of RSD in management consulting. This can be illustrated as follows:

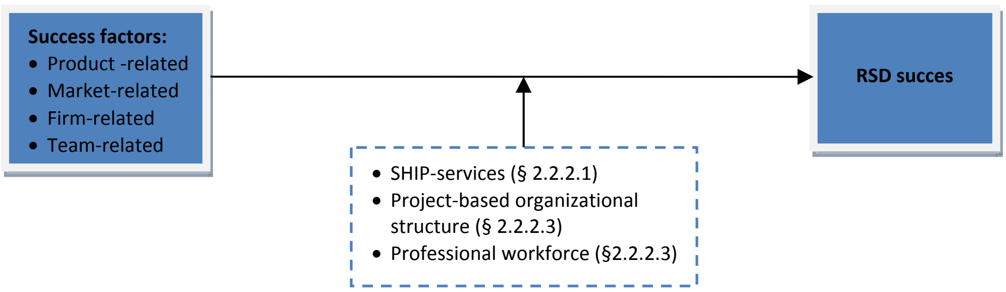


Figure 8 The influence of the management consulting context on success factors for development projects in other industries

Those success factors were not used as prescription about how development processes in management should be organized but were merely used to explore how management consulting firms could develop radical services as successful as industrial and other services firms do. That resulted in 19 preliminary prescriptions that served particularly as a point of departure for the empirical case studies and were constructed in the belief that RSD in management consulting could avoid reinventing the wheel.

Preliminary prescriptions derived from literature
Resource fit • *PP 1: Successful RSD projects require a fit between what is currently known and the proposed change (e.g. new product) that has to be made.*
Strategic fit: • *PP 2: Successful RSD projects require a strategic fit to ensure that the products remain relevant for the firm.*
Market fit: • *PP 3: Unsuccessful RSD projects fall into the trap of developing 'elegant sciences' instead of 'good enough' customer solutions.* • *PP 4: Successful RSD development projects require distinctiveness to ensure that the product adds value.* • *PP 5: Successful RSD projects emphasize physical components (e.g. people, simplistic representations and tools) to demonstrate the value of intangible services.*
Market potential • *PP 6: Successful RSD projects emphasize a visionary instead of an objective exercise to determine the potential of the market.*
Senior management • *PP 7: Successful RSD projects require senior management that recognizes the importance of the project through resource support and subtle control.* • *PP 8: Successful RSD projects require funding milestones to prevent never ending development trajectories.*
Appropriate metrics • *PP 9: Successful RSD projects require different metrics to provide incentives for the project and protection against day-to-day operations.*
Innovative Climate • *PP 10: Successful RSD projects benefit from a climate which stimulates idea generation and creativity.*
Probe and Learn process • *PP 11: Successful RSD projects emphasize a 'probe-and-learn' in favor of 'planned' project management processes.*
External linkages • *PP 12: Successful RSD projects emphasize a widespread antenna to pick up signals.* • *PP 13: Successful RSD projects make use of external sources of knowledge, especially lead-users.* • *PP 14: Successful RSD projects emphasize the selection of the right number and type of external linkages.*
Intra-firm linkages: • *PP 15: Successful RSD projects communicate the role and value throughout the firm.* • *PP 16: Successful RSD projects emphasize loose intra-firm linkages to learn who has what knowledge in the organization and to prevent hindrance from current operations.*
Intra-team linkages • *PP 17: Successful RSD projects emphasize 'esprit-de-corps'*
Team structure • *PP 18: Successful RSD projects emphasize the heavyweight project structure*
Informal roles • *PP 19: Successful RSD projects emphasize a balanced set of 1) idea generation, 2) entrepreneurial or championing, 3) project leading, 4) gatekeeping, and 5) sponsoring or coching.*

Table 6: Preliminary prescriptions derived from literature

3. METHOD

The previous chapter concluded with preliminary prescriptions constructed from an extensive literature review. In this chapter the methods used to explore the empiricism are described. The research strategy, selection mechanism and data gathering techniques are presented and include the tools that were used to collect the data: semi-structured interviews, pilot case, business plans, coding schemes, notes and recordings.

3.1. Research strategy and case selection

The situation at Twynstra Gudde is quite specific. (Eisenhardt 1989) indicates that in the case of a highly specific context qualitative case studies can best be used. Therefore qualitative case studies are used to explore radical innovation within the specific context of Twynstra Gudde. Eisenhardt (1989) also states that theoretical sampling criteria can best be used to selected the research population. In this research two cases are selected based on the theory ensuring that:

- projects were a success or failure

  in order to compare two extremes and to highlight success and failure factors
- projects were radical in nature

  to provide a theoretical based population and to account for contingencies of radical projects
- projects were recently (last five years) initiated within Twynstra Gudde management consulting

  to account for memory distortion and to learn from firm specific projects

3.1.1 Determination of success or failure

Two cases were selected of which 1 success and 1 was a failed RSD project. These projects were selected in order to achieve some robustness in the findings about the distinction between success and failure. Success in this case, is not measured by the degree the radical service met its objectives in terms of the € sales, profit margins, market share, ROI or other 'hard' measures. These measurements and others from the list of Griffin (1997) had to be excluded since the data was not available for the projects. (Note: it is hard to determine what amount of sales is generated by a new management concept like Cradle2Cradle which is used by multiple other units in the firm). A qualitative success criteria is therefore applied and experts were asked about their opinion about overall degree of success/failure. In order to increase validity, three experts were asked – the project leader, a member of senior management and a random member of the firm – to rate the success as 'exceeding all expectations' or as 'below all expectations'. Only those projects with 3-out-of-3 success ratings were labeled as 'success' and projects with 0/1-out-of-3 were labeled as 'failure'.

3.1.2 Determination of radicalness

Figure 9 is subsequently used to fill theoretical categories and to provide examples of polar types. The contingent approach, the believe that incremental projects foster under different conditions than radical projects, is embraced. The distinction is based on a previously introduced concept (section 2.2) with two dimensions: (non)technological newness and market newness. For validity issues this research restricts to radical projects only, which created new solutions for new market segments when compared to current services of the firm. The actual selection procedure followed and consisted of two steps. In the first step, picture 9 was used to identify those initiatives within Twynstra Gudde management consulting of radical nature. In the second step and in order to maximize the learning effects, two members of the management board were individually asked to identify the most promising projects. They were furthermore asked to identify relatively recent projects (last five years) to account for memory distortion. Consequently, it became clear that few projects were involved in the development of highly uncertain and risky services in a management consulting context. Still it was believed that lots of information could be extracted from two initiatives that had to deal with large amounts of uncertainties.

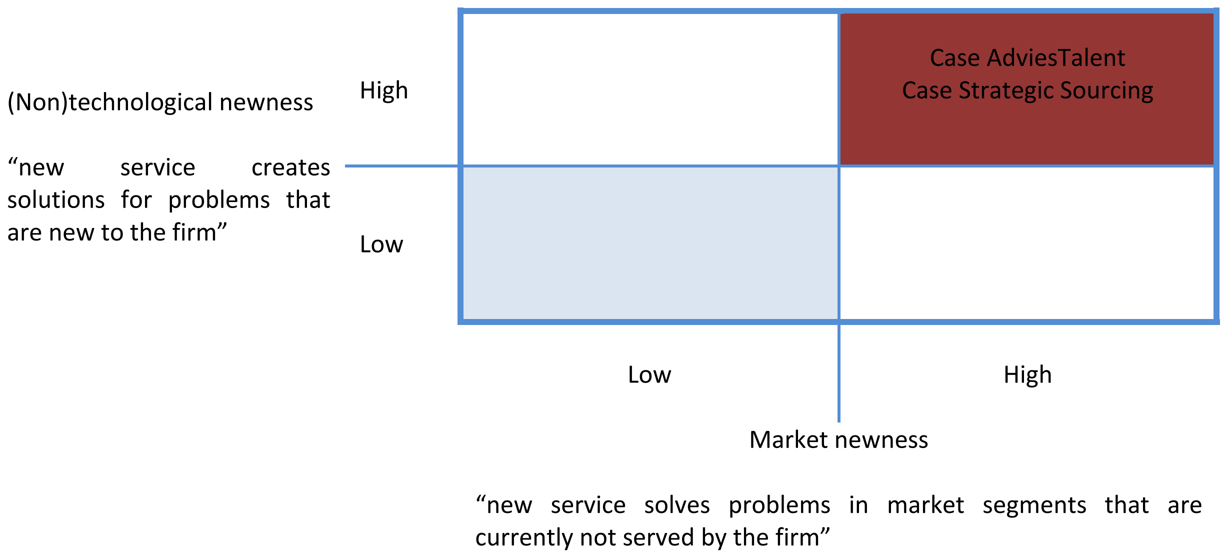


Figure 9 Incremental and radical services

3.2 Case descriptions

Two cases were selected based on the previously mentioned selection process. Exploratory interviews were held in each case to verify whether the respondents were cooperative and whether the case could provide enough information about the innovation process. This resulted in the following list of projects: AdviesTalent and Strategic Sourcing.

3.2.1 AdviesTalent

The development process of AdviesTalent was chosen since it was one of the company’s most successful projects. However, nobody could really tell where the success came from and what obstacles had to be removed along the way. That is why interviews were conducted with the initiators of this project. This core team consisted of two people who were equal in terms of authority and complementary in terms of skills and experiences. Three additional interviews were carried out after the data from the core team was collected. One interview was conducted with the former CEO and two with people that played an important role at same part during the development process. Those interviews were carried out to verify the respondent’s claims and to focus on the supportive environment in which the project was executed. Thereafter, the data was analyzed and reported back to the interviewees. The results of the study were, except from several minor adjustments, accepted by the respondents.

3.2.2 Strategic Sourcing

The Strategic Sourcing case compromised a core development team of three initiators, from which all owned a part of Twynstra Gudde in the form of stocks and a partnership to the firm. This simplified the development process and attraction of resources but the project nevertheless passed through some difficulties after more than a year. It was already introduced to the market but one of the initiators was not content with the rate of development and shut the project down. An open-ended interview was first held with that particular member of the team and it was found to be worthwhile to investigate what went wrong during the development. Three additional interviews followed that were carried out with all members of the team individually. In addition to the interviews, a company document about 'partnership' was studied and the interviewees provided the business plan, background reading about scientific models and published articles. Additional interviews to focus on the supportive environment were skipped since they were already conducted in the first case study. The results of this case were less clear than the other because respondents were fond of their expertise and less on the process itself. It was nevertheless possible to identify those factors that caused problems during the development process. The results of the case were reported back and verified by only one of the respondents. The others were too busy with the activities of the daily business and did not respond with respect to the content of the case description.

3.2 Data collection

Qualitative open-ended interviews were used to obtain an in-depth view into the phenomena of RSD in a highly contextualized environment as management consulting. Six face-to-face interviews were held in the exploration phase of this research (see figure 2) to become acquainted with the context and to investigate what services required the most attention. Thereafter, a focus on radical services was made followed by an extensive literature study to find out how Twynstra Gudde management consulting could develop radical services as successful as industrial and other services firms do. From those theoretical findings, the author derived a set of questions per success factor. A logical sequence in time was applied to simplify the respondents' recall of historical events and control questions were furthermore used to anticipate unexpected factors that could additional be studied. The applicability of those questions was subsequently tested by using those questions in a pilot study. An open-ended approach (Yin 1994) was embraced and respondents were asked questions, facts of a matter as well as their opinions about the events. The aim of interviewing was not to ensure that each interviewee was presented with exact the same questions nor in the same order, but more that each interviewee was asked about the success factors found in the literature and that the interviewer was able to fall back on some challenging questions to start the conversation. This provided both the interviewer and the interviewee some form of guidance during the interview. Instead of a structured and formalized survey, this guidance was in the form of semi-structured interviews that 1) consisted of general fragments and 2) were not completely bounded by predefined questions. The interviewer allowed new questions to be brought up during the interview. At the end of the pilot study, interviewees were asked to verify whether or not the interviewer overlooked important factors and whether the questions were understandable. All interviewees agreed that the questions were all-embracing and that some played a minor and others a more pivotal role in their development process. The pilot study turned out that the applicability of the literature-based questions and corresponding success factors was found to be of significant value but that the interviewer should not fall into the trap of moving towards a structured way of asking questions. The most data was collected from those interviews where predefined success factors and questions functioned as a checklist in which some questions were used to recall the memories of interviewees, after which the interviewee could talk freely (but not indefinitely) about historical events. The pilot study identified those questions that triggered most interviewees, and helped to reduce an initial checklist of 72 questions to 60 questions. It especially made clear that an open approach was favored over a more structured one (e.g. conversations were preferred over interrogations). The pilot case also helped to identify one factor in particular that was already incorporated in another. Entrepreneurship was found to be better in place as an informal role and was discarded as individual factor. The lessons learned from the pilot case were subsequently applied in other cases and each interview was transcribed using the following process.

3.2.1 Coding

All interviewees agreed to be recorded on a digital recorder and most interviews lasted two hours. Three interviewees were interviewed twice because of that length. In that case, some questions were asked twice to check the validity of the previous encounter. Notes were made during the interviews about non-verbal communications and other relevant emotions. Although a lot of data was collected, the data was not yet structured and ready to use for analysis. That is why the raw data was coded using the following steps.

Five steps to code qualitative data	
Step 1: Select information on relevance	Fraises were skipped from the raw text that were not relevant for the research.
Step 2: Split up relevant text in fragments	The raw text was split up and assigned to the predefined set of factors.
Step3: Coding	The fragments were coded. Each fragment was given a catchword.
Step 4: Determining the validity of the coding	The codebook was used to analyze another sample to control the codebook. The codebook was adjusted till the codebook fits also the other samples of that particular case
Step 5: Answering the research questions	The results were described and interpreted in a subsequent chapter.

Table 7 Five steps to code qualitative data (*source*: Baarda et al. 1995)

The steps are based on Baarda et al. (1995) but the whole coding process in this case was simplified by the presences of a predefined set of success factors. The theory provided a clear starting point for research execution and concluded in this set of factors which were indicative of RSD descriptive dimensions. They furthermore provided the means to distinguish between successful and failed RSD projects. The raw data was subsequently transcribed into the corresponding sections mentioned in the theoretical chapter. Each fragment was furthermore labeled with catchwords in order to compare data fragments with each other. Irrelevant case findings were discarded to reduce the amount of data and to focus on the development process primarily.

3.3 Reliability and validity

Several measures were taken in order to increase the reliability and validity of this research. Reliability is the agreement between two efforts to measure the same trait through maximally similar methods (Campbell and Russo 2001, p. 30). The goal of reliability is to create a measurement instrument that produces the same results in all circumstances. A measurement is reliable to the degree that it supplies consistent results but it is not a necessary condition for validity (e.g. consistencies do not mean validity). Validity is concerned with the extent to which the findings from a measuring tool are really what they appear to be (Shadish et al. 2002). Validity issues concern the tensions between the researcher's expectations and the scope of reality as perceived by respondents. Several types of validity have been distinguished given the various subjects of validity like the measurement tools, respondent behavior and sample. The most familiar types are construct validity, internal validity and external validity. Construct validity refers to the extent to which the data measurement is free from errors and indicates what is believed to be measured. Internal validity refers to inferences about whether an observed co-variation between A and B reflects a causal relationship from A to B in the form in which the variables were manipulated or measured (Shadish et al., 2002, p.53). In other words, is there a cause-effect relation as a result of the measurement or manipulation? External validity concerns the issue of making generalizations, if a causal relationship holds over variations in persons, settings, treatments and outcomes that were in an experiment (Shadish et al., 2002, p.83). A way of dealing with the reliability and validity issues is by making use of triangulation, it refers to the use of multiple sources of evidence (Babbie 2007).

Reliability and validity issues	*Ways of dealing*
Reliability	• Use of consistent measurements (e.g. similar interview schemes) • To establish a collection that contains of case study material: interviews, business plans, coding schemes, notes and recordings. Which makes it possible to test and re-test the findings.
Construct validity	• Initial theoretical framework • Triangulation: interviews, business plans, multiple respondents on a single case

Internal validity	• Go on asking questions and asking for examples • Word catching and coding • Cross-case analysis and explanation of differences
External validity	• Conducting multiple case studies in similar settings.

Table 8 Ways of dealing with reliability and validity issues.

3.3.1 Triangulation

The data was primarily collected using qualitative semi-structured interviews with project leaders, team members, functional partners and management board members in order to examine their perception of and experience with RSD, and the factors that contribute to success or failure of those projects. Conversations were recorded and subsequently coded to be able to make a comparison among different perceptions of interviewees. By carrying out different interviews with multiple participants in the projects, the case studies seek to gain multiple sources of evidence and reinforced statements of individual interviewees. Company documents and other relevant information were additionally studied. This included strategic documentation, published articles and business plans. This information was used to cross-reference the findings provided by the case respondents.

The findings were afterwards cross-referenced with other development trajectories within Twynstra Gudde. Those findings were, to a large extend, consistent with the findings from the case studies. An extensive description of those findings is left out in order not to disturb the reader with recurring outcomes.

4. CONTEXTUAL CHARACTERISTICS OF TWYNSTRA GUDDE

The last sections of chapter 2 contains the factors that are believed to contribute to the success or failure of RSD. On behalf of those factors, a literature study was conducted to find out how Twynstra Gudde Consultants and Managers could develop radical services as successful as industrial and other service firms do. Special attention was given to the specific characteristics of management consultants and some preliminary prescriptions were made with regard to success or failure factors. The following chapters will describe how the development process took actually place in four development projects within Twynstra Gudde Consultants and Managers. Before looking into those projects it is necessary to provide the reader with some fundamental information about the firm and its offered services. A company description about the specific characteristics of Twynstra Gudde will therefore be given first. Special attention will finally be given to four identified dimensions in which innovation in Twynstra Gudde occurs.

4.1 Corporate description

4.1.1 Services and core competencies

Twynstra Gudde is a leading advice consultancy firm in the Netherlands which offers managers and consultants that are characterized by the following competencies: listening carefully, daring to ask in depth questions and remaining critical. Those managers and consultants deliver solutions to problems and create opportunities for clients in order that clients can make the right strategic choices. For more than forty years, Twynstra Gudde Consultants and Managers provided result driven advice and fulfilled management functions in different market segments. A distinction is made between two roles:

- Consultants work together with the client to reach new solutions.
- Interim and project managers fill a temporary gap in the client organization. They have authority to make decisions and are responsible for both people and organizational means.

Twynstra Gudde’s core competencies are 1) project and program management, 2) change management and 3) organization management and they deliver consultants and managers in multiple markets: industrial, care, work and income, national government, local government, safety, financial services, spatial planning, traffic and infrastructure. Twynstra Gudde employs 426 people of whom 310 are consultants and/or managers that offer services ranging from advice on talent, company management and HRM, business innovation, contracting, facility management, accommodation, ICT, development of the organization, strategy and policy, cooperation, real estate and management of change.

4.1.2 Professional workforce

The workforce in Twynstra Gudde primarily consists of highly skilled and knowledgeable professionals that own a Master or other academic degree. The management has chosen for a flat organizational structure with relatively few, just two, hierarchical levels. This organizational structure facilitates delegation and gives attention to a professional’s need for autonomy. Moreover, the location of decision is pushed downwards to lower organizational levels to make greater use of employees' professional skills and not to hinder the professional with bureaucratic nonsense.

4.1.3 Project-based organization

Twynstra Gudde is furthermore a firm that is organized around projects. They execute complex projects by order of their clients and usually take place in a business-to-business environment. Twynstra Gudde enables the execution of projects by means of two institutionalized structures, through teams that can be formed inside Product-Market-Combinations (PMC's) or teams that can be formed across PMC's.

4.1.3.1 Product-Market Combinations.

Each department (PMC) is focused on markets and/or services. As the name suggests, each PMC consists of a combination of products and markets (e.g. products like project management methods combined with markets like traffic and infrastructure). Each PMC comprises of one PMC-manager who is responsible for the profit and loss account, several partners who are responsible for the managerial, commercial, entrepreneurial and professional lines of expertise, and a handful of consultants and managers who make the most billable hours for clients. Together they form teams to solve client problems related to their PMC.

4.1.3.2 Cross functional teams

In addition to PMC's, the management board initiated so called 'grains of ambition' in order not to be bound by structural limitations of PMC's. They combine aspects of PMC's and theme related topics simultaneously in the same part of the organization. This structure evolved as a way to improve information sharing across PMC's. People from all over the company can team-up, can solve client problems together or can develop new services for the future. Those teams might consist of employees (partners, managers or consultants) from multiple PMC's who choose to mutually resolve problems related to a shared ambition. By doing so they are able to develop skills in their field of interests instead of following top-down instructions. There exists no formal description about what an 'ambition grain' actually is or supposed to be. Employees can create it and assign a team leader by themselves. The establishment of such teams is solely stimulated through the availability of time, space and rewards to share knowledge across the firm. It answers the call for professionalization and autonomy that exist among the employees of Twynstra Gudde and provide a structure for innovative activities.

4.2 Dimensions of service innovation in Twynstra Gudde

Now it is known that Twynstra Gudde solves complex problems using teams, the question rises where the innovation could occur. Four dimensions have been identified that helped answering this question. The empirical case studies made clear that innovation in Twynstra Gudde occurs in methods, tools, roles, markets or in a combination of those dimensions. This might range from incremental (inner bound) to radical (outer bounds) innovation and can be illustrated as follows:

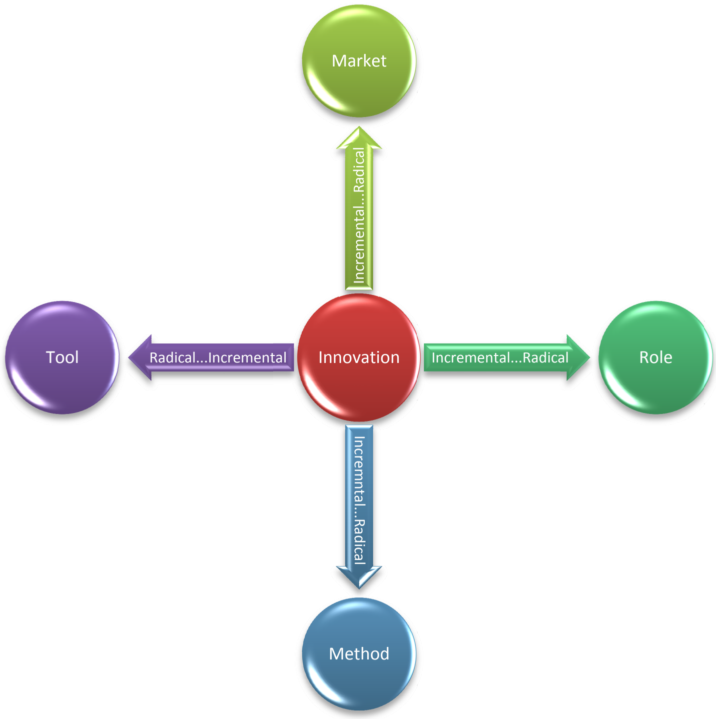


Figure 10 Four dimensions of innovation in Twynstra Gudde Consultants and Managers.

4.2.1 Market innovation

The first dimension is somewhat self-evident and concerns market innovation: the knowledge about the domain in which the service is applied. The main possibilities for market innovation is moving into uncharted territory by the choice of challenging customer problems and by building subsequent reputation in market segments that are new to the firm. A recent example of market innovation is the intent to move from services in public markets to services in business markets. Market innovation is thus 1) a mean to create a competitive advantage by obtaining state-of-the-art knowledge about unfamiliar market segments and 2) a mean to build reputations in those markets from which new revenues can be generated. Minor possibilities for market innovation includes the accumulation of knowledge about relevant European regulations, fiscal aspects, competitor behavior related to client-firms, financial knowledge and other relevant knowledge that is related to a specific market in which client problems are solved.

4.2.2 Role innovation

The second dimension concerns the role played by persons who deliver the service. A traditional distinction can be made between (1) consultants who work together with the client to reach new solutions and (2) interim-managers who fill a temporary gap in the client organization. In the case of role innovation other roles then the ones mentioned above are practiced. Examples are juniors who offer temporary capacity for clients through secondment. Another form of role innovation concerns the way in which the revenues are generated. Whilst traditional roles generate revenues by charging a fixed rate per hour, innovative roles could focus on quite other ways. Examples are consultants that fulfill the role of 'co-investors' and who get paid by results instead if actions. Other types of role innovations are close related to the type of leverage, the junior-to-senior ratio of a consulting firm, and include roles like 'implementation specialists', 'top level advisors' or 'brain surgeons'. The last example of role innovation concerns the move from 'independent advice' to 'dependent advice', in which the latter solves problems for clients with a pre-defined set of partners. Despite a debate about the value and applicability of such innovations, they all remain examples of role innovation and concern innovation in the way in which tools and methods are transferred to markets.

4.2.3 Method innovation

The third dimension concerns method innovation. Methods have been observed as 'a more or less coherent body of thought, which creates value for the problem-solving capability related to a specific or potential phenomenon, on which a certain label is attached. Examples are body of thought about production efficiency (JIT), SWOT analysis, 4P's, change management (e.g. Kleurendenken) and so on. They almost always consist of phase models or plan-of-approach related to a specific phenomenon. Method innovation is by far the most fundamental dimension for management consultants. Without a method a consultant or manager can simply not solve client's problems. Method innovation occurs in divergent degrees and is achieved from practical wisdom towards Ph.D. research. In line with (Visscher 2001) the author observed firm methods, textbook methods and individual methods that were present in Twynstra Gudde. The distinction is primarily related to the sharedness of the method. An individual method is developed and used by an individual but not shared among the whole organization. Firm methods are develop internally by consultants within the firm and are part of a firm's shared repertoire of knowledge, but not of the shared repertoire and common language of the whole industry. Firm methods therefore provide a substantial competitive advantage. Textbook methods instead concern those methods that are well-known and used by other firms as well. They have been published in textbooks and are part of the management discourse. Those methods are referred to as textbook methods. Methods thus range from individual towards textbook methods. Visscher (2001) argues that individual methods could evolve to the level of firm or textbook methods, but it is not always the ambition of the developer. Methods may also be developed ad-hoc, meant to provide tailor-made solutions for client problems.

4.2.4 Tool innovation

The last dimension of innovation concerns tools. Tools are tangibles that provide the means to transfer the method to client organizations. Examples are 'The Versnellingskamer' which brings structure to creative and decision-making processes involving groups of people with divergent opinions or 'The Villa' which is a creative thinking and working area that stimulates innovation and change. Clients, scientists, artists and politicians al meet at the Villa. Other examples of tools are ICT related scans, role playing games and so on. Those tools can be used to support a single method, but often serve multi purposes. Tools like gaming for instance, can be used in combination with multiple methods. Examples are management games for supply chain management, sourcing, cradle-to-cradle and so on. Tools are therefore primarily used to support methods, to visualize and transfer the complex and knowledge-intensive methods.

4.3 Conclusion

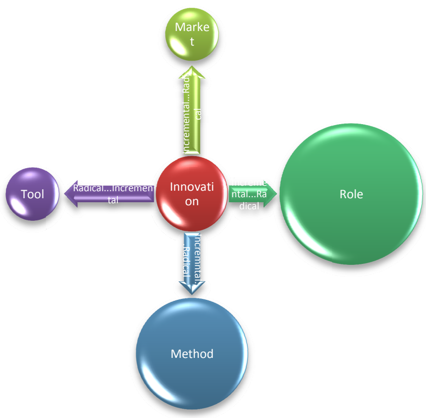
Innovation is a way to increase the competitive advantage and Twynstra Gudde therefore needs to mobilize knowledge and experience to create novelty in their services. The cases studies made clear that 1) innovation occurs in methods, tools, roles, markets or a combination of those dimensions and 2) ranges from minor, incremental improvements right trough radical changes in those dimensions. The sum of the degrees of uncertainty of the domains involved determine the radicalness of innovation. This can either be a lot of uncertainty in one involved domain or a combination of uncertainties in different domains. An example of incremental innovation in which less risk is involved is the release of version 3 of a software tool. The market already exists, but the product is slightly improved to fit the market. The more radical type (read section 2.3.1) of innovation is researched here, in an attempt to understand how such services in the context of Twynstra Gudde are developed. A context characterized by a workforce filled with highly skilled professionals that operate in a project-based organization and who develop intangible services primarily. The next chapter will describe where the innovation took place and how the development process actually happened in three development projects within Twynstra Gudde. Entering a research field without any knowledge or expectations is very unlikely. That is why several preliminary prescriptions are described in chapter 2.3. The preliminary prescriptions are not used as prescription about how development processes in management should be organized but will merely be used to explore how management consulting firms could develop radical services as successful as industrial and other services firms do. They serve particularly as a point of departure for the empirical case studies and as guidelines to structure the empirical analysis of RSD in management consulting.

5 CASE STUDIES

In the previous chapter a company description of Twynstra Gudde Consultants and Managers has been given. Four dimensions in which innovation can take place, have been mapped out specifically. In the following chapters two specific cases will be described. Of every case the way in which the innovation in the dimension(s) took place will be outlined. In other words; whether the innovation concerns a method, a tool, a market, a role or a combination of dimensions. This is elaborated to exemplify the intangible objects studied. Further, a description will be given of the circumstances that have contributed to a successful or less successful development. This description will be given based on a study of literature in chapter two that outlined as to how Twynstra Gudde can develop these innovations as successful as manufacturing companies in the industry. The following chapter will clearify whether the theoretical prescriptions correspond with the empirical findings.

5.1 Case: AdviesTalent

AdviesTalent is a successful radical development project of Twynstra Gudde and has become a subsidiary company in 2006. The project was the idea of an employee to give young graduates more guidance during the start of their careers. This employee did not have the right skills or tools to perform assignments when he started as a management consultant. This is the reason why AdviesTalent has been established, to help young graduates to learn, not only by trail-and-error, but through a three-year education programme that is built up systematically. In this way young graduates can easily learn and acquire the competence of consultant or manager. The graduate will be coached and supported explicitly by Twynstra Gudde consultants and learning-on-the-job is the central point. The graduates will work for different clients during those three years. Contrary to Twynstra Gudde consultants, the young graduates will perform long-term assignments or solve capacity problems for clients (kind of secondment). At the same time the graduates are trained through education programmes which have especially been designed to learn specific advisory skills, methods and tools. After three years, they are ready for a permanent job with Twynstra Gudde or with a client. As shown in the picture, the innovation took place in the role part (secondment instead of consultancy) and the method part, through the education plan that has been developed. The development process of these innovations will now be explained.



5.1.1 *What determines the radicalness?*

The radicalness of AdviesTalent is determined by three components: the method innovation, the innovation of a role and creating of a subsidiary company. The first component relates to the method innovation and includes the development of the education programme. The education programme is based on the knowledge at Twynstra Gudde, many years of experience and new developments in talent development. This eventually has led to an education programme which will help young graduates to acquire knowledge and competences that are necessary for the consultant or management trade:

"You could say we started a new Talent Management method for young consultants" [quote 1]

The education programme has four key points:

- Personal effectiveness themes: a junior consultant learns to have better insight in his/her competences;
- Trade themes: a junior consultant learns to deal with the right methods and tools;
- Society themes: a junior consultant learns about society issues, such as sustainability;
- Health themes: a junior consultant learns about the interest of work, sport and fitness.

The result is a unique combination of the above themes in a work and education programme that is divided into three years:

First year: Learn how to work, utilize knowledge and develop basic skills and introspection.

Second year: Broaden the professional role of a consultant or manager.

Third year: Masterclass, in which a link is made with the trade, their role, the context in society and their future.

The second radical component refers to the role innovation (innovation of the way in which knowledge and skills are used). The young graduates are performing a new role compared to the current roles of consultants and managers at Twynstra Gudde. Basically they are taught the same methods and they use the same tools, but they are performing the role of capacity provider, instead of consultancy provider. The role innovation is possible because AdviesTalent focuses on young graduates who just have left university and do not have any work experience. These young people are receptive to changes and they create new knowledge, have other opinions and are creative. Because of this, their versatility is more flexible and because they do not have much experience, tariffs can be kept low, even for a longer period.

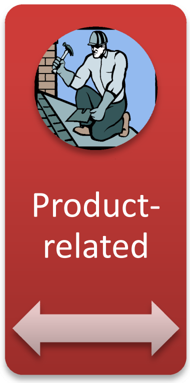
Furthermore a new model to make money has been developed, in addition to the traditional model, ´hours * tarif´. This second model made profit on giving external companies the possibility to participate in the education programme. The client had to pay a fixed price per participant.

Basically this is the second role innovation. Apart from the role of capacity provider, AdviesTalent also fulfils an educating role. As is the case with radical innovations, the latter part did not seem to be successful in the market after all. Nevertheless it could not be known beforehand. At the moment the capacity providing role is the one profitable part for AdviesTalent by performing assignments for clients based on ´hours*tariff´ (for example: 1 hour of capacity costs € 80,- implies that a consumer has to pay €8000,- for 100 hours of capacity). In the end one could argue that a role innovation took (educating role) place but seemed unfeasible in the market.

The third component which caused a lot of insecurity (which is a symptom of radical innovations) is about establishing a subsidiary service. The project team decided to organise this initiative unrelated to the main company. The making of an independent service brought about a lot of resistance because some partners of the main company feared competition and lack of quality from AdviesTalent, which slowed the development considerably. To summarize, the radicalness of AdviesTalent is determined by a combination of a new education programme, a model to make money and offering a new type of service level through a subsidiary company. Because of this, two role innovations and one method innovation have taken place.

5.1.2 Product-related succes factors

First of all the factors that can be related to the product will be described. Products are the result of a project and, in correspondence with chapter 2.3, now the answers to three product-related main questions are given:



5.1.2.1 Resource fit — Can we develop *the product*?
5.1.2.2 Strategic fit — Does *the product* fit in with our strategy?
5.1.2.3 Market fit — Does *the product* fit in with our market?

At the end of chapter 5.1.2 it will be clear in which way the above-mentioned factors contributed to the success or failure of the 'AdviesTalent' service.

5.1.2.1 Resource fit of the product

The very first factor is the way in which the development team was able to put the innovation into practise, or at least a part, by 1) using their own competences or 2) starting collaborations. After all, it is possible to have a good idea, but to put this into practise the team (team-resource fit) as well as the company (firm-resource fit) have to have certain competences (section 2.3.2.1). Those are competences to develop the product, as well as competences to combine the right collaborations to realize the initial idea. Based on the case study it became clear that the ´team-resource fit´ (competences to realize the idea) was available, because the two team members were already experienced company consultants and already developed new initiatives. The team members also had complementary knowledge:

> *"[X] was taking care of the inside of the education program and [Y] was taking care of the outside." [quote 2]*

One team member had a lot of experience with the intake of new personal and developing job-related concepts for de education of personnel, and the other team member had a lot of knowledge of the market. The importance of the ´fit´ as well as the idea that you cannot always develop new ideas with market potential was recognized. It appeared far more important to do things that suit you:

> *"I am a constructor but I have always done those things I liked and suited me well." [quote 3]*

Apart from the above-mentioned ´team-resource fit´ the team members also recognized the importance of Twynstra Gudde as such. It appeared in the interviews that the ´firm-resource fit´ is a returning factor in the legal and financial knowledge of Service Organisation at Twynstra Gudde, as well as in the educational material and the guidance of young consultants. The fact is that graduates were trained to use currently available methods and tools of Twynstra Gudde. On top of that experience data were available which made it easier to realize AdviesTalent:

> *"There were data available about juniors: how much they cost, how much they bring in and how much time is needed to built up the market." [quote 4]*

A success factor of the service is the way AdviesTalent was able to further develop on the knowledge that was already available, the ´resource fit´.

5.1.2.2 Strategic fit of the product

The second product related factor is the way in which the product attunes to the strategy. This ´fit´ does not seem relevant for the success of Twynstra Gudde, because AdviesTalent aims at junior consultants, whereas Twynstra Gudde wants to position itself as a senior consultancy agency. AdviesTalent developed successfully anyway, despite of this.

> *"Looking at the position of AdviesTalent, a work and learn project for juniors had to go onto the market, because Twynstra Gudde would never have started it by themselves. There just happened to be an idiot like Jaap who wanted to do this. Looking at the position of Twynstra Gudde, it was not a logical step to do something with AdviesTalent. The board was working on a senior profile which does not go together with a group of 30 juniors. It is something you can not explain." [quote 5]*

5.1.2.3 Market fit of the product

The last product related factor is the existence of a ´market fit´, the way in which the new service solves the problem of a client. This factor is very important because a product can only be successful when it solves the problems for a client and can have added value. It appears that the ´market fit´ contributed to the success of AdviesTalent and because of this ´fit´ a true solution for capacity problems and talent management that potential clients wanted was found and not some sort of improved mousetrap no one wanted.

> *"Some assignments just need a helping hand. Not necessarily a senior consultant but someone who is smart enough, does the job the right way and is supervised." [quote 6]*
>
> *"AdviesTalent is a service which produces a lot of "common ground" because clients are struggling with their capacity problems and Talent management. The service fits in perfectly with the demand from the market and I am always able to organise a first meeting." [quote 7]*

AdviesTalent chose to use a unique profile, contrary to other capacity providers. This profile was carefully composed as to make a difference, compared to other existing secondment agencies and providers of young talented employers. The added value was created by a combination of solidarity with a professional consultancy agency, such as Twynstra Gudde, the education programme and the kind of people that were available. This combination made it possible that young consultants could use the methods available and tools to which they could add their new views and creativity. On top of that, young graduates were given thorough guidance by experienced consultants, which safeguarded the quality of the service:

> *The connection of Twynstra Gudde with the education program, the kind of people and the price was the right combination." [quote 8]*

The importance of the right balance between price and quality was also underlined. Extra emphasis was put on to never make the mistake of offering prices that are too low:

> *“You just have to be able to explain why the price / quality relation is the way it is and why the tariff is right. This should be your basic attitude.” [quote 9]*

The author also wanted to emphasize that the reputation of Twynstra Gudde played an important role in the success of AdviesTalent. The development risk was not only reduced but the connection with Twynstra Gudde also encouraged potential employers and customers of AdviesTalent. It even seemed possible to make a qualitative selection so that the service could be performed by high potential young graduates:

> *“We were just lucky with recruiting juniors. We started to build a website which would be placed inside the Twynstra Gudde website. When this was done, the open applications were flying. The spin off was tremendous. All at once we had over one hundred applications from which we could choose based on the profile we thought was needed for the service.” [quote 10]*

Finally, the interest of realising the plans was emphasized. The ´market fit´ was empowered by adding tangible components such as brochures, tools and an impressive website. These tangible components enabled to make an intangible service more specific and simplified the ´communication about´ and ´propaganda of´ the new service. These tangible components, combined with the reputation of Twynstra Gudde, not only resulted in an interesting club of young graduates, but also resulted in many clients who were informed about AdviesTalent:

> *“Clients will get the feeling, just because you happen to have a lovely brochure which says: it´s there, it´s not just an idea anymore, it is really happening. This was very important.” [quote 11]*

Based on the above-mentioned aspects the conclusion can be drawn that the ´market fit´ contributed to the success of AdviesTalent.

5.1.2.4 Conclusion of product-related factors

Products can be seen as the result of a project and in the previous sections the following key points were put forward:

- The team was able to realize the idea because 1) there were complementary knowledge areas, 2) experience was available to initiate new initiatives, 3) people and resources were available at Twynstra Gudde and 4) AdviesTalent could benefit from Twynstra Gudde’s reputation.
- The choice or the success of AdviesTalent did not depend on the strategy. Despite the misfit, AdviesTalent became successful anyway.
- The team members not only were able to develop a product but also to actually find solutions for problems of clients. More specifically, the realization of the service, the solidarity and the reputation of Twynstra Gudde, the education programme, the young graduates as well as the price contributed to the fact that the initiators did not have many problems to sell their product.

5.1.3 Market-related success factors

Product-related factors and their effect on the development process of AdviesTalent have previously been described. In this section the *market* is the central issue instead of the *product*. Although a new service can attune to the demand in a certain market sector (=market fit), the market sector also needs to have some volume. In this paragraph one factor will be outlined that can be related to the market. At the end of section 5.1.3.1 it will be clear whether, based on this factor, a visionary or objective market approach is preferred.

5.1.3.1 Potential of the market

The initiative began with the personal drive of an employee to help young graduates, not from the point of view of making a lot of money. When the instigator started his career, he did not have the right skills and tools to carry out certain tasks. That is why AdviesTalent developed from the innate motivation to tackle this problem. Then everything possible has been done to realize this personal ambition. A preliminary investigation of the market was carried out and then a vision of the possibilities of the service was created. The following options have been mapped out:

- AdviesTalent can give excess to an interesting area of young people who are at the end of their work and learn phase and are ready to start their careers at Twynstra Gudde or with another client.
- The intake of high potentials is following the rise of flow of personnel that is retiring because of the sharp rise in the ageing population.
- AdviesTalent does not profit from an MBA degree.

During interviews these options were examined. Emphasize was on many exploratory meetings (see section 5.1.5.2 about ´external linkages´) with potential clients:

> *"I probably had at least one hundred orientating meetings and based on that I have come to the conclusion that those clients are interested in our service." [quote 12]*

This approach fits in with the radical character of the service and was also recognized by the board of directors. The board of directors emphasized that the focus was not on exact numbers or market analyses of the market potential but to find ways so that problems of clients could be solved:

> *"As a member of the management board I am interested in the way you think you will make a profit and the action you are going to take when things go wrong. I certainly believe that there is a market for something." [quote 13]*

The visionary market approach was also underlined. No elaborate reports were made, a powerpoint presentation appeared to be sufficient to clarify the views of the radical service. The vision and the drive appeared to be far more realistic than an accurate and objective market approach.

> *"You just have to push on and have faith in making revenues." [quote 14]*

The conclusion can be drawn that a visionary market approach fits far better with the insecure points of RSD. It also turns out that ´external linkages´ with potential clients play a significant role in reducing these risks. The risks will be discussed in section 5.1.5.2.

5.1.4 Firm-related success factors

Above the product and market-related factors haven been discussed, as well as their influence in the development process of AdviesTalent. In this section the firm is a central issue. Based on the study of literature in chapter two it is assumed that a development team can benefit from the surrounding area in which the service is being developed, but it can also be an obstacle. That is why in this section three specific company factors which the project team cannot change will be outlined. To prevent employers to leave the company, the following factors need to be available: senior management, appropriate metrics, an innovative climate. Based on these factors it can be concluded whether RSD is facilitated or obstructed within Twynstra Gudde.

5.1.4.1 Senior management of the firm

Contrary to the development processes in the industry, it appears that the senior management of Twynstra Gudde is very much in favour of giving its employers a lot of space for self-development. Instead of offering ready-made development plans, the management is taking the specific characteristics of its employers into account, as well as their independence:

> *"Consultants are highly skilled people who have to be triggered with the content of an assignment which automatically means they need a lot of space because if you do not give them that, they will not excel." [quote 15]*

In the initial phase of the development process this ´space´ was considered to be very positive, but later on in the final phase the idea could not be realized because of lack of sufficient resources:

> *"There is enough room to create an idea at Twynstra Gudde but there is not enough time to develop the idea and make it stand on its own feet. They gave me twenty days, although I needed one hundred days." [quote 16]*

The lack of resources (time) influenced the intrinsic motivation as well as the entrepreneurship of the development team very much. Although it was against the rules but because of their motivation, the development team decided to spend more days on the development of AdviesTalent. In the end this choice seems very important for the success:

> *"At a certain moment I just ignored everything. I left my PMC and just started to do what I wanted to do which was quite a risk. There was no guarantee I could stay with Twynstra Gudde. I was not happy to hear this news, but it did fit in with my personal ambition to create something beautiful." [quote 17]*

There was not enough time but there also was lack of vision as well as a critical sparring partner to improve the idea:

> *"I have talked to the board of Twynstra Gudde about them being too passive and too positive about the course. I thought they could do more. Staying a bit on the sideline is understandable in a*

professional organisation, with a lot of crazy ideas, but they could check on things more frequently. I needed critical feedback to improve the idea instead of the board saying that everything was just great." [quote 18]

Eventually the sparring partner was found in a partner at Twynstra Gudde (Ingelien VeldKamp). Who is approached by the initiator of AdviesTalent through the internal network (this underlines the importance of intra-firm linkages, section 5.1.5.3). This partner was prepared to spend *private* time to guide and coach the development process. The partner also acted as a ´hero´ (see section 5.1.4.3) because she was able to involve a lot of people in the developing phase. The initiator of AdviesTalent together with the partner designed a concept before involving the other members of the development team.

"When we started, together we looked at what a learn-and-work company exactly meant: Exactly what is the added value, what is the essence, how do you create support, how much do you need from Twynstra Gudde?" [quote 19]

Despite the shortcomings, the supportive role from the board of directors, in relation to the shareholders, was considered very valuable. Thanks to the support from the board of directors AdviesTalent could be implemented and AdviesTalent was protected from the shareholders, who opposed against AdviesTalent becoming a subsidiary company. Thanks to this protection AdviesTalent was realized and not unnecessarily stopped by the shareholders.

To summarize, the following matters have been brought forward. Thanks to the management bottom-up style the characteristics of the professionals and their need of autonomy has been taken into account. The management also played an important role in the support for making AdviesTalent a subsidiary company. Despite that, the management lacked to fulfil playing a visionary/verifying role and to provide sufficient resources. Because of this, extra appeal was made on the intrinsic motivation of the development team. The question remains whether this appeal was desirable or undesirable, but the senior management has to be aware that, without the enterprising skills of the development team, the idea would not have been implemented.

5.1.4.2 Appropriate metrics of the firm

The second firm-related factor appears to be two folded in the case of AdviesTalent: the metrics contributed to the success, but a lot depended on the extra effort for the intrinsic reward of the team members. Twynstra Gudde is using a performance-related payment which focuses on daily routine as well as on new initiatives:

"Every employer has the right of a variable reward. One month is rewarded when achieving a target of 65%, the other month is based on one-on-one appointments with the PMC manager. These are about quality goals that have been achieved, for instance writing a book. PMC managers decide on the people within the PMC and they also decide on variable rewards." [quote 20]

The qualitative goals of each consultant are defined in a ´Personal Commitment Statement´ (PCS). Consultants, together with the PMC-manager discus and decide on which performance have to be achieved during the following year. In this way consultants can fill in their professional development and are not distracted by small regulations. The consultants are not told what to do by the management but are aware they have to focus on output. This strategy seems very successful for small risks, which come together with incremental and small-scale development activities. But for bigger risks it seems that a performance-related award of one month salary seems a bit poor.

Although the system does offer the possibility to explore new ideas, it seems that AdviesTalent's team members were not encouraged to really implement their idea. On the contrary, the team invested private funds to buy shares and also took the risk of losing their jobs. Moreover and apart from one cultural reward, the development team did not have the prospect of any salary rise or other financial reward. The cultural and intrinsic rewards were not found to be sufficient:

> *"If it's about giving a reward, it's not just about giving time, but also about showing you have done well. Not just giving greater publicity to something, but also a financial reward." [quote 21]*

Due to the lack of ´metrics´ during the development phase, it can be concluded that no suitable conditions were created to encourage taking the risk. Because of this, instigators are not encouraged to develop a new product and thus they might stay in their familiar surroundings.

5.1.4.3 Innovative climate of the firm

The last firm-related factor is about the climate of Twynstra Gudde. From the case study some factors have come forward that encourage innovations but despite that, it still is risky to present new ideas.

First of all it seems there is enough time and space to think out-of-the-box. The directors do recognize the importance of this space because they decided to reduce the amount of claimable hours to a reasonable limit (relative to competitors). Claimable hours are no more than the amount of hours that can be claimed from a client. Experiential data show that this collective lower limit should be set to 65% claimable. This means that an employee can spend 35% of his time on preparation, acquisition, education and product development, but in great extend of autonomy. Although the respondents acknowledged the value of this time, they emphasized that this time was not sufficient to further develop the idea. It just required more time to really build the idea and making it able to stand on its own relative to current business units.

> *"The beauty of this is that in this way, you get a lot of space for new initiatives, but the bad side is that many well meant initiatives fail. Those initiatives do not get the necessary push to really get it started." [quote 22]*

Secondly it appeared that people responded enthusiastically to many ideas, but were to busy with their own projects, education or acquisition. That was why they often were not able to help to further develop new initiatives:

> *"People say: Great, super idea, I will help you, but in the end, no help is given. You are really on your own, have to do it by yourself." [quote 23]*

Thirdly it seems that a professional surrounding makes it more difficult to step forward with a business idea. Ideas that are related to the profession are preferred, instead of ideas that focus on the market. The heroes of Twynstra Gudde are those that write books, who have exiting client assignments and write newspaper articles about their professionalism, not the ones who achieve considerable turnover with projects that are less important from a professional kind of view. When you do not belong to this group of professional heroes, a lot of courage, persistence and determination is required to get cooperation from colleagues. Although often colleagues are very enthusiastic about new ideas, mostly they have something to say about it. This sometimes results in some tensions, which is not always very useful:

> *"At Twynstra Gudde it is not about the formal decisions, you have to start things up yourself. At Twynstra Gudde it is tricky, you have to cross many ´soft borders´, whether you get cooperation from you professional colleagues or not, because they have a strong opinion about everything." [quote 24]*

The AdviesTalent team members emphasize the importance not to pay to much attention to professional involvement of colleagues who think they know it all:

> *"Ask yourself this question every time: can I go on with this, or not. Meetings which will not bring you victory are not too important to worry about." [quote 25]*

The final firm-related factor emphasized the chances and treats of the company climate. Despite the given space and the enthusiasm for new ideas, there are professional tensions in the climate of Twynstra Gudde.
The conclusion can be drawn that this climate did not promote to the success but these tension were overcome by the courage and persistence of the team members.

5.1.4.4 Conclusion of the firm-related factors

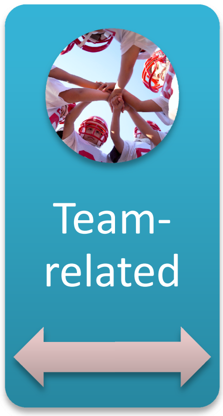
The conclusion can be drawn that all the firm-related factors opposed the initiative. This seems more dramatic than it really is because positive aspects have come forward too. To summarize, those are the following:

- The ´senior management´ gave the opportunity, there was ´management support´ for the subsidiary company but too few ´visionary support´ and ´resource support´ to further develop the idea.
- There were ´appropriate metrics´ to examine the ideas, but lack of metrics that could stimulate the implementation of risk-ful initiatives.
- A stimulating environment with enough time to develop ideas and with sufficient enthusiasm for new initiatives but the heroes are the professionals instead of the marketers. On top of that it is always very exiting to step forward with new ideas in a professional surrounding where smart colleagues always have something to say of a new initiative.

The conclusion can be drawn that sufficient facilities are available but they are not enough to really develop ideas and implement them in the market. The absence in the AdviesTalent case was overcome by the desire to create a work-educating programme for young graduates. Going against the current, the development team eventually decided to:

- Ignore the demand for claimability,
- Take the risk of being fired,
- Ignore the negative respond of some of the colleagues.

5.1.5 *Team-related success factors*



The product-, market- and firm-related factors and their influence on the development process of AdviesTalent have been discussed previously. In this section the development team is the central issue. Following the study of literature in chapter two it can be assumed that a development team can ‘profit from´ or is ´constructed by´ the next factors: probe-and-learn processes, external linkages of the team, intra-firm linkages of the team, intra-team linkages, structure of the team and informal roles of the team. Apart from the firm-related factors, the team itself should be able to influence these factors.

5.1.5.1 *Probe-and-learn process*

In section 2.3.7.1 it was considered that a probe-and-learn process fits better with many uncertainties that go together with radical development projects, other than a formal and neatly planned process. During the development of AdviesTalent the creationspiral (creatiespiraal) of Marinus Knoope was used. His view of a development process is described as a small seed that grows to become a tree with delicious fruit. This model was used to visualise the several phases in the development process but not to formalise the process. Moreover, the results of the case study underline the importance of a probe-and-learn approach instead of a formalized process:

> *“Trail-and-error in which you constantly work towards focus and understanding.” [quote 26]*

It seems that in the final phase, the phase where market introduction takes place, the formalisation process could be stricter. This also is the case for the activities which focus on promoting the product:

> *“Activities such as recruiting and teaching juniors, distributing brochures, making a website and advertising have to be planned very carefully.”* [quote 27]

With the exception of the final phase in the development process, the conclusion can be drawn that ´trail-and-error´ was preferred instead of making all kinds of considerations:

> *“… don´t ask yourself right from the start which direction you are going, or not. You can never tell. It is about moving forward and not a business decision, ´is this the right one´.” [quote 28]*

5.1.5.2 *External linkages of the team*

External linkages were crucial during the development process of AdviesTalent. Because of the consultancy profession, the team members were connected directly or indirectly with a wide variety of clients:

> *“This office is part of a large network. When looking at the network of the partners, there is an entry almost everywhere.” [quote 29]*

These clients were private or public parties, consultancy agencies, universities or pharmaceutical industries. During the interviews it became clear that every team member consulted this network to introduce their ideas:

> *“I noticed, as a consultant that clients were interested in young people” [quote 30]*

The emphasis was on one hundred exploratory meetings with potential clients. From the case study it appeared that those meetings were both investigative as well as acquiring. Investigative because the results were used to attune the idea in the market (market fit). Acquiring because the result of the meetings was a new list with potential clients (market potential).

> *"We started from the point of view that this product would get response in a number of organisations. We started to test this point of view and found out we were right. Those meetings were 50 per cent acquiring, and 50 per cent testing. I rather quickly noticed that a Heineken board member thought this idea was great and also a KLM board member and an employer of a Ministry. We knew then that we were going in the right direction and we used the feedback we got to improve the idea and adjust it to the client's wishes." [quote 31]*

Apart from that it was emphasized that birthdays, tv programmes, books, business lunches and formal meetings were used to further develop the idea.

> *"From the moment you have got the right idea, you start to focus. You use whatever you do, or whatever you see, to test the idea." [quote 32]*

External linkages played a central role during the developing process. They offered the opportunity to introduce, investigate and accentuate the idea. It seems however that some linkages were destructive. During some meetings every suggestion to ´do something new´ was refuted with a counter-argument. Contrary to criticism, which can even make the idea better, the respondents wanted to emphasize destructive meetings added little and even would be discouraging. Selecting the right type of meeting and the competence to not ´take everything to seriously´ were therefore stressed. Furthermore it was stressed that this applies for internal as well as external linkages and especially during the first phases when the idea is still vulnerable:

> *"Do not talk about the idea to many people because they will say: it is not going to work, it is just useless. In this phase you need inspiration and you do not want you idea to be heavily criticized. Therefore you have to be careful whom to trust." [quote 33]*

Finally the importance of a supportive home situation was emphasized. A risky development process not only influences your work, but you also take it home with you. Understanding and support from your partner are therefore important. This will give you new energy and encouragement to further develop the idea.

Nevertheless it seems that contacts with potential clients specifically have contributed to the success. From the starting point of the developing projects these contacts have been used to introduce the idea and to investigate. Apart from the ´market fit, these meetings also contributed creating a market for the service.

5.1.5.3 Intra-firm linkages of the team

The second group of linkages is the connection with the rest of the company. Combined with other factors, these connections seem to be important 1) to prevent resistance and 2) to claim the knowledge of Twynstra Gudde, a knowledge intensive organization, who is supposed to have a lot of knowledge.

AdviesTalent has used a lot of communication resources to let the whole company know about the idea. The most exceptional way to draw attention were the spread of numerous balloons through the company:

> *"In 2005 I hung up 150 balloons in the office with a tag on it saying: I have the ambition to start a work-and-learn company for young consultants." [quote 34]*

The added value of the service was then emphasized during formal meetings, in letter to unit managers and during the ambition conference. The latter was an office day where all the employees of Twynstra Gudde were present and where workshops were held to exchange ambitions and knowledge with each other. Eventually the conclusion can be drawn that there are enough communication channels at Twynstra Gudde and the team members used them sufficiently. On top of that a creative communication resource (balloons) has been used that no one could oversee. It is quite remarkable that Twynstra Gudde allowed this, because not every organisation would be happy with 150 balloons hanging in the office.

The added value and the role of AdviesTalent have been communicated to the rest of the firm. Support was given to the development team of the service organisation, a synergetic machine of Twynstra Gudde with knowledge of housing, mobility, ICT, HRM, finance and marketing. The development team also used the necessary consultancy skills and knowledge from consultants and managers of Twynstra Gudde:

> *"With our enthusiasm, we were able to involve many others who wanted to cooperate and create too." [quote 35]*
>
> *"By just asking around, I found the five people with the most commercial talent at Twynstra Gudde." [quote 36]*

Despite the clear communication, there was some resistance. Some managing partners were afraid of cannibalism and thought that AdviesTalent, consultancy by young and cheap talents, would be a threat that could be competition. This fear was increased by the need of AdviesTalent to become a subsidiary company. Then, profit would be attributed to the new and, in their eyes, competing AdviesTalent, instead of attributed to Twynstra Gudde. From the case study it shows that the success very much depended on the acceptance of these partners, (shareholders, owners) of Twynstra Gudde:

> *"The level of acceptance in the office has been quite decisive. The level of acceptance of the partners for a new initiative was something they first feared because it might be something competitive in their own market." [quote 37]*

Eventually this acceptance by the partners was realized by the entrepreneurial spirit of the initiators and the support from senior management. Thanks to this the development team eventually succeeded in implementing the idea and get rid of ´core rigidities´, and restricting conditions of the ROA (council of consultancy agencies) and operating regulations that apply for existing business units.

The separate identity of AdviesTalent especially underlines the need of loose, instead of strict, connections with the main organisation:

> *"It is a new service, in a new market, so you have to cut yourself loose from it all. We wanted to bear the risk ourselves and be free from other units. You can not enterprise within small budgets that only exist within current businesses." [quote 38]*

The conclusion can be drawn that clear communication of the role of AdviesTalent and the loose intra-firm linkages contributed to the success. Clear communication made it possible that team members could use available knowledge at Twynstra Gudde, without being hindered by operational systems or budgets. It also appears that these loose intra-firm linkages were available thanks to the initiative of the team members and the allowance of senior management to hang 150 balloons in the office.

5.1.5.4 Intra-team linkages

A third group of linkages is the intra-team linkages. This latter type of linkages is mainly based on the relation between the team members and appears to have played an important role for the success of AdviesTalent. The key members of AdviesTalent recognized the importance of formal project meetings and brainstorm sessions but they emphasized the importance of informal contacts that were simply increased by sitting in the same room with other team-members. It consequently made formal appointments no obligation to meet since team members were able to keep each other informed any way.

Apart from the many possibilities to communicate, the respondents said that mutual respect and trust also contributed to a pleasant cooperation. Respect for both business and private matters brought the team members closer together. The team spirit was considered as follows:

> *"Our cooperation was unique, it could not have been better, we were able to say anything to each other and were respectful with one another at the same time." [quote 39]*

The relation of the team members was strengthened because each gave the other enough space for his own professionalism. This seems to be easy, but it is required to ´let things go´, which is a competence a individualistic professional often does not have. On top of that, ´letting things go´ is the more difficult when you have to consider the professionalism of colleagues who also want to do things their way and don't like to be managed:

> *"It is very difficult to open up to each other, especially to involve very know-it-all colleagues who want autonomy too*." *[quote 40]*

The conclusion can be drawn that intra-team linkages contributed to the success of AdviesTalent. The team members emphasize the importance of informal communication, respecting each other and having the ability of giving space for the professionalism of others. Because of this, the relations of the team were strengthened. The importance of pleasant cooperation even was emphasized by one of the team members:

> *"It would be very interesting to analysis that very carefully." [quote 41]*

5.1.5.5 Team structure

The second last factor seems to be of less importance within a project-oriented organisation like Twynstra Gudde. The success of the team-structure seems to depend on the entrepreneurship of the initiators, the competence to, in larger extend, work out a risky idea and to make others enthusiastic about it. Self-managing teams seem to have an advantage above institutionalised development teams. There are some similarities with a heavy weight team but, compared to teams in a product developing organisation, it is remarkable that the AdviesTalent team was smaller and was formed more or less ad hoc. During the whole project two key team members were actively involved, the other developers worked on parts and were responsible for shorter periods of time during the developing project. The team structure was composed of three elements: the key team, a multidisciplinary inner circle with persons who fulfilled supporting tasks and an outer circle with consultants from Twynstra Gudde. The latter group was added or eased off ad hoc. Below the chart shows the structure of the development team:

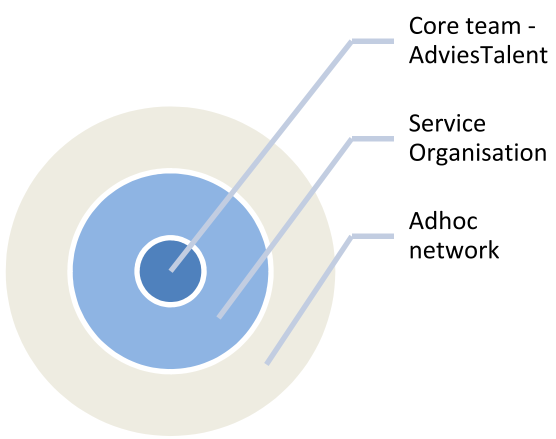


Figure 11 Development team

The development team was composed thanks to the initiative of a team member. Going against the current, this entrepreneur started with developing the idea and succeeded making complementary colleagues enthusiastic who were also prepared to start a new adventure. Then individually they created their own space and contacted the right people for the project:

> *"We started our own studio to make this happen." [quote 42]*

The physical space, a studio, offered the necessary protection to further developing a vulnerable idea and keep it away from current business. (as mentioned in the previous section it also enhanced informal communication)

The conclusion can be drawn that the core team has more signs of a self-managing team than a heavy weight team. The success of the team structure depended on the initiatives of the team members, the competence to, quite individually work on a risky idea and making others enthusiastic.

5.1.5.6 Informal Roles of the team

The final team-related factor relates to the presence of five roles (Roberts and Fusfeld 1981) to realize a successful innovation: (1) idea generator, (2) entrepreneur and champion, (3) project leader, (4) gatekeeper en (5) sponsor of coach. These roles have been divided among the AdviesTalent team members and it appears that every role has been performed. Below the roles have been outlined:

Informal role	*Performed by*
Idea generation	[x] of AdviesTalent
Entrepreneur and champion	[x] of AdviesTalent
Project leader	[x] and [y] of AdviesTalent
Gatekeeper	[y] of AdviesTalent and Multidisciplinary colleagues of Twynstra Gudde
Sponsor and Coach	Sympathetic colleague of Twynstra Gudde

Table 9 Overview of informal roles

The conclusion can be drawn that the appearance contributed to the success. Moreover it appears that the ´sponsor and coaching´ role was not fulfilled by the senior management (see section 5.1.4.1) but by a sympathetic colleague who voluntarily took this role. Although this coach was not able to offer ´protection´ against the pressure of client tasks and claimability in the current business, she coached and encouraged and brought the right persons together. That is why there was lack of explicit resources and a critical feedback from the board of directors during the development project. The lack of their participation (see section 5.1.4.2) weighed heavily on the intrinsic motivation and initiative from the development team. The question remains whether this weight was desirable or not but the senior management has to be aware that, without the enterprising competences of the development team, the whole idea would not have been developed. It can concluded that the entrepreneurial role (being pro active, making others enthusiastic, daring to take risks and have autonomy) has been crucial for the successful development:

> *When the shareholders finally made up their minds, we had been busy for over nine months and already employed ten consultants.*" *[quote 43]*

5.1.5.7 Conclusion of team-related success factors

In the previous sections the development team was a central issue. Based on the study of literature in chapter two it was supposed that the development team could be ´profiting from´ or ´hindered by´ the following factors: ‘probe-and-learn process’, ‘external linkages of the team’, intra-firm linkages of the team’, ‘intra-team linkages’, team structure’ en ‘informal roles of the team’.

Contrary to the firm-related factors (section 5.1.4) the team itself was able to influence these factors. That is why these factors are labelled team-related. The following learning points have come forward during this case study:

- Via trail-and-error instead of a formal and neatly planned process the team became more focussed.
- External linkages have been used to 1) adjust the idea to the market, 2) make a list of potential clients.
- External linkages were not always constructive. The suggestion was made to be careful who to trust and not to be too concerned about the meetings where every new idea was refuted with a counter argument as to not get discouraged.
- Creative intra-firm linkages were useful to draw the attention of the whole firm. They have been used to introduce the idea.
- Formal intra-firm linkages were useful to further explain the added value to existing services
- Loose instead of tight intra-firm linkages decreased the obstacles of existing systems. Enterprising attitude and the support from the senior management were used to create the loose linkages in the form of an independent development room and subsidiary company.
- The team was able to talk freely to one another thanks to the studio they shared, despite busy schedules and the difficulty to arrange formal meetings.

- A solid relationship was created because everyone respected each other on contradictory business or private matters.
- The team members thought it difficult to open up to one another and they found it even more difficult to involve other colleagues who wanted to guard their autonomy too. The difficulty was that the product could end up differently from the concept the initiator had in his mind. Despite this, it has been very important to make the idea successful.
- The development team was self-managing, small and mainly was set up adhoc. The key points of the success of the team were that they were entrepreneurial, had the competence to realize an risky idea from their own autonomy, and make others enthusiastic.
- The team structure consisted of three elements: 1) the core team, 2) a multidisciplinary service organisation, 3) a network of consultants and managers from Twynstra Gudde.
- The studio, (physical space) offered the protection from the existing business and was the area where a vulnerable idea was formulated.
- The lack of ´sponsoring and coaching´ put a heavy weight on the entrepreneurial role of the development team. Without these skills the whole idea would not have been realized.

The conclusion can be drawn that the contacts and activities of the development team contributed to the success of AdviesTalent. It is highly remarkable that the team was not discouraged and conquered every obstacle during the process by their entrepreneurial skills. Entrepreneurship is not a central issue but is a mean to realize the intrinsic reward, the desire to support young graduates during the start of their careers.

5.1.6 Overall conclusion about the development of AdviesTalent

In the previous section all factors that influenced the AdviesTalent development process have been discussed. This paragraph concludes this section with the most important aspects. In this chapter the separate preliminary prescriptions have been discussed. To show the interrelatedness between the different preliminary prescriptions the four phases idea generation, concept and testing, development en launch are used in figure 12.

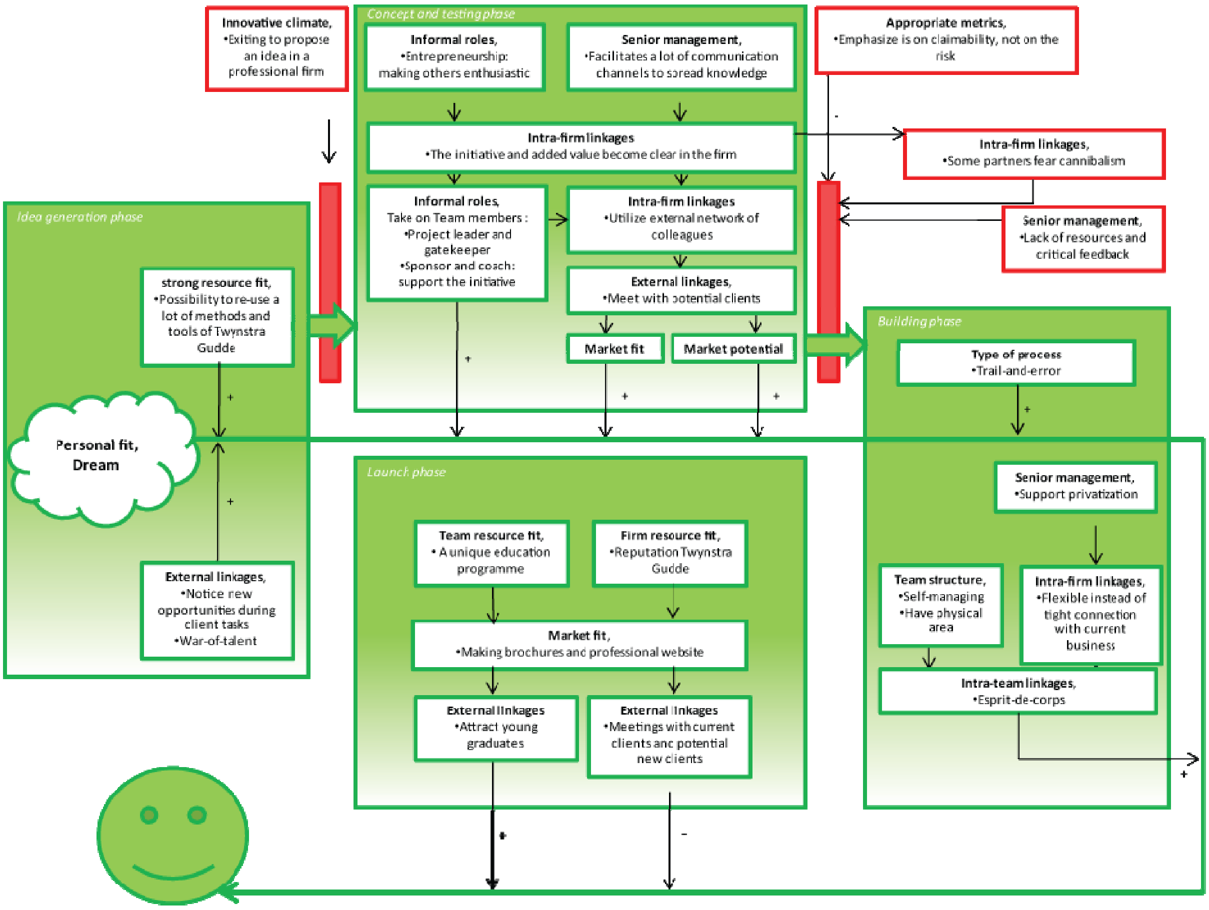


Figure 12 Relationship diagram about the development process of AdviesTalent

Idea generation

The intrinsic motivation has been the fuel of the development process, realising the implementation of an idea. This motivation was strengthened by the knowledge of Twynstra Gudde and the external linkages which made it possible to notice the rise of an ageing population, war-of-talent and the interest in young graduates of clients. The initiator was not only able to fulfil his wish but also to truly offer a solution for problems of clients (market fit). It is remarkable that the success of AdviesTalent is not based on ´strategic fit´ but is based on individuals who, going against the current, had good ideas and had the desire to make them happen.

The passion and the way in which the consultant could fill in his own ambitions seems to be far more important for the realization of AdviesTalent:

> *"[J] wanted something, he was very determined, dared to take risks, went for it and did not let go. At Twynstra Gudde, you can than do things" [quote 44]*

The high intrinsic motivation also seemed to be an important skill to conquer the tensions of the professional climate. Although it has become clear that enough time and space was offered for the generation of ideas, an indirect obstacle was created by stepping forward with new ideas. The reason for this is it happens in a professional environment, instead of an entrepreneurial environment. The heroes of Twynstra Gudde aren't those who make the best turnover, but those who write books, perform exiting tasks and get newspaper articles about their professionalism. When you do not belong to this group of heroes it is very difficult to get the support from colleagues. If they do give you support, then they are very critical and have doubts about your idea. The fear for critical feedback from colleagues and the professional order of ranking can be discouraging, which clarifies the red line in figure 12 (innovative climate).

Despite this fear, the initiator was not discouraged by this (see the green arrow). The conclusion can be drawn that the intrinsic motivation was the fuel for his courage and belief to realize the idea.

Although the intrinsic motivation was a central issue for the success of AdviesTalent, some other aspects have been important too for the realisation of a work and learn programme for young graduates. Especially the entrepreneurial spirit, the team spirit and making the service more tangible played a crucial role.

Concept development and testing

From this case the entrepreneurial skill seems to be an indirect part of the success and, amongst others, a necessary skill to achieve linkages with others. It seems necessary to suggest the radical and sometimes, from the point of view of others, crazy idea. This is not easy and specifically in cases in which every suggestion to do ´something new´ is refuted with a counter argument. The AdviesTalent members thought it was important not to get discouraged and to keep looking for people who were able to help. This search was carried out through both intra-firm as external linkages and simplified because Twynstra Gudde already had numerous and valuable external linkages. The trick was to claim these contacts through colleagues. That was why AdviesTalent members thought it was important to make colleagues enthusiastic about the idea and convince them about this. Indirectly the entrepreneurial skills, such as making suggestions, push and demonstrate ideas, and the importance of communication channels was emphasized. Also creative and formal activities were undertaken in the case of AdviesTalent. Creactive activities, such as hanging up balloons, were useful to introduce the idea, whereas formal meetings, letters to unit managers and ambition conferences appeared more appropriate to emphasize the added value compared to already existing services. It is quite remarkable that Twynstra Gudde fulfilled a facilitating role in offering the right communication channels, because not every organisation would be enthusiastic about having ´ambition days´ organised and would agree with having 150 balloons in the office. As figure 12 shows, the initiative of the team members and the available communication channels were the right basis to show the role and added value of AdviesTalent to the rest of the firm. That was why the initiator not only succeeded in getting excess to external parties, but also to get 2 team member connected in the initiative. These ´intra-firm linkages´ thus seem to be important to get the cooperation from colleagues, to attract team members and to get in contact with external clients.

Section 2.3.5.2 is about finding ´external linkages´ with suppliers, universities, research institutes and business associations (Rothwell, 1992). In the case of AdviesTalent the emphasize was on one hundred preliminary meetings with potential clients. These meetings were both investigative as well as acquiring. Investigative because the results were used to better adjust the idea to the market (market fit). Acquiring because the result of the meetings was a list with potential clients (market potential). With this, the concept for a successful service was brought to light but it seems that there were not many stimulating aspects to actually develop such concepts. This seems to be the case because:

- the senior management offered little ´resource support´ to develop the idea,

- no ´appropriate metrics´ were available that stimulated taking the risk and that
- some partners did not accept the initiative because they were afraid of ´cannibalism´ which slowed the formal decision-making process down by six months.

The conclusion can be drawn that facilities were offered to create a beautiful and feasible concept but these facilities did not seem to be enough to actually develop the idea and market it successfully. In the case of AdviesTalent, these obstacles were conquered by:

- ignoring the claimability and just spend more days on developing AdviesTalent,
- taking the risk of being fired and,
- focus on the positive input of colleagues and further ignore negative feedback of some.

The initiators of AdviesTalent could not be stopped by anybody and they believed in future revenues. The question if AdviesTalent could be created was no issue, but more how the idea would be made, preferably ´with´ but in the worst-case scenario, ‘without’ the help of Twynstra Gudde.

Building

Developing AdviesTalent not only happened because of the intrinsic motivation and showing entrepreneurial spirit. Apart from making colleagues enthusiastic it appears that keeping the team together was crucial. Because of the high pressure and reward on claimability, everyone is focussed on current business and innovation is just a side-issue. Creating a team spirit was therefore a central issue in the developing phase of AdviesTalent and seemed to depend on:

- Loose instead of tight intra-firm linkages to diminish hinder from the current system.
- Having a studio (physical space) to encourage the informal communication in the team. The area also offered protection against the current business and was the right place to develop the vulnerable idea.
- Respect for each other both on contradictory business and private matters.
- The ability to give room for the professionalism of others so they can help building.

Launch

Finally it seems important to scale up activities that have been developed within the conceptual phase. Although a successful service eventually has been developed at the end of the development phase, the service has to be sold several times to really be lucrative. In the case of AdviesTalent this was realised by adding tangible components such as a website and brochures. The (potential) clients were made aware of the activities that have been developed during the development phase: a subsidiary company was established, a education programme has been created and there has been close cooperation with Twynstra Gudde to guarantee quality. The latter is not about promotion campaigns but 1) scale up the relations to create (potential) client meetings and 2) attract more young graduates. This means that external linkages remain crucial during the entire developing process:

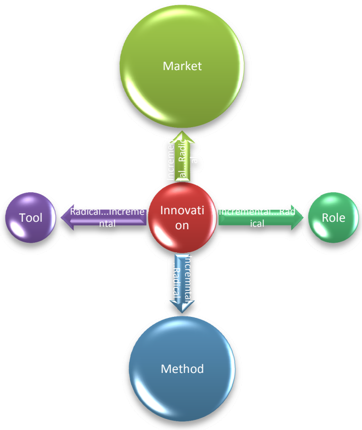
> *“I did not start any specific promotion campaigns because everything is based on relationships.” [quote 45]*

At the end of this case description it appears that a ´probe-and-learn´ process is a better fit with the many uncertainties of a radical development project than a formally and strictly planned process. From the ´trail-and-error´ starting point, the team managed to focus every time. Eventually the conclusion can be drawn that many factors contributed to the success of AdviesTalent. But it appeared of great importance that the team was not stopped and that obstacles during the process were conquered to obtain an intrinsic reward, which was the realisation of the desire to accompany and guide young graduates at the start of their careers.

5.1 Case: Strategic Sourcing

Strategic Sourcing has been introduced in November 2007. Its aim is to solve complex sourcing issues for clients whose organisations are more and more concerned with core competences. Because of this focus, questions about processes not primarily belonging to the core competences come up. E.g. outsourcing, joining shared-service centres or organising activities in cooperation with others. Strategic Sourcing helps to answer these questions by selection of the right partners, coaching during the process of change and implementing the sourcing solution.

The knowledge and skills to solve the problems is a result of a unique form of cooperation between 3 previously independent units: Facility Management, IT and HRM. Together they developed an innovative method, further described in section 5.2.1, which enables to solve complex issues of new markets. The corresponding market and method dimensions are shown in the adjoining figure showing the area of innovation. Within Twynstra Gudde the Strategic Sourcing project is seen as rather unsuccessful.



5.2.1 *What determines the radicalness?*

Strategic Sourcing started as an initiative of three Twynstra Gudde partners and involved a synergetic combination of knowledge and experience in sourcing.

Although all individual departments were active in the field of sourcing, the radicalness of this project lay in the combination of knowledge already existing in the separate fields. Moreover, the market innovation, the combination of knowledge of Facility Management, IT and HRM has never taken place before. The result was that the part played by each of these departments was unclear from the start, just as which activities should be executed by whom:

"Working across PMC-borders is pretty tough at Twynstra Gudde." [quote 46]

The radicalness of the service offered is determined by the unique combination of the three different departments which, next to their individual fields of responsibilities, started to develop methods in the field of strategic sourcing. This unique form of cooperation has finally resulted in an integrated sourcing approach, which helps solve complex sourcing issues across the various domains rather than within each of them separately. The sourcing approach consists of a four-stage funnel as depicted below.

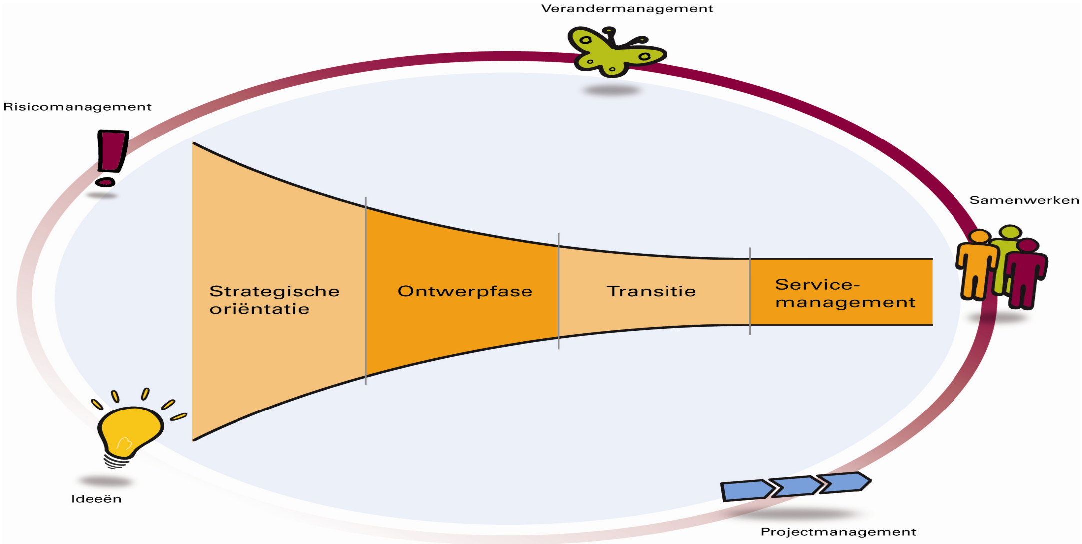
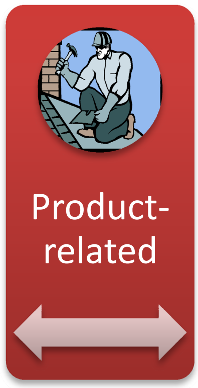


Figure 13 Method Innovation: The Strategic Sourcing funnel

De sourcing funnel will not be further discussed as the present study is not interested in the final result but in the way three autonomous departments developed the service. In the following sections factors relevant to the successful or unsuccessful development of the radical service will be described. The study of literature (see chapter 2) has already shown how Twynstra Gudde could develop as well as industrial companies. 13 different factors will be described divided into product, market, company and team-related categories. In case of each factor its positive or negative influence on the project will be mentioned.

5.2.2 Product-related success factors



First of all factors which can relate to the product will be described. Products are seen as the result of a project and, in accordance with chapter 2.3, answers to three most relevant questions will be given:

5.2.2.1 Resource fit	Can we develop the product?
5.2.2.2 Strategic fit	Does the product fit the strategy?
5.2.2.3 Market fit	Does the product fit the market?

At the end of chapter 5.2.2 the extent to which these factors contributed to the success or failure of Strategic Sourcing will be clear.

5.2.2.1 Resource fit of the product

In chapter 2.3.4.1 the importance of knowledge, competences and experience necessary to create an new service has been stressed. In case of Strategic Sourcing, the development of the method innovation (see fig.13) proves to have been successful. The development team did not, however, succeed in realising the market innovation, which was meant to combine 3 autonomous fields (FM, IT and HRM) in order to create a better profile on the market.

The attempt to combine the resources proves more complicated than expected. The three departments turned out to be so different from one another that one can speak of a 'resource misfit', which led to the failure of the service. The high measure of interaction during the HRM process could not be compared to the sourcing process in FM or IT. The measure of interaction in FM is low. If one puts out cleaning to contract, one is satisfied as long as the toilets are clean, it does not matter who did the job. In case of IT there is a slightly higher degree of interaction e.g. during the creating of and managing systems but once the product specifications are clear, any supplier will do. While in HRM processes, with the exception of some HRM processes that can be standardized (e.g. salary administration), it is not easy to change suppliers. In most HRM processes the continuous interaction between the employee and the HRM department is of utmost importance. Employees prefer discussing their career possibilities or leave with someone who knows their background:

> *"Because of our cooperation, we were able to focus far better; we realized that there were many unforeseen differences between our separate areas*." *[quote 47]*

At the moment of writing, the processes with a high measure of interaction are harder to cut loose because they are very much embedded in the primary processes of the company. They also demand the use of other activities and types of management with respect to design, transition and service management phase. For instance, there is no demand management during HRM processes and in the service management phase.

The conclusion can be drawn that to radically combine 3 departments (FM, IT and HRM) offers a lot of options in the strategic orientation phase, because the strategic demand of clients is the same in each department.

Despite that, the opportunities in the other phases seem to be smaller for the HRM department because the outcome and the activities during those phases are completely different compared to FM and IT. These findings were supported by field research at Twynstra Gudde in which it appears that FM and IT really differ from HRM processes.

Although a certain misfit has been concluded with respect to ´team resources´, this does not apply to ´firm-resources´. The current key competences of Twynstra Gudde (firm-resources) have maximally been used to strengthen the Strategic Sourcing body of thought. This becomes clear when *risk management* is used in the strategic orientation phase, when *project management* methods are used in the design phase, when *change management* is used in the transition phase and when *collaboration methods* are used in the service management phase (see figure 13).

From the basic knowledge of this method three different departments, Facility management, IT and HRM combined have developed an innovative method that specifically is tailored to strategic sourcing issues. The respondents emphasized that the current knowledge and skills of Twynstra Gudde have simplified the development process tremendously. This is in accordance with the expectations that, to some extent, a fit with the competences of Twynstra Gudde has to be there to successfully develop a new service.

5.2.2.2 Strategic fit of the product

It appears that this factor did not have any influence on the development process of Strategic Sourcing. The Twynstra Gudde strategy is not so explicit that choices for markets or products are demanded. The senior management does not want and cannot force some one to do certain things from a ´corporate strategy´ point of view. That is why the strategy is diffuse.

> *"Twynstra Gudde has a very diffuse strategy, based on 500 individuals, which is a way to let everyone do what they are best at." [quote 48]*

The strategy does not direct on trade issues but leaves enough space for the professional ambitions of consultants and managers from Twynstra Gudde. Because of this freedom, a certain ´fit´ does not apply, because it is always there.

5.2.2.3 Market fit of the product

A new service needs to fill in a certain market demand, as to prevent developers from producing an improved mousetrap that nobody wants. This so called ´market fit´ has been identified within the development process of Strategic Sourcing and appears to have influenced the process.

First of all through íntra-firm linkages' and ´external linkages´ (see section 5.2.9 and 5.2.10) client problems have been organised. From that point, innovative solutions have been developed which can be divided into four categories:

First of all the strategic sourcing funnel has not been further developed internally, but in an early stage brought onto the market. Then the service was further developed by performing client assignments which were strategically chosen (e.g. kind of lead users). Contrary to companies such as McKinsey this short time-to-market method is possible, because the method is handled over to the consultants. This means that the consultant and not the method is key. As a result of that the consultant is able to deal with less prescriptive methods when compared to methods from McKinsey. The consultant is therefore able to provide a ´custom-made´ solution, based on his own interpretation of the method. So the first fit with the market was achieved by distinctiveness from competitors.

Secondly, the ´market fit´ was increased, contrary to other providers of sourcing solutions, by using the key competences at Twynstra Gudde. Instead of looking at sourcing as a purchasing activity, emphasize is on organizational change, which is a side-effect of any sourcing solution. Strategic Sourcing will explicitly help the client to implement the change himself, instead of giving them a detailed process description like other sourcing services offer:

> *"We distinguish ourselves based on the key competences of Twynstra Gudde. We do not consider sourcing as a purchase activity but as a change management task. We are leading in the change management approach." [quote 49]*

Thirdly, Strategic Sourcing is the only provider that is able to cluster knowledge and solve sourcing problems which have an interface with Facility Management, IT and HRM. They are therefore able to offer solutions for CEO's instead of operational managers from autonomous departments.

Fourthly, many tools (see section 4.2.4) have been used to distinguish these features as to express them well: organising congresses, organising an educational trip with potential clients, benchmarks, organising a sourcing game (incremental innovation), and carry out sourcing research of which the results were published in a sourcing monitor. The service was made more specific which enabled clients to identify the distinct aspects.

Based on this case study, the conclusion can be drawn that potential client problems in the market (and not in books) have been noticed through ´intra-firm linkages´ and ´external linkages´ (see section 5.2.9 and 5.2.10). The development team then searched for innovative solutions to eventually increase the ´market fit´ by (1) development through client assignments and offering ´custum-made´ solutions, (2) use of key competences at Twynstra Gudde, (3) offering a complete solution for complex instead of trade specific issues, and by (4) make use of a broad range of tools to introduce the service to clients. Based on these aspects, the conclusion can be drawn that the ´market fit´ certainly was sufficiently available and did not contribute to the failure of the service.

5.2.2.4 Conclusion of product-related success factors

Products can be seen as the result of a project and in the previous sections, answers to three product-related main questions have been given:

5.2.2.1	Resource fit	Can we develop the product?
5.2.2.2	Strategic fit	Does the product fit to the strategy?
5.2.2.3	Market fit	Does the product fit the market?

Following the answers on the first two questions, two aspects can be noticed. Despite the presence of the ´firm-resource fit´ which contributed to the success of the service, the presence of the ´team-resource fit´ contributed to the failure of the service. Apparently the HR-consultant could not be involved more with the mutual activities of the final three phases of the funnel (see figure 13). Because of this misfit, the added value of HRM ended up less than expected.

The answer to the second question proves to be unimportant for a company such as Twynstra Gudde. Everyone has such a high level of autonomy, that the senior management cannot and will not force any one to do certain things. So, the choice to start up a certain initiative does not depend on the strategy, but on the personal ambition of the initiator himself. The decision is taken from the ground level of the organisation, instead of the top level. Because of this bottom-up strategy, the consultant has to have enough will power to start the initiative. The success so much the more depends of the way the initiative fits in with the personal ambition from the team members. This will therefore be called personal fit.

The answer to the third question subscribes the importance of two other factors: ´intra-firm linkages´ and ´external linkages´. These linkages firstly have been used to structure client problems. Based on these client problems the development team searched for innovative solutions to, eventually, increase the market fit by four distinguishing aspects (read section 5.2.2.3). The conclusion can now be drawn that there was enough ´market fit´ and this did not contribute to the failure of the service.

5.2.3 *Market-related success factors*

The product-related factors and their influence on the development process of Strategic Sourcing have been discussed previously. In this section, contrary to the product-related factors, the central issue is the market, instead of the product. A new service could fit in with a certain market sector need (=market fit), but this market sector has to have enough volume in itself. In this section, one factor only will be discussed which can be related to the market. At the end of section 5.2.3, based on this factor, it will be clear whether a visionary or objective market approach is preferred.

5.2.3.1 *Potential of the market*

From the case study it proves that market potential is an important aspect, but the definition of the size of the cake does not matter (look at the picture on the right). It was not necessary for the development team to found with research or exact numbers. A basic estimate based on the ´internal´ and ´external linkages´ proves to be enough to outline the potential of the market:

> *"The market is gigantic, specifically during a period of recession, when there is a lot to be gained for Strategic Sourcing. I have learned this through my contacts at the University of Groningen*." [quote 50]

This estimate is easy to make because consultants have direct contact with a large quantity of clients (see section 1.2.3.4.5):

> *"There has not been a process during which specific research of the market has been done. We just thought that the theme was quite hot: you talk with colleagues, you visit seminars, read newspapers and watch television." [quote 51]*

5.2.3.2 *Conclusion of Market related success factors*

For the success of the service, it does not seem relevant to do explicit research of the exact size of the market. The success much more depends on the number of ´internal´ and ´external linkages´ (see sections 5.2.9 and 5.2.10) because they give information about client problems in the market and about new uses abroad. An estimate of the ´market potential´ based on the ´internal´ and ´external linkages´ proves to be far more relevant than exact numbers that more or less specify the size of the market.

5.2.4 *Firm-related success factors*

The product- and market-related factors and the influence on the development process of Strategic Sourcing have been discussed previously. In this section the company is the central issue. Based on the study of literature in chapter two, it is assumed that a development team profits from, or is hindered by, the surroundings in which the service is being developed. Three company specific factors on which the project team has no influence will therefore be discussed in this section. To prevent employers to leave the organisation, these factors need to be available: senior management, appropriate metrics, an innovative climate. Based on these factors the conclusion can be drawn that personal ambitions at Twynstra Gudde are facilitated or obstructed.

5.2.4.1 Senior management of the firm

The first firm-related factor contributed to the failure of the service. Although monthly meetings took place and the senior management offered financial support, the management was not able to offer ´subtle control´. Subtle control means delegate work and develop a vision at the same time (see section 2.3.6.1). Developing a vision and supporting the firm-related issues specifically were lacking. The bottom-up style of management, which is used based on the characteristic of professionals (see section 2.6) is the cause of this failure. The senior management offers freedom and provides a lot of autonomy to get the most out professionals. Autonomy instead of a top down pre-defined development path is therefore preferred.

The result from the case study was that this management style has not been beneficial for innovations such as ´Strategic Sourcing´, that crossed several PMC borders. Contrary to development activities in one PMC, it requests more support and supervision from senior management. The functional leaders and initiators of Strategic Sourcing were for instance not able to correct each other. There was no single one that had the final responsibility which made it hard to correct team members that were equals.

The conclusion can be drawn that Strategic Sourcing required other instruments to make activities happen and more support from management to help taking risky decisions:

> *"If management really thinks this project is important, then they &*^$^%& have to be involved in it! [quote 52]*

The team members do want to emphasize that this is not about substantive concern but about involvement and explicit support through guidance and supervision from the senior management. The need of involvement clearly was not in the minds of the senior management, because they believe in the bottom-up style.

5.2.4.2 Appropriate metrics of the firm

Another reason that contributed to the failure of Strategic Sourcing is the lack of ´appropriate metrics´ for risky initiatives. From the case study it became apparent that the reward of professional ambitions is not so much the financial rewards, but the appreciation of colleagues and the senior management were far more important:

> *"I felt appreciated because the board said the theme was important. This appreciation is far more important than a financial reward." [quote 53]*

Although appreciation is seen as an important instrument, which has its effect on a stimulating climate for innovations (section 5.2.4.3), the team members point out that the senior management unfortunately did not succeed in converting this appreciation into ´metrics´.

That is why no sanctions were applied to the failure, or more relaxed circumstances were created to ease of the pressure from the current business. Therefore team members were not stimulated sufficiently to spend time and energy on Strategic Sourcing, which is a cross-border initiative:

> *"It is just a matter of commitment across PMC borders, which is something the management board should realise. I was talking to [z] who was extremely committed until things in her own PMC were going bad, then her own department got more priority." [quote 54]*

The directors could introduce ´metrics´ for this that emphasizes the importance of initiatives that cross PMC borders. In the current situation the ´metrics´ of the ongoing business are dominating and a lot of energy goes into claimability and client assignments. That is why innovations are relatively very non-commital activities:

> *"At this moment you have to start something new during evening hours, during office hours you just have to gain your target." [quote 55]*

The conclusion can be drawn that the lack of ´appropriate metrics´ to stimulate new initiatives contributed to the failure of Strategic Sourcing. The metrics that reward claimability, client assignments and turn over from current business are the result of a focus on developed activities, instead of innovative activities. That is why innovation is not stimulated and only occurs when usual business is performed.

5.2.4.3 Innovative climate of the firm

A stimulating factor was the climate. Contrary to the two other factors, the climate did not contribute to the failure of the service. There was enough appreciation and enthusiasm for new ideas, apart from room and time for product development. The climate offers enough room to explore new ideas and also appeals to the need for professionals to realize their personal ambition. One of the respondents emphasized the stimulating climate as follows:

> *"This is a candy store for new things; it's just that we are unable to actually market new products successfully." [quote 56]*

The conclusion can be drawn from the above mentioned that the failure of the service was not caused by the climate.

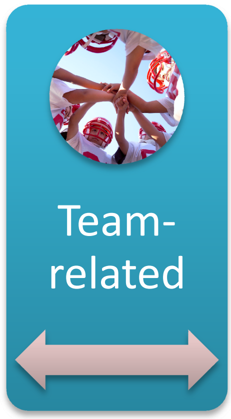
5.2.4.4 Conclusion about the firm-related factors

The conclusion can be drawn that there has been a stimulating climate for Strategic Sourcing. Because of the ´management style´ and the appropriate metrics´ it became clear that an innovation can only survive when a consultant is able to develop in his PMC. When innovations, such as Strategic Sourcing, are cross-border innovations, then there are not enough stimulating factors. These cross-border innovations require guidance and explicit support from the senior management to really realize the concept. One of the respondents said:

> *"The board says, ´go on, develop what you are doing´. They are very enthusiastic about new initiatives, but they don't make the support very explicit in things like time or money. This often makes space, a void." [quote 57]*

The conclusion can be drawn that there are enough facilities when a consultant wants to develop a new idea independently within a PMC, but there are less facilities for radical projects. It proves that giving appreciation and a high amount of autonomy are not enough to realize innovations that go together with a lot of uncertainties.

5.2.5 Team-related success factors



The product-, market- and firm-related factors and their influence on the development process of Strategic Sourcing have been discussed above. In this section the development team itself is the central issue. Based on the study of literature in chapter two it was assumed that the development team can ´profit from´ or could be ´hindered by´ the following factors: ´probe-and-learn process´, ´external linkages of the team´, ´intra-firm linkages of the team´, ´intra-team linkages´, ´structure of the team´, and ´informal roles of the team´. Contrary to the firm-related factors, the team itself is able to have influence on the other factors. That is why the following factors are grouped as team-related.

5.2.5.1 Probe-and-learn process

Two types of processes, the formal type and a probe-and-learn type, have been discussed in section 2.3.7.1. The results from the case study show that the development process of Strategic Sourcing have more resemblance with the probe-and-learn process. But then emphasis has to be made that the Strategic Sourcing funnel, a knowledge intensive product, has not been developed rationally but very organically, through informal ways.

The product has been developed bottom-up from a collective ambition to offer added value to clients. This ambition was designed because three partners started to try and gain sourcing assignments with interfaces in the FM, IT and HRM field. Then consultants started to get interested by a continuous flow of assignments and in this way one cluster of strategic sourcing experts was formed who could exchange knowledge. This exchange of knowledge was the basis for the Strategic Sourcing funnel (figure 13) that was then further developed based on new experiences with clients.

> *"We didn't have a mega-master plan. We are planning to launch the plan onto the market very quickly and then we are going to have another look at the concept. It is not a very phased movement, more like going to and fro." [quote 58]*

Although the respondents endorse the organic character, there certainly are some phases that are similar to phases in other development processes:

- *Idea generation:* Collective ambitions to get a better profile into the market by solving some complex sourcing problems.
- *Concept development and testing*: Involve consultants by persuading them with exiting assignments and a clear business plan.
- *Building*: Bring consultants together who, through an iterative process, started to develop the Strategic Sourcing funnel, with new assignments as the fuel.
- *Launch*: Scale up activities in the conceptual phase. Involve clients and consultants by showing them models, writing articles, organising conferences, starting sourcing research and initiate a website to draw the attention of clients and making them aware of its existence.

However, the current process is not supported for radical innovations because everything was done very organically and free of obligations. During the ´idea generation´ and ´concept development and testing´ phases this organic approach worked fine, but during the ´building´ and ´launch´ phase there were some problems.

> *"The plan was quite solid, but on execution, people we not dedicated enough." [quote 60]*

No explicit choices were made for Strategic Sourcing in the organic process due to the lack of obligation which is why many team members got distracted by other businesses (see section 5.2.5.3 about the strong intra-firm linkages). To prevent these problems the respondents expressed their need for the involvement of the senior management and moments when explicit decisions should be taken.

> *"What is going wrong is that people have to do two things at the same time which is why many things just remain science. That is why I think that, in an organic process, a few phases have to be implemented which prevents people from muddling on." [quote 61]*

This is not about substantive involvement, as far as the team members are concerned, nor about formal criteria by which all innovations can be judged. One of the team members emphasized that:

> *"Enterprising is a kind of feeling. When you put an entrepreneur into a plan, then the business failed before it started." [quote 62]*

The team members discovered they needed a probe-and-learn process in which explicit sources were offered. These sources could get certain Go-no-Go moments so that an innovation could become more than just science. In this way it is possible to actually launch an innovation onto the market.

Based on this case study it shows that the ´building´ and ´launch´ phases for radical innovations should be organised less organic. The ´probe-and-learn´ approach proves to work better than a formalised process in which every step of the way is described. Professionals really do not like procedures and like to make their own choices. Strategic Sourcing muddled on because no probe-and-learn process was integrated in the final phase of the development process. The conclusion can be drawn, based on the results from the case study that the organic process contributed to the failure of the service.

5.2.5.2 External linkages of the team

The second team-related factor is about ´external linkages´. They appear to be the input for both the ´market fit´ as well as the ´market potential´. It is essential to have ´external linkages´ in relation to other factors. In the case of Strategic Sourcing the conclusion can be drawn that this factor did not contribute to the failure of the service because, directly or indirectly via colleagues, team members had contacts with a wide variety of clients. There clients could be public or private organisations and some were mentioned specifically: membership of the platform ´outsourcing Nederland´, a lectureship at the University of Groningen and many other relations with clients. The team members emphasize that Strategic Sourcing primarily is pushed by relations with client organisations. These relations were maintained because team members visited those clients on a daily basis and problems were traced and discovered:

> *"By keeping the conversation with our clients going, we tried to find out what really was the matter." [quote 63]*

From the case study it also shows that innovative solutions were signalled through contacts with Universities, visiting congresses and reading professional literature.

> *"In my lector role a lot of students, researchers and other knowledge brokers send me their research. Furthermore I get a lot of knowledge from American literature." [quote 64]*

The conclusion can be drawn that ´external linkages´ did not contribute to the failure of the service because one way or the other team members had contacts with a wide variety of clients. On top of that it shows that ´external linkages´ with clients were the most important ´linkages´ for the development process. These contacts were not only used to find problems that clients experience, but also to specialize the solution for a problem (see section 5.2.2.3).

5.2.5.3 Intra-firm linkages of the team

The third team-related factor is about the linkages between the development team and Twynstra Gudde. These linkages are important because Twynstra Gudde consultants or managers are part of the new service. According to the theory (section 2.3.7.3) it is therefore important to clearly communicate about the role of new initiatives. In this way the possible resistance can be conquered and the knowledge and manpower of the main company can be claimed. In the case of Strategic Sourcing this role has been communicated in different ways:

> *We wrote an article in TGdezeWeek, we wrote a business plan, we set up our own portal and we performed at the office day, during a partner meeting, a PMC meeting and during the social gatherings on Friday afternoon." [quote 65]*

At Twynstra Gudde there has been sufficient communication about the role of Strategic Sourcing, but despite that it was not enough to commit consultants:

> *"…it is very difficult to commit people to a certain theme." [quote 66]*

This difficulty is caused by the bottom-up style the management follows because consultants have a lot of autonomy and freedom. The advantage is that consultants can make choices that follow their personal ambition, but the disadvantage is that nobody can force them to choose for a new service or a certain theme. The team members emphasize that this freedom of action certainly does not need to be shortened but the most difficult part certainly was to create support during the development process. To create support therefore took a lot of time. The time was not spend on making the role known, but on the actual persuasion of the consultants. The team members recognized three strategies:

- persuasion by offering exciting client tasks,
- persuasion by organising a study trip abroad,
- persuasion by letting the consultant choose a participating process for Strategic Sourcing (how this process was shaped is left out of this research).

Persuasion by offering interesting models was also emphasized but this strategy only could be used in the final part of a development phase, first of all a model needs to be developed. The strategies all took a lot of time and were aimed to create support, or in other words was about making a large group of consultants enthusiastic for a theme, irrespectively of the chosen persuasion campaign. Eventually the team members of

Strategic Sourcing succeeded but they were not able to keep the HRM consultants in. That was why Strategic Sourcing failed in the final phase of the development process because the support decreased and the activities that were developed in the conceptual phase, could not be scaled up (see section 5.2.5.1). The reason for this was because there were tight linkages with the current business activities that were performed next to Strategic Sourcing. HRM was one of the four main themes in a PMC, of which HRM-sourcing was only one of the questions. Although consultants did specialize themselves in HRM, the broad theme, they did not specialize in the sub-theme, sourcing. Due to the lack of focus, the other themes and related client assignments, took up a lot of time and energy:

> "It is very difficult to make time for another task when you are inside some sort of task-pigeonry." [quote 67]

Strategic Sourcing was also spread (both financially and physically) over three PMC´s. That was why the team members of Strategic Sourcing never were able to completely cut themselves loose from their PMC´s and consultants also were not forced to explicitly choose for Strategic Sourcing. They could work on this theme next to their other activities and perform within their PMC. This strengthened the feeling of ´including another task´:

> *"We were not able to make people completely available for Strategic Sourcing. They had to do both and when people are very busy with client assignments, then they could not work on Strategic Sourcing too." [quote 68]*

Tight linkages were not the only reason why keeping the support intact but the time shortage for the persuasion campaign was enlarged because of illnesses and long time absences. The role of one of the team members was then filled in insufficiently, which also caused less support. On top of that, persuading consultants in the HRM department became less attractive because the radical combination of the departments (FM, IT and HRM) offered much less opportunities for HRM. Contrary to FM and IT, the activities appeared to be completely different during a sourcing process (read section 5.2.2.1 on ´team-resource misfit). Because of these factors, HRM was not able to spend enough time and energy in holding on and expanding the support. Contrary to FM and IT, Sourcing could never become a main theme. The conclusion can be drawn that ´intra-firm linkages´ are important to claim the resources of Twynstra Gudde. It proves that the right sources have been used to communicate about the role of ´Strategic Sourcing´, but the alliance with the rest of the organisation was to strong. Tight intra-firm linkages therefore contributed to the failure of Strategic Sourcing.

5.2.5.4 Intra-team linkages of the team

Another team-related factor that contributed to the failure of Strategic Sourcing is 'intra-team linkages'. Contrary to the external- and intra-firm linkages, the latter concern the mutual relations among the team members. First the relationship got stronger because everyone respected each other's expertise and shared a passion for sailing. Also the use of rule-breaking-surroundings helped the team to get together:

> *"We rented the ´Avanti´, which is a two-master sailboat where we could all sleep on. We explicitly choose a boat, so no one could escape." [quote 69]*

The team further met in a meeting area in the office and used a virtual portal where documents were saved and shared. Although the key persons (those that worked on Strategic Sourcing) could get together at those meeting points, they each did not share a physical area. Instead all team members were split up and sat apart in different units. The conclusion can be drawn that this was why the intra-team linkages were not intensified. It did not force the team members to explicitly choose for Strategic Sourcing and did not help to create strong ties with the initiative:

> *"I feel that we have far more team-spirit in a PMC, than in a 'business core' construct." [quote 70]*

On top of that, the team did not succeed in talking to each other about the strategic relevance of the theme. Some thought that Strategic Sourcing already was an main theme, where as others thought of it as an innovation that had to be developed, next to many operational tasks (see section 5.2.5.3):

> *"We found out that HRM had many other themes and Strategic Souring was one of them, whereas we always thought that Strategic Sourcing was a strategic theme to them." [quote 71]*

It proves that the latter issue has not been communicated clear enough which was why team members did not live up to the expectations they had from each other, which led to irritation in the team:

> *"I sensed there was irritation in the team because people were not meeting their commitments." [quote 72]*

Finally the conclusion can be drawn that ´intra-team linkages´ contributed to the failure of Strategic Sourcing. This was caused by:

- the lack of esprit-de-corps and an isolated accommodation,
- insufficient communication about the strategic relevance towards each other.

5.2.5.5 Team structure

The team structure of the development team did not influence the failure of Strategic Sourcing. The team members introduced their own team structure, the so-called *business core*. This name was chosen because the initiators had an ambition that cross-bordered the PMC and contrary to many other initiatives this initiative aimed in generating new business and not in developing science. When the development phase started, three multidisciplinary core members were actively involved. The other developers were persuaded by the core members and slowly got more involved (see section 5.2.5.1 about ´probe-and-learn process´). The core team developed very organically and slowly became a structure in which people from different disciplines randomly got together. Two elements can be distinguished: the multi-disciplinary core team and a network of consultants / managers from Twynstra Gudde. The graphical interpretation is the following:

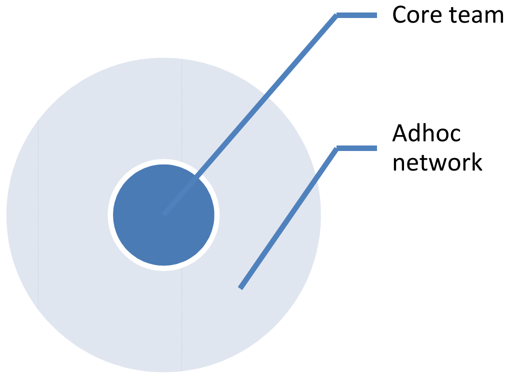


Figure 14 Development team Strategic Sourcing

Compared to well-known team structures, such as the ´heavyweight team structure´, (see section 2.3.7.5) no explicit choices have been made when the team was formed. It just happened and the responsibility lay in the hands of the initiators. The team structure did not contribute to the failure of the service. Searching and bringing the right people together was a success.

5.2.5.6 Informal Roles of the team

The final project-related factor contributed to the failure of the service. According to Roberts and Fusfeld (1981) you need five different roles to create a successful innovation: (1) idea generator, (2) champion and entrepreneur, (3) project leader, (4) gatekeeper and (5) sponsor and coach. Within the development team of Strategic Sourcing these roles can be identified but it proves that two of them could be improved. Below you find a description of the roles:

Informal role	*Performed by*
Idea generation	Core team
Champion and entrepreneur	Core team
Project leader	Core team
Gate keeper	Multidisciplinairy colleagues
Sponsor and Coach	CEO

Table 10 Overview of informal roles

One of the core team members was not able to maintain the support for Strategic Sourcing, as discussed in section 5.2.5.4. According to the definition of Roberts and Fusfeld (1981) this could be interpreted as being a necessary improvement for the team member in the champion role. This role is about selling the idea and obtaining resources; getting cooperation from consultants. Due to other obligations in the current business there was not enough time and energy to fulfil this champion role. This could have been prevented by letting the current business go and set your mind completely on Strategic Sourcing. This requires entrepreneuring, the ability to start a new, risky adventure (Covin and Slevin, 1991). The conclusion could therefore be drawn that the ‘entrepreneuring and championing’ role should be taken more seriously. The author wants to emphasize that this role could be performed by the team members but also by the main firm. First of all the team members should have the guts to take the risk and secondly the organisation should encourage this kind of behaviour. The organisation could give support by introducing ´appropriate metrics´ as to lower the risk. From the case study it shows however that these ´appropriate metrics´ were lacking which automatically put a heavy weight on the entrepreneurial skills of the team members:

> *"When you are in the right place and things are going well, it is not likely that you are going to take on the responsibility of a new PMC, and the additional P&L. Then you are on your own and targets are higher." [quote 73]*

The question remains how to find the right balance between offering resources for entrepreneurs and the entrepreneurial skills of individuals. The cross-case analyses (see chapter 6) will discuss this issue.

A second point for improvement is related to the ´sponsor and coaching´ role. From the case study it shows that when an innovation crosses the borders of a PMC, more support and vision from the senior management is needed. First of all the ´sponsor and coaching´ role is very important to actually make sure that team members are not distracted by the daily business. Secondly the team needs experience and coaching to explore unknown roads like developing Strategic Sourcing across the PMC´s borders. The ´sponsor and coach´ can create the right conditions and make sure that innovations really can be developed and will not end up as just another science.

The conclusion can be drawn that the imperfection of these roles contributed to the failure of Strategic Sourcing. The other roles have been performed well during the project and are therefore not discussed. There also have no roles been detected or suggested by interviewees that were not mentioned by Roberts and Fusfeld (1981).

5.2.5.7 Conclusion about the team-related factors

The team-related factors and their influence on the Strategic Sourcing development process have been discussed previously. From the case study it shows that the development team benefited from external linkages. The great diversity in client contacts functioned as the input for both ´market fit´ as the ´market potential´. Client contacts are therefore believed to be essential compared to other types of external linkages. The project team was not able though to have influence over the other team-related factors (probe-and-learn process, intra-firm linkages, intra-team linkages, team structure and informal roles of the team). The failure of the service proves to be a combination of these factors, which will be discussed in the following section.

5.2.6 Overall conclusion about the development of Strategic Sourcing

In the previous section all factors that influenced the AdviesTalent development process have been discussed. This paragraph concludes this section with the most important aspect. In this chapter the separate preliminary prescriptions have been discussed. To show the interrelatedness between the different preliminary prescriptions the four phases idea generation, concept and testing, building en launch are used in figure 15.

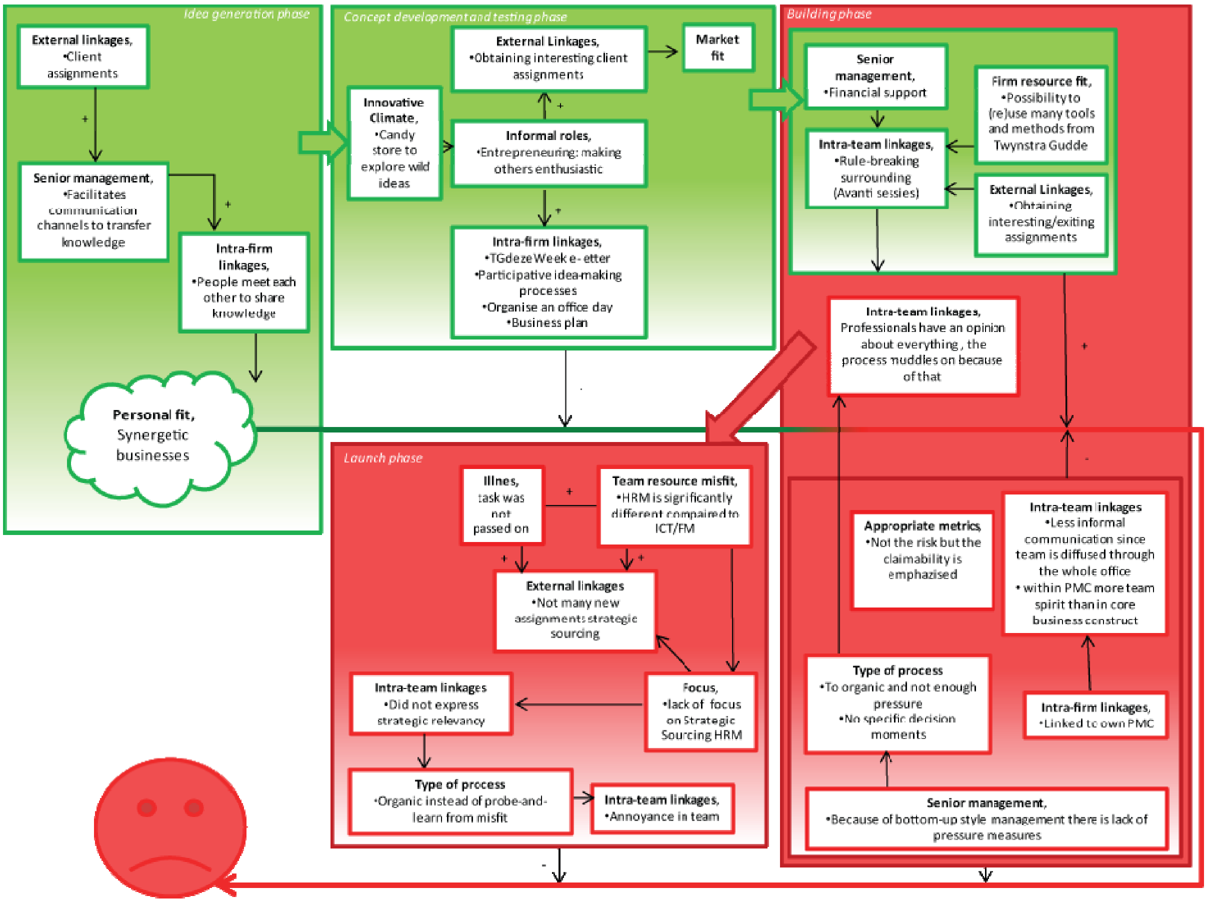


Figure 15 Relationship diagram about the development process of Strategic Sourcing

Idea generation phase

In the idea phase the central issue is mapping out potential client problems. In the case of Strategic Sourcing they came from current client assignments (external linkages) that became more and more complicated. Innovative solutions were created by using the knowledge and skills from colleagues in other units/PMC´s. The radicalness was increased because colleagues from other PMC´s were involved, instead of only using the knowledge within one's own PMC. Intra-firm linkages were the basis to get excess to this knowledge. When the frequency of complex client assignments increased, a collective ambition occurred to combine knowledge and experience from three different units. This ambition resulted from the intrinsic motivation to get a better profile in the market. The intention was to discus integrally the sourcing matters with CFO´s or CEO´s, instead of discussing issues of separate units with operational managers. This motivation was reinforced by synergetic learning effects and organisational efficiency that could be achieved. In the end three stimulation factors come forward which resulted in the initiation of Strategic Sourcing by three partners from Twynstra Gudde:

- Twynstra Gudde can be presented in the market broadly as a sourcing expert (market innovation);
- The way of thinking about sourcing can be expanded (knowledge or non-technology innovation);
- The organisation of knowledge can be focussed in one instead of three departments (organisation innovation).

It is quite remarkable that the collective ambition of the partners is a central issue and not strategic decisions from the top. Because of this freedom, the success proves to depend on the way the initiative fits in with the personal ambition (personal fit) of the team members and less with the strategy of Twynstra Gudde. The fact is, the initiative for Strategic Sourcing depended a lot from the personal believe in synergy, in terms of market, knowledge and organisation. To conclude, the following learning points in the idea phase have come forward:

- During assignments, client problems were identified.
- New innovating solutions were created through ´intra-firm linkages´ and cross-border collaborations.
- Success does not so much depend on the ´strategic fit´ but much more on how the initiative fits in with the personal ambition (personal fit).

Concept development and testing

Apart from the believe in the synergetic advantages, many team members received appreciation from the senior management because the team-members wanted to ´do something new´. The appreciation was expressed by giving the team members more space to develop the idea, instead of a financial reward. The team members emphasized that the appreciation and the space they got were important instruments to interpret their own professional interests. They also stressed that this freedom was an extra reason to continue to work at Twynstra Gudde. The team members also did not felt reserved in a professional environment to come up with new ideas. Possibly the reason for this was the high status of the initiators. The climate was therefore described as being a *candy store* for new ideas.

The case study further proves that a precise definition of the market potential is not an issue. The development team did not need to give exact models to substantiate everything. A rough estimate, based on the meetings with colleagues and many clients, appears to be sufficient. It proves to be more relevant to work with an estimate of the ´market potential´ based on ´internal and external linkages´ than to work with very accurate models that specify the size of the market.

A stimulating senior management, climate and market potential is one thing, but actual interest from the consultants is another. The team members emphasized the difficulty to actually commit people to a theme. The difficulty was the actual persuasion of the consultants, not so much the communication of the role. During the conceptual phase the team members identified three strategies that were used to create support for Strategic Sourcing and to attract a large group of consultants:

- Persuasion by offering exiting client assignments,
- Persuasion to organising a study trip abroad,
- Persuasion by letting consultants chose, through a participating process, a theme (the way this process was shaped is left out from the scope of the research).

It is quite remarkable that the initiators choose to offer exiting assignments as a way of persuasion. This means that this innovation took place during client tasks and by means of performing client tasks. This also means that the Strategic Sourcing funnel was not entirely developed inside Twynstra Gudde but that the service was introduced onto the market in a very early stage. Then the service was further developed through performing strategically chosen client assignments.

The conclusion can be drawn that primarily Strategic Sourcing was pushed on through relations with clients. These relations could be maintained because team members were in the market on a daily basis. The contacts were not only used to bring current problems forward but also to come up with innovating solutions that were specifically suitable for a problem (see section 5.2.2.3).

To conclude, the following learning points have come forward in the ´concept and testing´phase:

- The Strategic Sourcing team members showed that appreciation, instead of a financial reward, was an important reason to stay and work at Twynstra Gudde.
- Twynstra Gudde is characterized as a *candy store* for new things.
- It proves more relevant to use an estimate of the ´market potential´ based on ´internal and external linkages´ than to use very exact models that try to specify the size of the market.
- It was very difficult to persuade consultants to support Strategic Sourcing, where as the communication about the role was not too difficult.
- The Strategic Sourcing funnel was set into the market in a very early stage and was not completely thought-out inside Twynstra Gudde in the first place.
- Strategic Sourcing is primarily driven by relations with clients. These contacts could easily be maintained because team members met with clients on a daily basis. These contacts were not only used to outline problems but also to specifically create innovative solutions for certain cases.

Building

Whereas the persuasion of consultants was a central issue in the ´concept and testing´ phase, the activities of the ´building´ phase are aimed at facilitating knowledge sharing. It is about bringing together consultants and making a step-by-step plan that has to be performed during a strategic sourcing process. This core activity is presented in figure 15 as ´the facilitation of bringing people together´. The process is about combining time and money. Money to set up a team-structure called business core, hiring apprentices, setting up a virtual portal and time for consultants to write articles, books and exchanging knowledge. To perform these activities both success and failure factors have been identified which will be discussed below.

First of all the financial support from the senior management proves to have contributed to the success. The team was able to bring together consultants who were interested in Strategic Sourcing in rule-breaking-surroundings: a boot named ´the Avanti´. The three-yearly Avanti-sessions appeared to be a perfect way to force the ever-busy consultants to share knowledge and dedicate themselves to Strategic Sourcing. It thereby facilitated tight intra-team linkages and a feeling of belonging to something special.

Secondly the ´firm-resource fit´ proves to have simplified the development process. The innovative method was designed through intra-firm linkages and from the basic knowledge (firm-resources) about risk management, project management, change management and knowledge about collaborations-between-organisations.

Thirdly it proves that the ´market fit´ was increased by the iterative development process in which obtaining client assignments was the fuel for the development of the Strategic Sourcing funnel (figure 13).

Despite these three success factors, ´the facilitation of bringing people together´ failed. This is due to the feeling of ´just doing an innovation besides other businesses', which was strengthened by the following factors:

- *Intra-firm linkages: not having an separate accommodation.*
  Strategic Sourcing never really was pulled apart. Consultants were more connected to their own PMC instead of with the Strategic Souring business core. With the exception of the outdoor Avanti-sessions, the team did not have a private area inside Twynstra Gudde. The team members were instead separated through the company. Everyone stayed in their own unit, which made informal communication difficult and did not force team members to explicitly choose for Strategic Sourcing.
- *Senior Management: The need of support from experts and instruments to make innovation happen*
  Although monthly meetings took place and there was financial support from the senior management that made the development of Strategic Sourcing funnel possible, the management was not able to offer ´subtle control´. The senior management allowed a great amount of autonomy and they gave freedom to get the best from the professionals. The management thought that innovations would then automatically and bottom-up would follow, from the energy of the professional. Although this management style in the past resulted in successful innovations, (which a consultant could develop independently and within his own PMC) this style did not work for Strategic Sourcing, which is an innovation that crosses PMC borders. In that case, giving freedom, appreciation and autonomy does not seem to be enough to actually develop a radical innovation that can be marketed. It required more support from experts to prevent that space becomes emptiness. Furthermore they require sanctions (appropriate metrics) to guarantee that the innovations, and the activities that got together with that, are performed.
- *Appropriate metrics: claimability is stressed*
  There were no metrics to stimulate the innovation but there were metrics to stimulate claimability, hours on assignments and turnover from current businesses. That was why there is a focus on the current instead of innovative occupations.
- *Probe and learn process: organic and too free of obligation.*
  The Strategic Sourcing funnel was not developed following strict procedures but very organic and through informal ways. This organic process is not supportive for radical innovations because everything becomes very free of obligation. It is a side task for employers and there are no specific moments when decisions are taken as to prevent people from muddling on. It appears that team members need a probe-and-learn process in which explicit resources are offered. Those resources could get specific go-no-go moments to prevent the innovation from staying in a developing phase. A probe-and-learn approach proves to apply better than a formalized process in which every step of the way is written down. Since interviewees really do not like procedures and like to make their own choices.

Not only did these factors contribute to the failure of the service but they also converged to a central recurring feeling of ´just doing an innovation besides other businesses’. That feeling was not positive for consultants who got interested during the ´concept and testing´ phase. They were interested though but stayed more attached to their own PMC than developing a sense of belonging to the Strategic Sourcing team. Strategic Sourcing did not become a central issue.

The last factor with a negative influence on the development process concerns delay. The activities during the development stage delayed because every consultant wanted to leave his own mark on the final product. The Strategic Sourcing funnel had to be approved by each and everyone because everyone thought something different.

To summarize the following key points have come forward during the ´building´ phase:

- The financial support from the management did promote the development
- The exiting environment (a sailing boat) seemed to be the right way to force the ever-busy consultants to share knowledge.
- The ´firm- resources fit’ simplified the development.
- The strategically chosen client assignments were the fuel for the development process and increased the ´market fit´.
- The core team did not have a physical area to get together but were separated and stayed in their own department. This hindered the informal communication, did not force team members to explicitly choose for Strategic Sourcing and did not contributed to a sense of belonging to something special (Strategic Sourcing).
- The management was not able to offer ´subtle control´, which means at the same time delegate tasks and develop a vision.
- Autonomy was preferred instead of neatly prescribed top-down development paths.
- The management expects that innovations develop automatically and bottom-up, from the energy of professionals.
- For many years, the bottom-up style of management and letting professionals muddle on has led to successful (incremental) innovative projects *within* PMC´s.
- During the development process the team members did not feel the need to have substantive input but instead for more guidance and vision from experts during uncertain journeys.
- The functional leaders could not impose sanctions onto each other when goals were not reached
- The focus was on the metrics to improve claimability, hours for assignments and turnover from current businesses instead of on innovating activities.
- The current innovation process is not supporting for Strategic Sourcing because everything is organic and too free of obligations.
- The character traits from professionals unnecessarily delayed the development process because everybody had to have their own say.

Launch

Despite all the factors that hindered the process, the team members at the end of the ´building´ phase still were able to develop a method (figure 13). The failure factors in the development phase did delay the development process unnecessarily but they did not result in development problems of the final product. Nevertheless they seem to determine the failure of activities that have been developed during the ´launch´ phase. The failure during this phase was caused by the fact that innovation just had to be done next to other businesses.

During this ´launch´ phase it proves to be important to scale activities that have been developed during the ´concept and testing´ phase up. The new service has to be sold several times before it can be seen as successful. Because the consultants, and not the method, are the central issue at Twynstra Gudde it is necessary that the final product does simplify their work. In this way the consultants are more willingly to accept the new service. It than helps realizing a broad diffusion within the company whereafter the final product can be brought onto the market by the consultant and make money. The more consultants involved, the bigger the success.

In the case of Strategic Sourcing this diffusion was realized by means of adding components such as a website, brochures, organising conferences, a study trip with potential clients, developing an internal course for Strategic Sourcing, online benchmarking, a sourcing game and doing sourcing research of which the results were published on a sourcing monitor. The attention of the consultants and clients were drawn to the activities that have been executed during the development phase: a strategic sourcing programme has been developed, the key competences of Twynstra Gudde have been used and the added value of the service has been made clear. These physical components did not however result in 1) scaling up the potential client meetings, and 2) attracting and gripping colleagues of HRM. Due to the factors below the core team has not succeeded in bringing the innovation successfully onto the market:

- Contingency: illness and long term absence were the reason no persuasion campaigns could be performed. The task of this team member has not been filled in completely which caused the loss of support.
- Team resource misfit: during the final three phases of the funnel HR consultants could be less involved in mutual activities (see figure 13). The added value of HRM was lower than expected
- Intra-firm linkages: No exact focus and tight linkages with other activities. HRM was one of the main issues in everyone´s PMC, which made HRM-sourcing only one of the many questions. Although consultants did specialize in HRM as a broad theme, they did not in strategic sourcing, the sub theme. Whereas FM and ICT had an explicit focus group in the PMC.
- Intra-team linkages: the team did not succeed in communicating the strategic relevance of the theme to one another. Combined with the lack of a private area (implicitly also lack of informal contact) led to misunderstanding and annoyance in the development team.
- Probe-and-learn process: the team was not able to ´learn enough to make the next step´.

These factors appear to be important factors of the failure which made it impossible to 1) expand potential client meetings and 2) attract and hold the attention of colleagues. The addition of physical resources can thus only seem as aids that were inferior to the above mentioned factors.

Although there was a resource misfit, this is not an explanation to the failure of the service. Intra-team linkages and the probe-and-learn process seem to be better explanations to the failure of Strategic Sourcing. The team members appeared to be unable to express and talk about the ´resource misfit´, let alone to learn and initiate proper actions to move beyond. This caused irritation in the development team which made one team member leave the group.

The conclusion can be drawn that many factors contributed to the failure of Strategic Sourcing but that the failure was caused in the latter phases of development. There is still hope to learn from mistakes made and perhaps this case description might help the team in finding each other once again.

6 CROSS CASE ANALYSIS

In this chapter the cross case analysis is conducted. Firstly the process of RSD is described as identified in two RSD projects within Twynstra Gudde. This process is not clearly described in literature. Therefore it is crucial to gain further insight into this process before returning to the main subject of this research (see 6.1.).

Secondly both the cases are analysed. Following Eisenhardt (1989) the cases are cross analysed to show the differences and the similarities. Eisenhardt thinks such a comparison is a strategy to recognize underlying patterns. The researcher is forced to look at resemblances and differences which will prevent him from drawing premature and wrong conclusions based on the separate cases. Eisenhardt also says that the results from the (forced) comparison can lead to new categories and concepts the researcher did not think of. The cases are analysed based on the 19 preliminary prescriptions (6.2.1.). Through the cross case analysis a new success factor emerged, which is personal fit and focus (see 6.2.2.).

This also seems to be the case in this study, which leads to the classification of PP's. The relative importance is identified (6.3.).

6.1 RSD process

The main goal of this research is to outline the factors that have determined both the success and the failure of two RSD projects at Twynstra Gudde. An extra advantage of this research is that it also provided more insight in how development processes at Twynstra Gudde more or less run. Based on the description of the two cases for instance, activities can be recognized that have been developed in both cases.

In the idea generation phase it proves that activities have been developed aimed at creating new ideas. New ideas did not arise just like that, but were a combination of personal interest and seeing market opportunities while performing client assignments.

In the concept development and testing phase it proves to be a generic activity to test new ideas with the client and to get support from colleagues. From the conviction that you cannot develop all by yourself, special emphasis was on the persuasion campaigns, making third-parties enthusiastic and convincing colleagues. All the activities were aimed at involving clients and suppliers (i.e. consultants who perform the service). When the idea was sufficiently tested and developed, activities that involved obtaining time and money to actually develop the idea followed.

Then these resources, if obtained, were used in the development phase to shape the idea and make a concrete product. The key activities seem to be bringing together developers and creating team spirit among them.

In the launch phase the central issues were committing and expanding the network of (potential) clients and suppliers/consultants. The attention of new clients and suppliers was drawn by organizing congresses, education programs, writing articles and setting up a website. The communication inside and outside the organization was a central issue to scale the activities that have been developed in the ´concept and testing´ phase up so that the product could be exploited commercially.

This summary might not be exhaustive and not in the least prescriptive, but it does show the steps that have been taken during both RSD projects. It shows what this research is about and subdivides a complex situation, such as an innovation, in logical steps (see table 11).

Phase	*Main activities*
Idea generation	Personal interest and notice market opportunities while performing client assignments
Concept development and Testing	Testing the product with potential clients and making colleagues enthusiastic as well as involving them
Development	Shape an idea by bringing together developers and creating team spirit among them.
Launch	Committing and expanding the network of (potential) clients and suppliers/colleague consultants by making the product more concrete through an organisational structure, a website, organising a congress and writing articles.

Table 11. A description of phases identified in two RSD projects within Twynstra Gudde.

6.2. Similarities and differences between both RSD projects

The comparison in this chapter between the successful and less successful case will be used to determine which factors were necessary to successfully perform the previously mentioned steps (table 11). Before a description of each factor is given, table 12 is constructed to deliberately emphasize the differences and similarities by putting them side by side in one table.

The table in section 6.2.1. is based on ´preliminary prescriptions' from chapter 2.3. But based on the research results one factor proves to be identified in the cases that is not discussed as 'preliminary prescription'. Although unexpected, the findings from the case study subscribe the importance of a 'personal fit and focus'. That is why this factor, in addition to the 19 preliminary prescriptions, will be discussed in section 6.2.2.

6.2.1. Cross case analysis based on the 19 preliminary prescriptions

In the following sections the factors that have been discussed in the theoretical part will be handled. Each factor will be assessed whether it has been part of the success of RSD.

Preliminary Prescriptions	*Similarities between success and failure case*	*Differences between success and failure case*
Resource fit (PP 1) *Team-resource fit*		One was taking care of the inside of the education program and another was taking care of the outside **versus** there were many unforeseen differences between HRM and FM/ICT
Firm-resource fit	The core competences and reputation of Twynstra Gudde have been used	
Strategic fit (PP 2)	The strategy is diffuse and does not enforce choices for products or markets	
Market fit	New services are not completely	

(PP 3, PP 4, PP 5)	developed in the backstage at Twynstra Gudde but introduced onto the market in an early stage.	
	There are distinguishing service features (synergy, quality, custom-made service) compared to competitors	
	Add concrete components to make an intangible service tangible and to make it easier to purchase the service.	
Market potential *(PP 6)*	Whether there is a market for something or not is decided on during client meetings and colleagues, or during courses, congresses and by reading professional literature	
Senior management *(PP 7, PP 8)*	Everything has to be done bottom-up. Initiating a project team top-down does not work at Twynstra Gudde.	
	more support from senior management / experts is desired.	
	go/no-go moments are desired to stop less successful initiatives.	
Appropriate metrics (PP 9)	Less pressure on claimabiltiy is needed, however new initiatives should not be pampered unnecessarily.	Ignore claimability **versus** not ignoring it. Innovation was not postponed because of other activities **versus** innovation was postponed because of other assignments
Innovative Climate (PP 10)		Exiting to initiate new ideas **versus** candy store for new ideas.
Probe-and-learn proces (PP 11)	Same type of phases and core activities during RSD process.	Try to find focus through trail-and-error **versus** stop a project when there are setbacks.
External Linkages (PP 12, PP 13, PP 14)	Saw interesting things during client assignments and meet new contacts during courses, congresses and MBA programmes.	
	Emphasize the importance of direct or indirect contacts with potential clients for new services. These contacts can be used to test and acquire.	
	Select the right partners to cooperate with.	
Intra-firm linkages (PP 15, PP 16)	When you start something new all by yourself, it will not work. Both cases have used many different ways to make people enthusiastic about and aware of the idea. (e.g. persuasion strategies)	
		Loose linkages (starting something is not possible within current budgets) **versus** tight linkages (both physically and financially in connection with current PMC)
Intra-team linkages (PP 17)		Esprit-de-corps **versus** more feeling with their own PMC. Saying everything to each other **versus**

		not talking about strategic relevance.
Team structure (PP 18)	Creating a multifunctional team by themselves.	
Informal roles (PP 19)	too much emphasizes on entrepreneurial behavior of individuals and too less on senior management which did not check frequently	Entrepreneurship, taking risks and getting out of current structures **versus** Less entrepreneurship, why would you take the risk and build up a new PMC when you can work on an innovation from within your own PMC. Championing, making people interested and holding on to them **versus** making people interested but not being able to hold on to them.

Tabel 12. Similarities and differences between the successful and less successful case.

6.1.1.2 Resource fit

6.1.1.2.1 Team-resource fit

'Team-resource fit' seems to be the explanatory factor because it occurred in the successful case and was absent in the less successful case. AdviesTalent appeared to have complementary knowledge to develop the product and the knowledge areas could be combined easily. One team member had a lot of experience in developing profession related concepts, whereas another team member had more experience in the market. On the other hand, in the less successful cases it proves that there are large differences between the FM, ICT and HRM domains. The HRM domain is not so advanced in the sourcing field and the (HRM) activities are more embedded in the primary processes of managers and employers. This is why the HRM processes are less easy to cut loose from the organisation and the FM and ICT 'best-practices' are less useful. This was why, logically, the motivation to invest in Strategic Sourcing for HRM was lowered.

To go short, the team-resource fit seems to be an explanation for the success where as the team-resource misfit can be an explanation for the failure. The team-resource fit seems to be the second factor that explains the difference between success and failure.

6.1.1.2.2 Firm-resource fit

The firm-resource fit is not an explanation for the difference between success and failure but did seem to have had a positive influence in both projects. The current key competences of Twynstra Gudde (firm-resources) have been used maximally to develop AdviesTalent and Strategic Sourcing. The experience data about juniors made it easier to realize AdviesTalent and the key competences were input for the AdviesTalent education program. These same applies for Strategic Sourcing because key competences were used to strengthen the range of thought about Strategic Sourcing. From the basic knowledge about project management, collaboration and change management an innovation method was develop focussing on strategic sourcing matters.

Although it seems that ´firm-resource fit´ is slowing progress down for radical ways of innovations (De Brentani 2001), this plays an important role in RSD at Twynstra Gudde. The explanation for this can be that services that are in use have much other applicability too. Knowledge about project management, change management and collaborations are applicable for instance in many new services. That is why currently available knowledge is not only a source for incremental innovation (i.e. change approach for Strategic Sourcing) but also offers changes for new combinations in multiple domains (i.e. market and method innovation for Strategic Sourcing). Firm-resource fit seems to be the first stimulating factor for RSD.

6.1.1.3 Strategic fit

Strategic fit does not seem to be an explanation for the success or failure. It proves to be irrelevant because both cases agree that the strategy is diffuse and doesn't enforce choices for markets or products. The autonomy of the employers is so strong that the senior management cannot and will not force anybody to do certain things. According to Twynstra Gudde this is not necessary because the management thinks forcing a certain strategy upon people will only make them go away. ´Forcing´ is against the characteristics of a professional who wants to develop his professional autonomy and take care of his own development process (see section 2.2.2.3). Because the strategy seems to be diffuse, the emphasis on the existence of ´fit´ is not applicable, because it is always there.

6.1.1.4 Market fit

The market fit does not seem to explain the difference between failure and success because in both cases the factors were there. Despite that it seems to be the second factor which stimulates RSD. The market fit seems to be promoted by a combination of; the realisation of a distinguishing effect, making the service concrete and the reputation of the main company.

6.1.1.4.1 : Distinctiveness

It proves that not only RSD benefits from beautiful products but it is also important to develop a unique proposition compared with current or future competitors. Being able to produce a product (resource fit) increases the success of development but it does not say anything about the competences of solving real customer problems nor about providing significant advantages compared to competitors.

The distinctiveness proves to be necessary for success and is available in both cases (read both cases for more details).

6.1.1.4.2 Making the service more concrete

Having distinctiveness compared to competitors does not seem to be enough to actually sell the product. The research results prove that you also have to be able to *show* the distinguishing aspects. This proves not to be easy because of the intangible character of the knowledge-based services. To overcome the problem of not being able to show competitive advantage, both cases emphasize the importance of physical components added. By really showing the differential aspects of the new service, the developers were able to reduce the uncertainty that came together with buying new intangibles. In the cases this was realized by giving workshops, performing research, publishing articles, developing a website and organising events. In these ways, clients were informed about the existence of the product and the knowledge-intensive expertise that was obtained by the developers.

Making the service concrete seems to be necessary because it helps to sell new and intangible services. It reduces the insecurity that goes together with buying these services by *showing* expertise in a certain field of knowledge. Nevertheless, this is useless when the client does not want this expertise. In the latter case, showing does not add anything because the client is not interested in the underlying service/body-of-thought itself. Making a service more concrete is therefore stressed as subordinate compared to distinctiveness.

6.1.1.4.3 Reputation of the main company

Another way that helped to sell new and intangible services was the connection with Twynstra Gudde. Because the reputation of a well-established company was at stake, it inspired the confidence of potential clients and employers. This is somewhat remarkable because many authors argue that the current reputation is more of an obstacle to ´really do something new´ such as a developing a radical service. The contradictory finding in this thesis might be explained because AdviesTalent and Strategic Sourcing were not conflicting with the current reputation of the firm. They were not conflicting as offering new services with less emphasize on quality and more on price as compared to a current offering of services in which quality is achieved at all costs. A similar line of reasoning also holds for a radical innovation such as the Nintendo Wii. Despite the radicalness, this innovation could use the name and fame of the Nintendo company as well as their resources (such as the character of Mario).

In contrast to what other authors argue, the reputation was of value in both development cases at Twynstra Gudde.

6.1.1.5 Market potential

The market potential does not seem to be an explanation for the difference between success and failure because there were many market opportunities for both initiatives. Furthermore, both projects did use the same type of market research, which was performed qualitative and not quantitative. Contrary to very secure calculation models which estimate the expected income, an estimate was made in both observed cases based on potential client meetings, preliminary client assignments, congresses, scientific articles and newspapers. Furthermore a PowerPoint presentation was made instead of a thick report that contained detailed information about the market size.

Such a qualitative approach was observed to be of value for both development projects and is therefore seen as a third factor with a stimulating effect for RSD. Despite its value, the approach however does not explain the success or failure of the research objects because there were many market opportunities for both initiatives.

6.1.1.6 Senior management

The lack of subtle control from senior management does not seem to be an explanation for the difference between success and failure, because in both cases the role of senior management was felt as an obstacle for RSD. This obstacle can be explained by the bottom-up style the management follows. This style is about appreciation, autonomy and giving a lot of freedom. This enables consultants to do client assignments rather autonomous. In the past this style of management resulted in successful (but incremental) innovations which a consultant could develop by himself or in his own PMC. This convinced the management that the use of the bottom-up style was right. From the case studies it shows however that radical projects need other types of senior management than incremental projects.

Interviewees from both RSD projects stressed a need for 1) more involvement of experts and 2) for a few moments of decision. In general the signs of appreciation (by saying ´well done´ and ´go on´!) as well as giving autonomy did not seem to be enough. The respondents emphasized that many initiatives did not get any further and also, as was the case with the less successful project, were not ended by management. Some initiatives were kept alive unnecessarily which was a waste of resources. To prevent this waste, the respondents emphasized the need of management that creates temporary conditions and invests by giving time and money. It was argued that resources can be used more efficiently in this way and based on the conditions initiatives that linger in science can be prevented.

These case findings subscribe the presence of the innovation paradox (Leonard-Barton 1992, March 1991) that success factors for daily business and incremental innovation sabotage radical forms of innovation. It seems that, on top of that, the daily projects (section 2.2.2.3) and the professional environment (section 2.2.2.4) are good explanations for the bottom-up style of management. Because both cases had a lack of senior management, the absence of ´subtle control´ and ´decision-making mechanisms´ were obstacles for RSD. This seems to be the first group of factors that were obstructing RSD.

6.1.1.7 Appropriate metrics

The absence of ‘appropriate metrics’ do not seem to be an explanation for the difference between success and failure because both cases lacked ‘appropriate metrics’. According to the respondents the emphasis of the current metrics is on claimability instead of radical ways of innovation. Because of this pressure, the AdviesTalent and Strategic Sourcing initiators were not stimulated enough to step away from their save environment nor to spend time in developing a radical service. After all, hours spend on projects comes first. Because both cases subscribe a lack of ‘appropriate metrics’ the current metrics belong to the group of factors which obstruct RSD.

6.1.1.8 Innovative climate

At Twynstra Gudde it seems to be more important to get cooperation from colleagues than to get formal permission from the senior management. At first sight the innovative climate seems to be beneficial for RSD but based on the comparison between the successful and less successful case it proves to be the opposite. Despite the absence of an innovative climate, in the end AdviesTalent was successful.

The AdviesTalent respondents emphasized the absence of an innovative climate by characterizing Twynstra Gudde as a hero culture. The heroes are not those who make a lot of turn-over but those who do all of the following simultaneously: have exiting assignments, write books and get newspaper articles about their professionalism. Although there was emphasis that the professional environment was an obstacle to step forward with new ideas, this obstacle could be dealt with. The AdviesTalent initiators were not the heroes, but they were able to get cooperation from colleagues by showing guts, determination and perseverance. Thanks to those qualities, AdviesTalent was successful.

The Strategic Sourcing respondents emphasized however that Twynstra Gudde was a candy store for new initiatives. This saying seems to be contradicting but is not so strange because the Strategic Sourcing initiators belonged to the so-called heroes who were permitted to do a lot. Despite Twynstra Gudde being a candy store in their eyes, the project failed.

To go short, a candy store in a professional organisation such as Twynstra Gudde is apparently not a warrant for success but guts, perseverance and determination are necessary to get cooperation from colleagues.

6.1.1.9 Probe-and-learn process

Probe-and-learn processes seem to be an explanation for the difference between success and failure because in the success case it contributed to success and in the less successful case this process was not noticed. During the development of both projects certain things happened that were not expected. It seemed not important to prevent those circumstances but the preference seems to be to anticipate and to find solutions through ´trail-and-error´. The respondents from the success case were able to anticipate on unexpected occasions, whereas the less successful case was more or less terminated as soon as the project was not going according to plan.

On the one hand, the success case for example was able to anticipate by developing multiple options simultaneously. So, if one failed another could be successful. The success case for instance was not terminated because revenue generation through education fees were not the only way of earning money. Although the first option failed, a second option (hours*tariff) was at hand by which the project could go further in other form.

In the less successful case on the other hand, the project was terminated because it lacked more options. Instead of talking about the misfit (in this case the circumstance that the combination HRM, FM and ICT was not of as much value for HRM as for the others) and taking another path (for instance going on with less people and less responsibility for HRM), the project was terminated by one of the team members of FM. This team member was less able to comprehend a different situation and wanted to hold on to the original idea to combine HRM, FM and ICT equally.

The conclusion is that the success case seems to have been able to experiment and to exercise on multiple options simultaneously. Based on the research results it seems important to learn from mistakes and to go along with changes flexibly during an uncertain development project. A probe-and-learn process, in which you dare to take different ways, probe-and-learn as much as possible until you know enough for the next step, seems to fit in better than to follow a formal pre-directed path which is terminated as soon as plans are not realised. The way in which you deal with uncertainty is thus of great importance. It is much more interesting to know what you are going to do as something turns out to be different than expected, than following up predefined plans in rigidity.

To sum up, the probe-and-learn process seems to be the second factor that explains the difference between success and failure because in the success case it contributed to success and in the less successful case this process was not noticed.

6.1.1.10 External linkages

The initiators, in their role of consultant, had a lot of contact with organisations during their daily business. These were not only contacts with clients but also with research institutions and universities. Despite that, extra emphasis was put on contact with potential clients and providers. Because they were emphasized in both cases they do not seem to make a difference between success and failure.

Lead users and lead suppliers

Although they do not explain the difference between the success and less successful case, the contacts with potential clients and suppliers of the service did have a positive influence on RSD. In both cases they were used to test the idea, improve it and acquire potential clients/providers. There was emphasis on both the client meetings and the meetings with suppliers because, apart from customers you also need suppliers (consultants, managers and others) to be able to provide a service. Based on the research results it therefore proves to be important that new services not only solve problems of clients (market fit), but are also inviting for suppliers (e.g. consultants). The latter was achieved by setting up persuasion campaigns for external but also for internal suppliers. For example by offering method innovations that simplified the job of a supplier or made it more interesting.

Potential client meetings as well as potential supplier meetings do not seem to make a difference between the success and failure but they did seem to have a stimulating effect on RSD.

The right number and type of linkages

‘The selection of the right number and type of linkages’ does not seem to make a difference between success and failure because it took place in both cases. It is suggested however that it had a positive influence on RSD. In the successful case there seem to have been meetings during which every suggestion to do ´something new` met a counterargument. Because these meetings could be discouraging, the advice was given to be careful who to trust your ideas to. After all, you will not get any help from people who say the idea is useless and will never work. This selection applies to all linkages and specifically during the first phase during which the idea is still quite vulnerable. During that phase you look for inspiration and not reasons why the idea would not work. Furthermore it was emphasized that feedback from a number of large organisations, such as KLM, Heineken and someone from a Ministry was very important. In the least successful case the team members did not have any trouble from negative interference but they certainly did make a linkage selection. They tried for instance to involve a professor in the project who would firstly raise the scientific side of Strategic Sourcing. Because the professor’s views were completely different, which were expressed during the first meeting, the cooperation never started. Because of the similarities between the successful and less successful case, the suggestion is made that it is very important to make a selection of the right type of collaboration partners.

6.1.1.11 Intra-firm linkages

Within the intra-firm linkages a division can be made between (1) tight linkages of communicating the added value of the service to claim the knowledge of the main company and (2) the existence of loose linkages to resources and business unit systems to prevent hindrance from current operations.

Tight linkages to communicate the role and value of the radical service

Because the success depends on the cooperation of colleagues, the suggestion is being made that (1) had a positive effect on RSD. This does not explain however the difference between success and failure because it occurred in the successful as well as in the less successful case. Creative ways especially, such as emailing short humorous movies or hanging balloons in the office, seem to be the right way of making colleagues aware and at the same time enthusiastic. Apart from that the role and the added value of the service was explained in business plans and during formal meetings, social gatherings and ambition conferences. The latter one was an office day during which every Twynstra Gudde employer was present and knowledge and ambitions were exchanged at workshops.

By taking tight linkages with ambition conferences, workshops and social gatherings, a stimulating effect was created for RSD and offered an entrance to knowledge of the main company.

Loose linkages to firm-resources and business unit systems to prevent hindrance from the mainstream

Loose linkages in relation with budgets, housing and other structures in units seem to be an explanation of the difference between success and failure; because in the success case it contributed to the success and in the less successful case to failure.

The loose linkages made it possible to claim knowledge of the main company and prevented at the same time distraction or hindrance from the current business. Because of this, AdviesTalent could be a central issue and could grow to become a great service.

Whereas in the case of AdviesTalent it was emphasized that you cannot be successful within a tight budget, the failure of Strategic Sourcing was caused by the tight connections with existing units. Strategic Sourcing was divided among three PMC´s (both financially and physically). This was why 1) the three PMC´s had more responsibility inside than outside their own PMC, 2) the team members were not able to completely cut themselves loose from the PMC´s and 3) the consultants were also not forced to explicitly choose for Strategic Souring.

To summarize, the tight linkages of Strategic Sourcing are immediately opposite to the loose linkages that have been created by the development team of AdviesTalent. The latter have 1) literally taken their own space, 2) created their own studio and 3) pushed activities, that had not much in common with AdviesTalent, into the background. In brief, loose linkages related to budgets, housing and other structures seem to be the third factor that explain the difference between success and failure.

6.1.1.12 Intra-team linkages

Intra-team linkages seem to be an explanation for the difference between success and failure because in the success case it contributed to the success and in the less successful case to the failure. Intra-team linkages are about the relations in the development team. In the successful case these relations got better and they supported to the esprit-de-corps. The team members of the less successful case on the other hand, were more connected with their own PMC. Three major differences can be identified (see table 13).

The competence to letting things go and accepting that the final product could be a bit different than the initial idea was specifically emphasised in the success case. This requires the competence to letting things go and including the professionalism of team members. Furthermore you need to be able to take the autonomy of others into account. The team members in the success case thought this was difficult because they wanted to hold on to their own plans in the first place but eventually they succeeded to accept that the final product was going to be a bit different than they initially had planned. This is something that did not happen in the less successful case.

It seems that intra-team linkages is the fourth factor that explains the difference between success and failure.

AdviesTalent **Esprit-de-corps**	vs.	*Strategic Sourcing* **More team spirit in PMC**
The team members shared a physical space which increased informal contacts	vs.	Team members were divided into different departments and mainly had formal contacts
Team members always knew what the other members were doing.	vs.	Team members did not know what the others were doing. The communication about strategic relevance was not clear enough
Competence to let things go and excepting that the final product would be different from the initial idea	vs.	Every consultant wanted to have his say about the final product and everyone had to agree on everything

Table 13 differences in intra-team linkages: AdviesTalent vs. Strategic Sourcing

6.1.1.13 Team structure

A 'heavyweight project team' seems to be irrelevant in the context of Twynstra Gudde because there are no obstacles between functional units. The key activity is ´problem solving´ and not to transfer raw material into a product that have to be sold by a marketing department. From the research it shows that many functional activities (such as development, acquiring and producing) are not performed by functional units, such as R&D, marketing and logistics respectively but by consultants or managers (Operations) at Twynstra Gudde. This is why, logically no team structure with multi functional specialists from R&D, marketing, logistics, or any other functional unit could be identified. In contrast the team structure in the cases consisted primarily of multi functional individuals, meaning that each team member had thorough knowledge and experience in one discipline and also had a lot of competences, interests and understanding of other disciplines. For example in the AdviesTalent case a team member had a background in consultancy, but was also experienced in setting up an stimulating new initiatives at Rijkswaterstaat. He acquired this knowledge at the start of his career. Also in the case of Strategic Sourcing team members had specific knowledge (HRM, ICT or FM) but they all were interested in and had experience in another discipline labelled Sourcing. One member was more experienced in science where another member had more practical experience.

Furthermore, formalising a ´project type´ and initiating a 'heavyweight' project team top-down were not recognized. It just does not seem to work that way at Twynstra Gudde because the respondents did not want to hear from institutionalisation and the organisation is completely set up bottom-up. In the following paragraph it will be outlined how things are than going in the observed cases.

There are many and easy ways to get in touch with each other because of a non-hierarchical organisation that is flat. That is why people find it easy to get in touch with each other and why they are able to organise a development team by themselves, without bureaucracy or formal management approval.

Initially the initiators started to get people enthusiastic and involve a number of key members. This proves to be an informal instead of formal activity which was aimed to make people enthusiastic to participate free willingly in the team. The contacts were made through their own personal network. Then core teams were formed of 2 or 3 multi functional individuals (see paragraph 1). The other developers were persuaded further in the process. These were consultants but also specialists from the Service Organisation at Twynstra Gudde who were asked to give ICT, legal advice and perform other supporting functions. These people mainly got involved ad hoc to participate in something that seemed promising. The team members eventually made their own decisions and also voluntarily. Specifically because they joined in voluntarily they wanted to go just a bit further to make things happen.

The initiators have organised their own development teams all by themselves. It is quite remarkable that both teams had a small gathering of multi functional individuals (2 or 3 members). Given the latter two points a small self-managing team is proclaimed to be stimulating for RSD. Because both teams had the same team structure, the team structure is not making any difference between the success or failure of the project.

6.1.1.14 Informal Roles

The final factor seems to be the last factor that can be used to distinct between success and failure. It emphasises the existence of five roles: 1) idea generation, 2) entrepreneuring and championing, 3) project leading, 4) gatekeeping and 5) sponsoring and coaching. Idea generation, project leading and gatekeeping were roles that were performed in both cases.

There was not any lack of these three roles because they are part of the profession of a consultant or manager. The ideas for instance seem to come up during the daily business of a consultant. For example by reading job related literature, exchanging knowledge during office days and by attending congresses. On top of that, the consultants are on the market every day when performing client assignments which also kept them (gatekeeping) up-to-date of important changes in the market. Finally, ´project leading´ does not seem to be very challenging because the development teams were small and tasks could be divided easily.

The 'entrepreneuring and championing' and 'sponsoring and coaching' role on the other hand required more emphasis.

Entrepreneuring and championing role

Based on the success case, the entrepreneuring role seems to be crucial for success. It has been used as a way out of current systems, routines, procedures and enabled the success case to overcome obstructions that the less successful case could not.

Because of its importance the concept of entrepreneuring will be explained more thoroughly. It will be explained accordingly three widely accepted characteristics of entrepreneurs that have been identified in the case studies: pro-activeness, risk-taking and autonomy. During the development it became evident that all initiators shared a need to bring and develop their anticipated solutions themselves. The failure can therefore not be attributed to a lack of autonomy but much more to a lack of risk-taking behaviour and pro-activeness. Pro-activeness means anticipation of future problems, needs or changes and taking the initiative to find solutions for those problems (Covin and Slevin 1991). By taking initiative the successful entrepreneurs not only recognize but propose, push and demonstrate the solution to others in the organization. During the success case this behavior created new opportunities for doing business and seemed crucial for the establishment of a self-managing team as discussed in section 6.1.1.13. Risk-taking is taking initiatives in projects which have a reasonable chance of failure. According to Baird and Thomas (1985) risk can have three forms from which all were observed in the successful but not in the less successful case:

- venturing into the unknown,
- committing a relatively large portion of assets (e.g. money, time, equipment) and
- borrowing heavily (e.g. mortgage to be able to buy stocks)

To be more specific it proves that both cases succeeded in showing a need for autonomy and making others enthusiastic to voluntarily cooperate (section 6.1.1.13). Despite that it proves that team members were able to making people interested (were proactive), the less successful case also showed that they found it difficult to hold the team together. That is why one could argue that the less successful team was not able to behave proactively in the latter phases of development. Finally it is argued here that especially a lack of pro-activeness and risk-taking has contributed to the failure of the less successful case. The below table illustrates this:

Obstacles	*Solutions*	*AdviesTalent* **Entrepreneuring**	**vs.**	*Strategic Sourcing* **Less entrepreneuring**
Point of no return	Risk-taking	When the case failed, the initiators could not work as a consultant or manager anymore.	vs.	This obstacle did not exist. The initiators could stay on board even if the case failed.
Disturbance from daily routines	Risk-taking	Team members wanted their own organisational structure	vs.	Why would you develop a new organisational structure when this could also be done from a well-known environment? We do not want to take risks unnecessarily.
Absence of metrics	Risk-taking	The emphasis on claimability was conquered by just ignoring it (risk-taking). The innovation was not postponed by other activities.	vs.	The team members were caught in many client assignments because they emphasis was on claimable hours.
Heroic climate in which it is exciting to express ideas to highly skilled professionals	Pro-activeness	It is exiting to step forward with new ideas. This was conquered by showing Pro-activeness: guts, perseverance and determination.	vs.	Obstacle did not exist since initiators belonged to the heroes that could do a lot.
No team-spirit	Pro-activeness	Making people interested and holding on to them	vs.	making people interested but not being able to hold on to them

Table 14 differences between entrepreneurial activities and less entrepreneurial activities: AdviesTalent vs. Strategic Sourcing

Table 14 shows that AdviesTalent has overcome more obstacles which was mainly due to the entrepreneurship of the team members. This result suggests that entrepreneurship is a factor that can lead to the difference between success and failure. It was apparent in the success case and was shown to be an explanation to overcome obstacles. The existence of obstacles is apparently a filter which splits the successful from the less successful project.

Sponsering and coaching role

The ‘sponsering and coaching role’ is insufficient in both case studies. In contrary to the pressure on the portfolio of partners and the necessity to reach the claimability target of 65%, a lack of commitment from senior management towards RSD is perceived because of:

- The initiative to make contact is in hands of the development teams
- The senior management does not state deadlines for projects which leads to everlasting projects.

An explanation for the lack of commitment from senior management in the RSD process is discussed in section 6.1.1.6 and will therefore not be repeated here.

6.2.2. Personal fit and focus

Based on the research results the personal fit is defined as ´the way in which a new initiative fits in with a personal or a professional desire to realise an idea´. The personal fit proves to be present in both the success case as well as in the failure case and acts as motivator to start the development process (table 11). But the personal fit does not seem to be enough to completely go through the RSD process. Based on the differences between the cases it proves that focus has to be there too, because nobody is able to focus on 10 initiatives at the same time. The implication seems to be that when you focus on one initiative, nine others have to be abandoned. During the unsuccessful development process the developers were not able to ´choose´ which caused irritation in the team because team members did not fulfil their obligations and were busy with other cases as well. Contrary to the success case, the team members were not able to completely commit themselves to one initiative because there was more than just Strategic Sourcing. It seems that the first factor that makes the difference between success and failure is the presence of ‘personal fit and focus’.

6.3 Conclusion

In this chapter the differences and similarities between the different cases are explained. A similar research method as Eisenhardt (1989) used, has been followed to identify the underlying patterns in the cases. The use of this methodology led to the identification of factors that contribute to the success of an RSD project. Both a quantitative and qualitative approach are used. Firstly the quantitative approach is applied. The respective presence of the success factor in the success case and absence in the failure case gives a first insight in the classification of the success factors. The quantitative approach is strengthened through the qualitative approach. The qualitative data input is used to more clearly classify the success factors into different categories. These categories are: more important, important, less important.

The quantitative approach is as follows. The success factors are analyzed based on the analysis of the similarities and differences:

1. The differences between cases: the absence in the failure case, the presence in the success case.
2. The similarities between cases: absence or presence of factors in both cases

This knowledge, together with the input from the qualitative analysis is reason for the classification of the success factors (see figure 16). The reasons behind the classification of each success factor are further to be explained in the chapter 7.

More important factors	• Senior management commitment and decision-making mechanisms • Personal fit and focus • Probe-and-learn processes • Entrepreneurial role • Appropriate metrics • Tight intra-team linkages • External linkages with lead-users • Loose intra-firm linkages with respect to budgetting systems and accomodation
Important factors	• Tight intra-firm linkages with respect to communication • Firm-resource fit • Self-organising team that is small • Market fit • Market potential
Less important factors	• Team-resource fit • Strategic fit • Innovative climate • Heavy-weight team structure

Figure 16. Relative importance of factors classified in three categories

7 CONCLUSIONS AND RECOMMENDATIONS

In this chapter conclusions and recommendations of the study will be given. The central research question will be answered in section 7.1 on the basis of results presented in chapters 4, 5 and 6. In section 7.2 recommendations for practitioners will be given that might help individuals and managers of Twynstra Gudde to increase the number of successful RSD projects. Last but not least in section 7.3 the contributions for researchers will be described and possibilities for further research suggested.

7.1. Success and failure factors for RSD

In section 1.2 the lack of knowhow of the RSD processes within Twynstra Gudde was stressed.This study aimed at providing more insight by means of identifying success and failure factors of RSD projects. The main question therefore was:

What factors affect success and failure of RSD in Twynstra Gudde Management Consulting?

First of all a number of factors which form the difference between success and failure had to be identified, or in other words, factors present in the successful case and absent in the less successful case were looked for. A classification of more important, important and less important was made. This was done in a combination of quantitative and qualitative steps (see 6.3). The qualitative step stresses the importance of taking interrelations into account. Relations between factors can not only be used to distinct between more important, important and less important categories. But it must be stressed that neglecting or overemphasizing one factor will have consequences for another. Among others, too less emphasis on metrics might have negative influence on entrepreneurship. The content of every item and the interrelatedness of some factors are discussed in the following sections.

Success factors identified as more important

Senior management commitment and decision-making mechanisms.

In both cases there was observed to be an absence of management commitment. The top management provided a lot of room for manouevre (autonomy). Nevertheless, the board was too passive and too positive about the initiative. It is understandable that this is done in a professional organization with lots of crazy ideas, but they could check on things more frequently. Sometimes critical feedback and decision moments are needed more. Little feedback from the board doesn’t provide incentives to keep the project going in fast speed. Instead it is easier to progress slowly. More decision moments with the management should ensure the progress of the project. Therefore the degree of management commitment and decision making mechanisms is a very important success factor. Instead of saying they support the project, they should be consistent in what they say and what they do.

Personal fit and focus

To make sure that the service fits in with a personal or professional drive to realise an idea (and focus to commit full attention to a limited number of initiatives rather than doing a number of initiatives half). The combination of personal fit and focus ensures that efforts of an individual are focussed on the right area. This was shown because in the success case there was both a strong personal fit and focus. The failure case had strong personal fit, but there was no focus. Therefore the personal efforts were diverged over too many areas of attention. Therefore the project lacked progress.

Personal fit ensures a drive to realise an idea and to act entrepreneurial. Focus ensures that people are forced to make decisions and go fully for a limited number of things instead of diverging attention too diverging projects. Since personal fit and focus are observed to function as driver for moving through the innovation process it is categorized as more important. Without it a project will definitely fail.

Probe-and-learn processes:

To explore multiple options simultaneously (e.g. market possibilities, resource combinations), probe-and-learn as much as possible until you know enough for the next step. Some elements of the innovation process are not clear cut from the start. Therefore different elements have to be improved through trial and error. In the failure case there was not much learning from mistakes, because failure led to total cancelation of the project. However the successful elements from the failures could have been used to fine-tune the project, not terminate the project, but look for other options.

Entrepreneurial role.

In terms of pro-activeness, risk-taking and autonomy to overcome hurdles during an uncertain development trajectory. Entrepreneurship is crucial to overcome hurdles. This is important to show commitment to the project. In the success case entrepreneurship overwon the lack of management stimuli. In the failure case the entrepreneurship did not manage to overcome the lack of management stimuli. Entrepreneurship is therefore a very important success factor. However, in both cases too much emphasis was put on the entrepreneurial role. Participants in both cases say that some more senior management support and less reliance on entrepreneuring would be welcome.

Appropriate metrics

Senior management expects that employees innovate by being personally and culturally rewarded for it. However, when metrics for the hours spend at clients (claimability) are stressed, this will not increase their incentive to work on innovation. The overemphasis of the current metrics is on claimability instead of on both radical ways of innovation and claimability. The successful project overcame the claimability metric by ignoring it (entrepreneurial risk-taking). The failure project too much focussed on the claimability targets and engaged in multiple daily projects instead of in innovation. Knowing this it is suggested to introduce metrics that stimulate both ‘claimability’ and ‘innovation’ in an equal way.

However, in the introduction it was mentioned that neglecting or overemphasizing one factor will have consequences for another. This seems the case when looked into the relationship between entrepreneurship and an appropriate metric. Initially it seems plausible to remove innovation obstacles as pressure on claimability. However it seems of utmost importance to take the influence of the innovators’ entrepreneurship into account. It does not make sense to pamper the innovating team by removing the pressure on claimability as they should be able to show their entrepreneurial skills. In high–risk projects such skills and the ability to take risks are just as important as an appropriate metric. Clearly a balance must be found between what is required of the entrepreneurial skills of innovators and the appropriate metrics to support people in taking risks without pampering. Currently too much emphasis is observed to be put on the entrepreneurial role that is needed to overcome the pressure on claimability. The balance could be restored by introducing ambidextrous metrics for both claimability and risk-taking that stimulate but do not pamper innovative activities (see section 7.2).

Tight intra-team linkages

Tight intra-team linkages help creating an esprit-de-corps and sense of belonging to something that is most promising. To prevent that everybody have to do his/her say about the end-product it requires informal contacts and the competence to include the professionalism of others by lettings things go and accepting that the final end-product could be a bit different than the initial idea was.

In the case the intra firm-linkages are looser, the intra-team linkages become stronger. In the success case the team members shared a physical place, which stimulated informal contact. This increased communication inside the team. In the case of the failure case all the meetings were formally held. This led to a different kind of communication. Because there was no informal contact several key elements were not shared. An example of this is the failure case in which he strategic focus of the different members of the project were not discussed. In the case of strong intra team linkages the tendency to let go is increased. For a professional it is hard to let go of his or her idea. When the team linkages become stronger the tendency to let go becomes bigger. This leads to a quicker progress in the project. For instance in the failure case the intra-team linkages were looser. All participants had a hard time letting go. Therefore the progress towards an end product was hampered.

External linkages with lead-users and suppliers

Created market potential and fit. In both cases they were used to test the idea, improve it and acquire potential clients/ providers. The value of lead-users is furthermore increased because customers of management consulting often participate in the development of services (simultaneously production and consumption of services, section 2.2.2.1) The involvement of lead-users therefore has the potential for vastly enhancing communication. It helps creating radical services that truly respond to lead-user needs (market fit). A similar line of reasoning holds for lead suppliers. E.g. people that are willingly to deliver the new service to potential clients. In case of AdviesTalent it concerns the willingness of young academics.

The selection of the right type of external linkages (explicitly not to current customers or colleagues that do not want to learn) seems very important for doing the new. Because linkages or partnerships with lead-users are both the input for market potential and market fit, they are categorized as more important.

Loose intra-firm linkages with respect to budgeting systems.

To centralize innovation and remove hindrances of budgeting system loose intra-firm linkages seem to be better. In the success case the intra firm-linkages were loose, because they could not be entrepreneurs within a system of organized budgeting systems. If the intra firm-linkages are tight innovators are more likely to fall into the trap of performing clients assignments. Moreover due to tight linkages others expect a lot from the new initiative. Results have to be achieved in a short term and myopic behaviour is stimulated. It is also hard to dive into a new project if there is still a strong connection with the other field, this restricts the possibilities.

In the failure case tight financial and physically linkages with the current PMC resulted in 1) that the three PMC's had more to explain inside than outside their PMC and 2) that the seduced team members were not forced to explicitly choose for Strategic Sourcing and 3) that team members were more connected and felt more esprit-de-corps inside than outside their PMC with Strategic Sourcing

Loose intra-firm linkages with respect to budgeting systems and accommodation are therefore necessary to focus on an innovative project, protecting the idea for interference of the mainstream (especially in the early phases of development when the initiative is still fragile) and preventing team members to fall into the trap of performing client assignments.

Success factors identified as important

Tight intra-firm linkages to communicate the role and value of the initiative.

It is important to ensure the new projects don't stray off. The input of the mother company sharpens the project and provides resources like knowledge and contacts with guru's of Twynstra Gudde. The Not Invented Here syndrome (the unwillingness to adopt an idea or product because it originates from another culture/business unit) is thereby also prevented by involving others. The acceptation of the end result is improved. Because this factor currently works well it is just an 'important' factor and not a 'more important' factor.

Firm-resource fit

Enabled competitive advantage. A lot of resources of Twynstra Gudde are generic in nature and valuable for new services that not conflict with current resources. However, through the practical observations of the observer within Twynstra Gudde, a nuance can be made. In that case resource fit seems unimportant and not needed to develop something that is really new. An example is organising-between-organisations (a new core competency) which became a success without a firm-resource fit. In such a case it is more important to start a partnership with lead-users to develop something new. The degree of radical innovation determines whether this is an important or less important success factor. In the case of very radical innovation it is best to have no umbrella to think freely. In lesser degrees of radical innovation the reputation, methods and tools of TG are more valuable. Depending on the degree of radicalness the firm-resource fit is either important or less important.

Self-managing team structure.

It is important as it accounts for the role of the professional. With its aversion against structure and the need for autonomy. Both cases showed that top down initiation of teams does not work. It is important to seduce people to become part of the team. This ensures that people really want to participate in the project. They will then go an extra mile for the project if needed. Self management works out well at Twynstra Gudde because the firm is organised around project. So there is a lot of experience with running & initiating projects. Therefore it is not classified as a 'more important' factor but just as important.

Market fit

Market fit enhanced customer value through the offering of competitive products and physical components. The market fit seems to be promoted by a combination of the realization of distinguishing effect and making the service concrete by actually showing the value of the service. The latter is important because management consulting services are intangible, complex and knowledge-intensive. The problem-solving capability of a new service can for instance be clearly understood by organizing congresses, writing articles and setting up a website. Although market fit is important. The contact with lead-users are emphasized in this study. Therefore market fit in itself is less important than linkages with lead users.

Market potential

The market potential does not seem 'more important' because there were many market opportunities for both initiatives. Contrary to very secure calculation models which estimate the expected income, an estimate was made in both observed cases based on potential client meetings, preliminary client assignments, congresses, scientific articles and newspapers.

Success factors identified as less important

Team-resource fit.

In first glance this seems like a reason behind success as there is a fit in the success case and a misfit in the failure case. But, probe & learn is shown to be more important because the team-resource-fit is too rigid in this environment. The environment is not clearly predicatable and therefore trial and error methodologies are more important than a predetermined resource fit. Therefore probe and learn methodologies are considered more important and team-resource fit is considered less important.

Strategic fit:

Strategy is not a driver. It does not enforce choices in products and market, as it is bottom-up. That's why there is always a strategic fit, which reduces the importance of this factor. It seems to be more important to develop something that matches your personal ambition. The conclusion is that strategic fit is less important as it is less important than personal fit.

Innovative climate.

Within Twynstra Gudde there is a lot of knowledge. For the new generation this is a barrier to develop new ideas. These have to first pass the settled order. In the success case the new generation employees had to prove there idea. Entrepreneurship (pro-activeness/ risk taking) is needed to overcome the resistance of the settled order. The failure case consisted of employees who belonged to the top. They did not have to prove their idea. They benefitted from an innovative climate that existed in their case as heroes of the firm, but failed anyway. Therefore an innovative climate is categorized as less important but not irrelevant.

Entrepreneurship on the contrary is classified as more important because it seems needed to overcome the resistance of the settled order.

Heavy-weight team structure

The professional has an aversion against structure and a need for autonomy. Both cases showed that top down initiation of teams does not work. It furthermore shows that many functional activities (such as development, acquiring an producing) are not performed by functional units, such as R&D, marketing and logistics respectively but by consultants or managers (operations) at Twynstra Gudde. The cases consisted preliminary of multi functional individuals, meaning that each team member had thorough knowledge and experience in one discipline and also had a lot of competences, interests and understanding of other disciplines. In the context of Twynstra Gudde a self organised team structure is more important. Therefore the heavy-weight team structure is off lesser importance.

More important factors	• Senior management commitment and decision-making mechanisms • Personal fit and focus • Probe-and-learn processes • Entrepreneurial role • Appropriate metrics • Tight intra-team linkages • External linkages with lead-users • Loose intra-firm linkages with respect to budgetting systems and accomodation
Important factors	• Tight intra-firm linkages with respect to communication • Firm-resource fit • Self-organising team that is small • Market fit • Market potential
Less important factors	• Team-resource fit • Strategic fit • Innovative climate • Heavy-weight team structure

Figure 17. Relative importance of factors classified in three categories

7.2. Recommendations for Twynstra Gudde

Senior management has a role to play in achieving more RSD success as the present attitude in which a RSD ‘simply happens’ does not work. It may well be in accordance with the resistance of some professionals to standardized structures, but is simply too non-committal. The consequence of this attitude is the existence of too many parallel innovations and the inability of the management to be involved in or support a selected number of promising initiatives. The present situation causes three problems:

- Successful projects experience lack of support.
- Projects which might have been successful with some support, but do not get it, slowly fade away.
- Projects which should have been stopped muddle on and create a squandering of resources.

It is not surprising that senior management chooses for a non-committal attitude and is rather reticent in ending initiatives. Because of the intangible character of the services and the low investment costs necessary to render a particular service, the power of the initiators is relatively bigger than that of initiators in the field of manufacturing. It makes consultants and managers at Twystra Gudde less dependent on senior management. If the worst comes to the worst, products requiring high level of knowledge are developed at one's computer somewhere at the attic. An alternative is leaving Twynstra Gudde and working for another firm or starting one's own. This is the reason why the management of Twynstra Gudde is often not willing to end initiatives. They prefer to keep their few creative initiators, highly valuable for the firm, within their ranks. The dilemma of senior management is either to allow the development of certain unsuccessful initiatives and loose valuable time, or to stop them and risk losing valuable employees. Based on the results of this study a number of recommendations how solve this dilemma will be given.

In 7.1 a classification is made between the importance of different success factors. Especially the very important and important success factors are taken forward in some recommendations. These can help Twynstra Gudde to create a number of targets which will help to stimulate RSD.

Senior management commitment and decision-making mechanisms.

1. Focus on a selected number of promising initiatives

Because of the non-committal attitude, the existing situation is that of a 'country club' (Birkinshaw and Gibson 2004) with a number of parallel initiatives. The current management is confronted with a great number of initiatives and cannot support all of them sufficiently. To change the situation to a high performance situation the senior management could focus on a limited number of initiatives. They could either create the focus themselves or pass the task to a group of people already experienced in the field of RSD. The recommendations for the latter option will be given below.

2. Facilitate a self-organising Community of Practice

Facilitate the establishment of a self-organising Community of Practice (CoP) in the field of RSD. A similar recommendation was given by O'Connor (2008) and Weggeman (2008). In this case the choice of a *self-organising* CoP is explicit since Twynstra Gudde is a bottom-up organization which enables the employees themselves to choose what fit their ambition best (personal fit). The CoP should not been seen as institution but as a persuasion tool that works as a magnet attracting and bringing valuable people for RSD together. As the name suggests, practitioners of former RSD projects, regardless of their post or position *volunteer* to share their stories, experience and lessons learned with everybody else within the organization.

The idea is to split the CoP in 1) the CoP board responsible for the selection of promising initiatives and 2) the rest of the CoP responsible for the collection of information relevant for RSD in order to prevent the repetition of past mistakes. Anybody interested in the RSD can join the second group. Contrary to the non-committal participation in the second group, the membership of the CoP-board, however, must be approved of by the management who might require from the candidates to have developed at least one successful RSD. In such a way the management (e.g. board of directors) will still be in charge while the actual implementation will be carried out by others. Next to the firm's own experts the management might include external members to ensure that the more radical initiatives will also be selected. The remaining functions that the CoP might perform will be discussed later**.**

3. CoP as a group of experts and/or tutors to initiators daring to take high risks

The CoP might become a group of experts to fall back on during difficult stages of the development of the service. They can support the initiator explicitly whenever help is required. As the CoP is a self-organising body, the initiators should be able to choose their tutors themselves. It seems a good idea because a top-down approach simply does not work at Twynstra Gudde. All persons involved prefer to make personal choices rather than have someone they cannot cooperate with appointed their tutor. Although this freedom, an initiator is suggested to choice a member of the CoP or even better a member of the CoP-board, so this particular member is able to share his knowledge about RSD and is able to champion the idea to others.

4. The CoP-board and not the management determines the selection and the progress of the projects

A tutor can represent his 'apprentice's' interests and elucidate certain points at the CoP –board. Naturally, the initiator does it himself, as well. Afterwards, at previously determined gates, the CoP–board takes the Go or No-go decision. It hardly needs saying that the CoP consisting of experts is well capable of identifying the most promising initiatives. Once chosen, the initiatives can be provided with proper means. It might mean time or money to actually work out the idea. But since resources are limited, it has been suggested that they should be taken away from persons lacking the right characteristics for RSD. It implies the role which CoP-board should play in taking the decisions whether to provide more support, leave things the way they are, limit the support given till that moment, or end all support.

5. The CoP assist in writing eye-catching business plans for Twynstra Gudde partners

Next to taking the Go/No-go decisions the CoP-board can help create challenging business plans to integrate the new idea in the existing department, a newly-created one or in a new spinout. The plans can either be approved of or rejected by the partners. In such a case the initiator of the service does not face the partners alone but has the support from the firm's own CoP experts.

6. The CoP presents its evaluation to the board of directors

Finally, the CoP-board can write the evaluation reports for the board of directors. They can include information about the duration of the project, investments already made, the stage the project is in and the turnover of projects in initial marketing phases. To prevent unnecessary paperwork it might be better not to report monthly but every three months. The question of financing the CoP will be discussed in the following section.

7. Make some of the Product Development budget of the already very busy managers available for the CoP

In the present situation incremental and radical projects treated in one and the same way and financed through the Product Development budget. The radical ideas, however, benefit from a different approach. It turns out that keeping RSD within the PMC does not increase chances of success. Where incremental activities can continue in a traditional way, the radical ones will profit from the recommendations given above. To finance the shift, a part of the Product Development budget could be transferred to the CoP. The management could also consider an extra investment of their own since the RSD is primarily their responsibility.

8. PMC managers and partners form the initial screening

Radical ideas benefit from a different approach from the incremental ones. That is why an initial screening by partners and a PMC manager is advised in order to decide whether the idea is interesting for their department or rather for the CoP of RSD. In theory the ideas can be delivered at the CoP straightaway, but in practice the employee will always discuss it with his current manager.

In the next stage, the CoP assists in writing a challenging business plan and helps in many other ways during the process of developing the idea (read above).

9. The CoP should be sponsered by a member of the Board of Commissioners, someone who believes in RSD

In the present situation RSD depends on the willingness of the management to spend budget on innovation. The current management at Twynstra Gudde realizes this importance and stimulates a number of promising projects. It might even be inclined to facilitate the CoP as well. However, in three years from now it will be replaced by a new set of directors. Having a member of the Board of Commissioners as a member of the CoP might prevent the dismantling of the CoP and prevents a situation in which projects would have to be presented for approval for the second time.

The sponsorship of the Board of Commissioners will not only prevent unnecessary delays or a decrease of support, but it will also guarantee an introduction to interesting external contacts known to the members of the Board.

10. The board of directors as sponsors of RSD

The moment some of the tasks of the management are transferred to the CoP, the management will have more time available to concentrate on new ideas, not only by supporting them but actually by placing the CoP on the agenda and informing the whole organisation about it.

Personal fit and focus

11. Make sure that an idea is in line with personal instead of organization goals

Make sure that the idea fits an initiator's wish so he/she will find in it the source of strength to realize the idea. Let people not fall into the trap of not choosing because of their interest in many fields. Create focus on a limited number of initiatives instead. Remember people that it is better to commit full attention to a limited number of initiatives rather than doing a number of initiatives half.

Probe-and-learn processes

12. Try different options simultaneously to reach your goal

During the process of developing your idea you will come across many surprises. Thus having a clear plan and sticking to it, does not add extra value to the enterprise. Dare leave the beaten track and learn till you know enough for the next step. Investigate various options, experiment and learn from your mistakes.

13. The CoP assessment is based on the one hand on the lessons learnt during the process and on the other hand on the amount of money invested in the project.

In order to reach the right decisions at the Gates, the CoP should take the uncertain character of radical services into account. The progress of the project should not be based on ticking off targets versus budgets and plans. The emphasis should lie on probe-and-learn processes. It is better to judge a RSD project on the basis of lessons learnt during the process than on the money invested in it. To learn until one is ready to take the next step seems to fit the RSD projects better than the formal strictly planned paths of progress.

Entrepreneurial role

It is beyond doubt that it is difficult to develop a radical service. It requires not only the nerve, the drive and the determination to cross the unwritten laws of Twynstra Gudde, but it also means taking high risks with no guarantee of success. The following recommendations should be of value to create a better context for entrepreneurs.

14. Convince the staff that it is easier to ask for forgiveness than for permission

The PMC managers should convince their staff that steps can be taken and that the matter of permission is of later date. That is because if you keep asking, you will get answers you do not look for. That is why you should simply do whatever you think is needed and ask afterwards. Be pro-active and not allow to be delayed by the existing bureaucracy. For example, the initiators should not have to wait for the results of a partner consultation but should keep working on their innovative projects. In short, initiators need to be made aware that if they are successful nobody will complain.

At the same time this asks for personal fit and a strong belief in the idea. The initiator should be convinced of his/her idea to dare do whatever is needed to achieve the goal without approval.

Appropriate metrics

15. Do not say the RSD is important but be explicit in rewards

To increase the importance of RSD, an appropriate metrics for high risk taking could be introduced next to the metrics for claimability. Senior management should not only say that RSD is important but should stress it by introducing a reward system for it. In the current situation the ruling metrics (action controls) is based on increasing the number of hours spent with the client and one is expected to work on innovations on the side. If Twynstra Gudde mean what they say, the people involved in RSD should also be stimulated (action control) to engage in innovative activities. Moreover, they should be rewarded properly for their high risk taking. In case of success an intrinsic reward and corporate awards (cultural reward) like words of appreciation do not seem to be enough. What is expected is an ambidextrous metric (loose action control) that stimulates both engagement in client assignments but does not forget the importance of innovative activities.

Innovative activities could not only be rewarded with a loose action control but could be supplemented with result controls as freedom or financial participation. For example financial rewards or bonuses could be determined on the basis of a year’s turnover of the new service. The other reward, freedom means that the successful entrepreneurs could get a budget to try new ideas in the future. The same reward applies to the members of the CoP.

16. Organise training sessions to improve entrepreneurship

Entrepreneurship has been important to the success of AdviesTalent. The creation of training programmes as personal rewards for entrepreneurs seems an opportunity to become even more successful. Although some say one must be born as an entrepreneur, training programmes and sessions are a great chance to bring these people together. They will also show Twynstra Gudde's true interest in entrepreneurs as they would not organise the trainings otherwise. For the entrepreneurs the trainings will not only serve as a form of recognition but it will also help them understand ideas and RSD. It is also meant to make them aware they do not have to do everything on their own. For example the attention of those with no affinity with marketing should be drawn to the fact that Twynstra Gudde has a Service Organisation which could help them perform certain tasks during the RSD process. This is the reason why bridges must be built and these people made side with you.

Training sessions and courses can be seen as personal rewards that stress the importance of entrepreneurship, bring entrepreneurs together and make them aware of what their role is in developing radical services.

Tight-intra team linkages and self organizing teams

17. Convince the staff to be open to the contributions of expert colleagues once an idea is strong enough.

Make people aware that they cannot do everything on their own. Let them not forget to leave space for other's need for professional autonomy since they are fond of theirs too. Let them accept the possibility of the final product being different from what they have expected it to become. Convince them to trust that the final product will be better thanks to the collaborations with colleagues. This awareness inside the development team will strengthen the bonds within the team.

18. Create esprit-de-corps

Make the team self-organising and do not initiate it top-down. Let initiators convince colleagues that they will participate in a promising project. Allow them the freedom of choice. Those who agree will be prepared to work harder. Create team bonds by making staff aware to show respect for both work and private circumstances of team members. Finally, stimulate the team to invest in informal contacts so that they can talk without having to plan an official meeting. In such a way nothing will be left unsaid.

External linkages with lead users and suppliers

19. Facilitate linkages with lead-users

Senior management should facilitate linkages with lead-users in order to understand and invest in need-satisfying activities that will lead to radical services with long-term potential for growth. Examples are investments in lead-user solutions that are based on new insights in markets or knowledge areas. New services can be tried out by offering those solutions free of charge. The potential is enormous because complete new markets might emerge in which Twynstra Gudde could create a first-mover advantage by building a reputation. High investments through free of charge offerings might be downsized by involving such activities together with partner consultancies like Berenschot. One might also think about partnerships with lead-user companies to mutually explore and benefit new insights as Cradle-to-Cradle.

20. Keep your idea secret until it is sufficiently developed

Most people are afraid of the new which means you should be well prepared when presenting your idea. Beware of whom you share your idea with, especially in early phases when the idea is still fragile, as it might be heavily criticized. People might refuse to cooperate or telling you that it is doomed for failure. Therefore it is important to select the right type of linkages.

Loose-intra-firm linkages with respect to budgeting systems and accommodation

21. Initiate an incubator room to realize loose intra-firm linkages

New initiatives seemingly remote from the current core business do not flourish well within the budgets and targets of the existing departments. Therefore management should offer accommodation (own space) in which new initiatives could be developed safely and undisturbed, to emerge as beautiful butterflies. In this way the management can facilitate the so called intra-firm linkages.

It furthermore implies that radical services are developed in the incubator room could in latter phases of development be transferred into the parent organization or outside into a spin-off.

Tight intra-firm linkages with respect to communication

22. The CoP has its own portal on the Internet and supplies periodical newsletters via e-mail

To keep the rest of the organization well-informed about the developments one may consider a periodical update on new ideas, RSD projects under construction and past successes. The communication with the organization might take place by way of a portal in combination with a digital bulletin which might also include other innovation-related topics. In this way, not only others will be kept informed about the new developments, but also the importance of the innovations will be emphasized. At the same time, a portal creates an opportunity to install applications (e.g. Webstorm), introduce forums, panel discussions, store information of projects being worked on and finally it will became the source of information for and about RSD. Last but not least, it will keep the CoP alive within the organization.

23. Prevent the total isolation of new incubators

To prevent the total isolation of new incubators the management needs to remain involved by the developments and at the same time ensure the communication between the incubator and the rest of the organization. Once more it can be looked after by the CoP responsible for coaching the incubator. As the CoP is also involved with the rest of the organisation the incubator will not be easily forgotten and will be given access to the firm's resources. Moreover, the not invented here problem (the unwillingness to adopt an idea or product because it originates from another culture/business unit) can be prevented by introducing others. In short, combining an incubator room with linkages to the parent company enables the innovators to use the knowhow of the parent company without being restricted by targets and departmental cultures.

Resource fit

24. The CoP simplifies the access to the firm's resources and brings the right people in touch with each and one another

Firm's resources are valuable due to their general nature. However, if you are not one of the heroes (who are written about in newspapers and who work on interesting assignments), it is very difficult to claim the resources. That is why the CoP can have a positive influence on the situation. The CoP or the tutor can help the initiators get in touch with the right people and put in a good word for them. Independently of the stimulating function of the CoP it is also important to remember that the CoP facilitates but does not take over the initiator's job!

Final conclusions for Twynstra Gudde

The final conclusion refers to the interrelatedness of recommendations. It is not enough to follow just one of them, their relevance lies in seeing the relations between factors. Whenever the management initiates an incubator room without a CoP, the projects in the incubator will tend lead lives of their own. The same can be said about the importance of RSD. Without a system of awards and rewards or other stimulating measures, it is not enough to tell people how important RSD is for the management.

7.2 Contributions for researchers and further research

Next to the recommendations for Twynstra Gudde the results of this study contribute in different ways to the existing knowhow. Section 7.2.1 will explain the contribution to the innovation management knowhow. Followed by section 7.2.2 which show that Twynstra Gudde contributes to the knowledge of Kipping (2002) by contrasting his findings and showing that at least one second generation consultancy was able to catch the next wave by adapting to the new methods of work. In both sections recommendations for further research are suggested.

7.2.1 The contribution to the innovation management knowhow

In chapter 1 the lack of information on the backstage processes in the development of services in consultancies was suggested (Clark 2004). A process that is here referred to as RSD. At the beginning of this study it was also presumed that hardly anybody knew what it was all about and that it simply took place in the current situation. However, after analysing the data it turned out that teams working on both RSD projects studied (chapter 5 and 6) managed to complete the development processes and convert the idea into a successful service following these steps:

- **Idea generation**; personal interest and notice visionary market opportunities while performing client assignments
- **Concept development and testing**; testing the product with lead-users and making colleagues enthusiastic as well as involving them
- **Building**; shape and codifying an idea by bringing together developers and creating team spirit among them
- **Launch**; committing and expanding the network of (potential) clients and suppliers/colleague consultants by making the product more concrete through an organisational structure, a website, organising a congress and writing articles.

At the same time by introducing a model based on the research data (fig.18) it became clear what exactly has been developed.

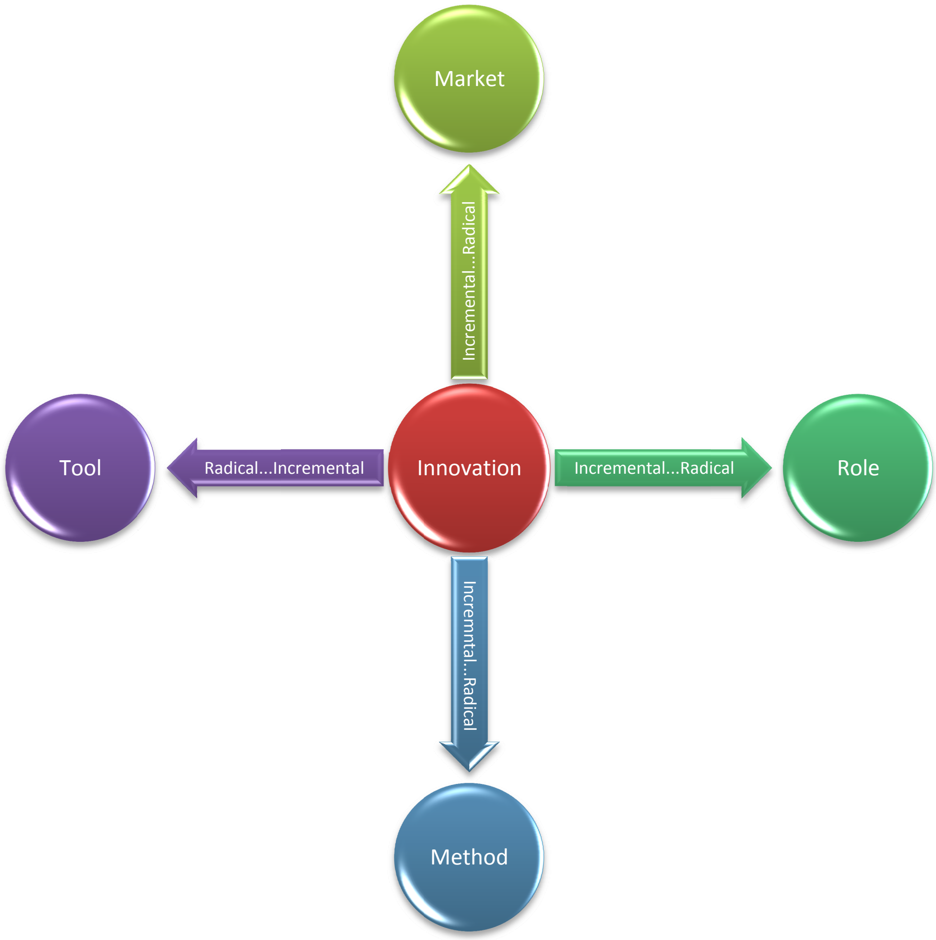


Figure 18 Four dimensions of innovation in Twynstra Gudde Consultants and Managers.

Contribution to European project

Another contribution to the knowhow is the classification of factors. It might contribute to the European project called "patterns in NPD" (in which P in Product stands for goods as well as services). It is the goal of this project to "find patterns between organizational configurations and a new product development (NPD) performance. It will make it possible to determine which configuration(s) work better under which circumstances and for certain critical functions" (http://www.patterns-in-npd.com/). This thesis can contribute since 1) it has created a *basis* (only two research object were studies) for a pattern which works well for RSD at Twynstra Gudde and 2) it shows that this pattern probably does not consist of one of the following parts:

- Strategic fit: Twynstra Gudde strategy is diffused and does not enforce explicit choices for products or markets. As a result there is no stress on the strategic fit which is clearly already there. This finding implies among others that some portfolio management techniques, e.g. the strategic bucket method, are of no use in this context.

- Innovative climate: Within Twynstra Gudde the innovative climate seems not to be a prerequisite for success. People have to struggle to achieve something and be able to convince their intelligent colleagues of the value of their ideas. It makes the ideas stronger and it increases the chances of success. In contrast to current literature in favour of innovative climates, the combination of the struggle and lack of the innovative climate seems to form a natural obstacle which prevents the development of less valuable ideas.
- Heavyweight structure: A 'heavyweight project team' seems irrelevant within the context of Twynstra Gudde since there is no support for the formalization of a 'project structure' nor a top-down initiation of them. All the respondents were averse to institutionalization. The organization is fully bottom-up and flat. Everybody prefers to form a project team him/herself and involve those who volunteer to join after being convinced and made enthusiastic by the initiators.

Confirmation of current findings

The two cases studied not only contribute to the European project but also contain elements which confirm the results of Heusinkveld et al. (2004). For example analogies have been found between the bottom-up development at Twynstra Gudde and the professional form of concept development referred to by Heusinkveld et al. (2004). Thus, this study confirms the existence of a professional form. On top of that it also creates a possibility for further research as another form mention by Heusinkveld et al (2004), the corporate one, was not taken into consideration. It does not solely mean that a future study could focus on the corporate form of RSD in consultancies but confirms that the results described in chapters 4, 5 and 6 refer to the developing activities that take place in the professional form. For the sake of a future research one may also consider approaching Heusinkveld et al. (2004) and asking them to share the list of consultancies on which they based their study of the professional form. The consultancies could be then approached and studies to find out if the radical forms in those consultancies depend on the presence of the more important factors. By doing so it would increase the external validity of this study by comparing multiple professional forms of RSD in consultancies.

This would be of utmost importance since the external validity of this study is meagre as it is based on the analysis of two projects within the same organization. The results have been tested and confirmed by means of investigating of other projects within the same firm, but no RSD projects realized by other firms were look at. It results in a limited external validity and it might mean that the findings of this study can only be used at Twynstra Gudde. That is why a future study should aim at expanding the external validity. The factors which works well for RSD projects at Twynstra Gudde (more important factors) could serve as the *basis* and be further developed to function well within the professional form of RSD projects in Management Consulting. It might also be possible to extend the scope of the investigation to cover the bottom-up development of radical, knowledge-intensive services in professional organizations primarily active in the execution of the projects. The latter may be relevant because Blindenbach-Driessen (2006) has shown that success factors in developing projects depend on the difference between manufacturing and project-based firms.

7.2.2 Kipping's theory about second generation consultancies' inability to catch the next wave is unsupported

Finally, this paper ends with a look back on chapter 2.1 in which three waves of consulting were discussed. Kipping (2002) argued that the most probably the second generation consultancies (such as Twynstra Gudde) will lose ground to the upcoming third generation consultancies such as Deloitte, Capgemini, KPMG and PWC. According to Kipping (2002), as a result of changes in organization and the rise of network organizations the third generation consultancies will become more powerful and the demand for the second generation consultancies will diminish (see section 2.1). The results of this study show that the doomsayer was most probably wrong as Twynstra Gudde managed catch the next wave and able to move from decentralization to networking structure. New organizational structures create possibilities for the third generation consultancies to link different networks by means of the IT, but at the same time new opportunities for Twynstra Gudde arose. As a result of the shift towards network structures, the clients became interested in concentration on core competences and rejection of sideline activities (see section 2.3.1). It resulted in questions about sourcing:

What activities should be kept in-house and what could be sourced out or performed in collaboration with others? These were exactly the questions to which Twynstra Gudde could provide an answer.

Twynstra Gudde was also able to help client organizations during the transformation into a network structured company. Twynstra Gudde does not play the part of a system integrator but together with those third generation consultancies they facilitate the change through the generally known change management approach of Twynstra Gudde and Professor Leon de Caluwé. So even after the shift towards network structures, Twynstra Gudde is still in demand.

Kipping (2002) argues that IT systems help to oversee the network structures and there will be no room on the market for the second generation consultancies that cannot deliver IT. Perhaps the third generation consultancies offer an infrastructure but nothing is known about the way the cooperating partners are managed. Since the networked organizations cooperate with a greater number of partners, there is a growing demand for assistance in the field of collaborations: what (formal/informal/trust/contract/SLA's) agreements should be made, which partner is a right one for my organization, how to manage demand and supply etc. And so is organizing-between-organizations a new service offered by Twynstra Gudde.

Apparently new organizational structures of client organizations do not form a threat for observant consultancies. The advice given to Twynstra Gudde is to keep spotting the changes in order to be able to survive in future. A list of changes which took place in the past will therefore follow:

- changes in size and structure (caused by the industrial revolution and the post-war economic growth) created opportunities for the second generation consultancies to provide top management advice about decentralization
- changes from industrial economies of scale to network economies created opportunities for new services such as collaboration, sourcing and the change management approach.

To sum up, in contrast with Kipping's (2002) presumption the results of this study contribute to the knowledge that at least one second generation consultancy was able to catch the next wave. However it seems that the process in which new service have been developed could be improved significantly.

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APPENDIXES

Appendix A: Shortening life-cycles of management concepts

New management concept development and somewhat negatively 'hitch-hiking on new management concepts' is important (Visscher 2001). According to Heusinkveld et al. (2004) management consultancies even strongly depend upon new concept development in order to sustain competitive. New concept development becomes even more important from a life-cycle point of view. Like products and technologies, management concepts such as BPR and TQM follow a certain life-cycle. In the literature on management concepts it is stated that although the number of management concepts is increasing, the life-cycles are shortening (Spell 1998). Management concepts like Intrapreneurship, One-Minute Managing, Quality Circles and Portfolio Management have much shorter spans than Theory X and Theory Y, T-Group Training and other 'old' concepts. Despite the shorter spans, Pascale (1990, p. 20) argues that the influence of the former and more recent concepts are significantly higher than the latter. Furthermore, Carson et al. (2000) investigated 16 management concepts that emerged between 1950s and 1990s. In congruence with Pascale (1990) they showed (1) that PERT, a concept of the 1950s, experienced a much longer life-cycle than quality circles did in the 1970s and (2) that while the cycles are getting shorter, their peaks are getting higher (see Figure 1). Carson et al. (2000) provide further evidence on the relationship between the period in which a concept was introduced and the number of years it spanned. They found a strong negative correlation (r =-.99, $p \leq .01$) between the year a concepts was introduced and the number of years in its life-cycle, where life-cycle was computed as "*the difference between the year an article was first published and the year in which publications on the concepts dropped to zero*" (Carson et al. 2000, p. 1152). It was recognized that the use of this measure might have strengthened the correlation. The end of the life-cycle was therefore also computed as the year in which the number of publications dropped by 10 percent or less, and as the year in which the number of publications dropped 50 percent or less. Respectively, the correlation dropped to -.92 and further to -.78. In all three cases however the correlation remained significant. The results of Pascale (1990) as well as Carson et al. (2000) both suggest that (1) the life-cycle of recent concepts have been shorter than earlier ones, (2) the influence of recent concepts is increased and (3) that recent concepts peaked earlier. Carson et al. (2000) additionally showed that (3) there exist a strong relationship between peaking quickly and a shorter life-cycle.

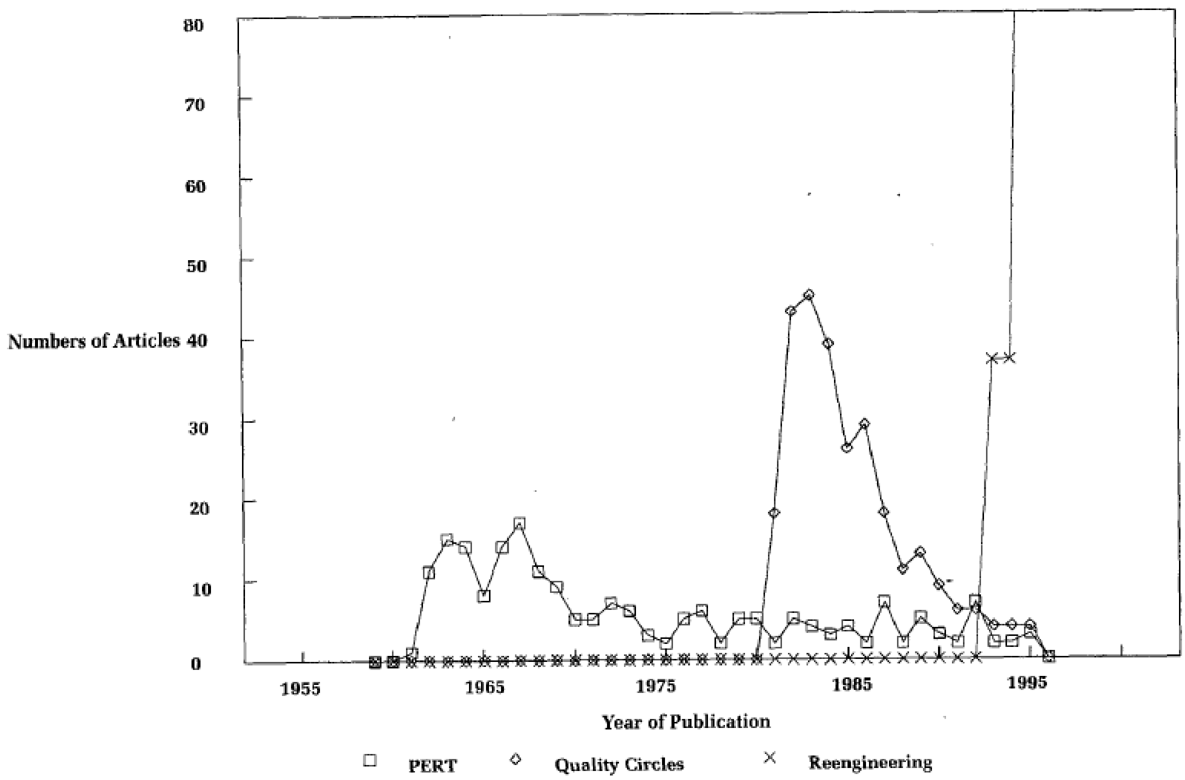
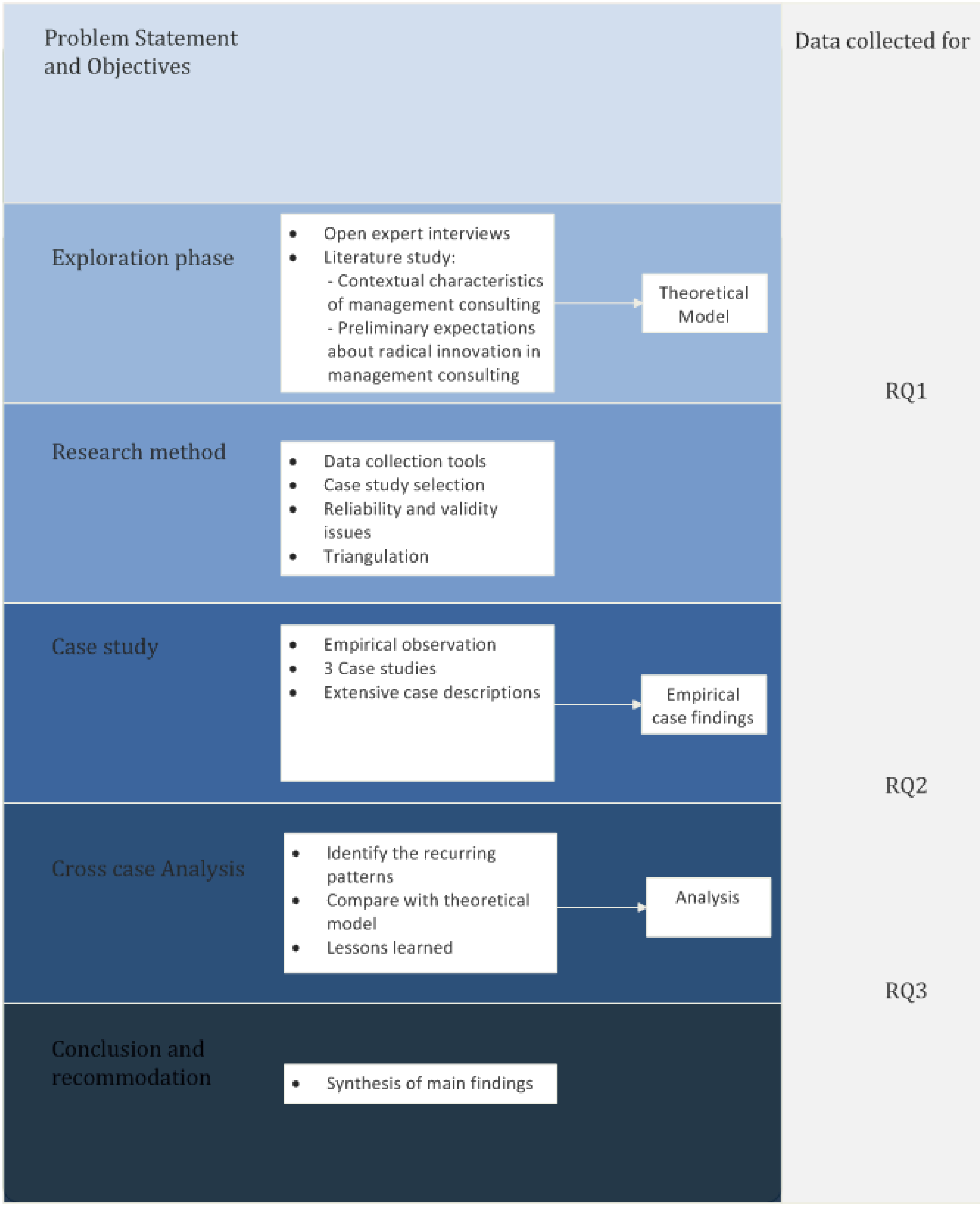


Figure A.1 Life Cycle of Management Concepts (*source*: Carson et al. 2000)

Appendix B: Roadmap for conducting explorative research



Appendix C: Innovative climate

Organizational conditions	*Supportive climate characteristics*	*Unsupportive climate characteristics*
Challenge: Emotional involvement of the members of the organization in its operations and goals	People are experiencing joy and meaningfulness and therefore invest much energy.	Feelings of alienation and indifference, the common sentiment is apathy and lack of interest for the job and the firm
Freedom The independence in behavior exerted by the people in the organization.	People make contacts and give and receive information, discuss problems and alternatives, plan and take initiatives of different kinds, and make decisions.	People are passive, rule-bound and anxious to stay inside established boundaries
Idea Support The ways new ideas are treated	Ideas and suggestions are received in an attentive and supportive way by bosses and workmates. People listen to each other and encourage initiatives. Possibilities for trying out new ideas are created. The atmosphere is constructive and positive.	The reflexive 'no' prevails. Every suggestion is immediately refuted by a counter-argument. Fault finding and obstacle rising are the usual styles of responding to ideas.
Trust/Openness The emotional safety in relationships	Everyone in the organization dares to put forward ideas and opinions. Initiatives can be taken without fear of reprisal and ridicule in case of failure. Communication is open and straightforward.	People are suspicious of each other and are wary of making expensive mistakes. They also are afraid of being exploited and robbed of their good ideas.
Dynamism/Liveliness The eventfulness of life in the organization	New things are happening all the time and alternations between ways of thinking about and handling issues often occur. There is a kind of psychological turbulence which is described by people in those organizations as 'full speed', 'go', 'breakneck', 'maelstrom', and the like.	There are no new projects, no different plans. Everything goes its usual way with no surprises.
Playfulness / Humor The spontaneity and ease that is displayed.	A relaxed atmosphere with jokes and laughter characterizes the organization.	The atmosphere is stiff, gloomy, and cumbrous and characterized by gravity and seriousness. Jokes and laughter are regarded as improper.
Debates The occurrence of encounters and clashes between viewpoints, ideas, and differing experiences and knowledge	Many voices are heard and people are keen on putting forward their ideas.	People follow authoritarian patterns without questioning.
Conflicts The presence of personal and emotional tensions (in contrast to conflicts between ideas)	People behave in a more mature manner, they have psychological insight and control of impulses.	Groups and single individuals dislike each other and the climate can be characterized by 'warfare'. Plots and traps are usual elements in the life of the organization. There is gossip and slander.
Risk Taking The tolerance of uncertainty	Decisions and actions are prompt and rapid, arising opportunities are taken and concrete experimentation is preferred to detailed investigation and analysis.	There is a cautious, hesitant mentality. People try to be on the 'safe side'. They decide 'to sleep on the matter'. They set up committees and they cover themselves in many ways before making a decision.
Idea Time The amount of time people can use for elaborating new ideas	Possibilities exist to discuss and test impulses and fresh suggestions that are not planned or included in the task assignment, and people tend to use these possibilities.	Every minute is booked and specified. The time pressure makes thinking outside the instructions and planned routines impossible.

Table C4 Characteristics of an Innovative climate (*Source*: Ekvall 1996)

Appendix D: Literature overview of success factors

	Success factors in general			*Success factors for RI*		*Comparative review*
	Ernst (2002)	**Brown and Eisenhardt (1995)**	**Van der Panne et al. (2003)**	**O'Conner (2008)**	**De Brentani (2001)**	
Product related	Strategy alignment		Strategy towards innovation	Strategic intent	Strategic fit	**Strategic fit**
		Fit with firm competencies	Experience	Loosely coupled linkages to firm resources Skills and Talent development	Resource fit	**Resource fit**
		Fit with market needs	Relative quality, price, functionality, marketing		Client/need fit, Front line expertise	**Market fit**

Table D.1 Overview of product-related success factors mentioned in the literature

	Success factors in general			*Success factors for RI*		*Comparative review*
	Ernst (2002)	**Brown and Eisenhardt (1995)**	**Van der Panne et al. (2003)**	**O'Conner (2008)**	**De Brentani (2001)**	
Market related		Large market, High growth, Low competition	Concentration of target market, Competitive pressures, Timing market introduction		Market potential	**Market potential**

Table D.2 Overview of market-related success factors mentioned in the literature

	Success factors in general			*Success factors for RI*		*Comparative review*
	Ernst (2002)	**Brown and Eisenhardt (1995)**	**Van der Panne et al. (2003)**	**O'Conner (2008)**	**De Brentani (2001)**	
Firm related	Selection criteria			Portfolio governance		**Senior management**
	Senior management support Go/No-Go decisions	Senior management support / subtle control	Top management support	Leadership that recognize and oversees the importance of RI, Project governance and real-option criteria	Senior management support	**Senior management**
	Incentives			Appropriate metrics		**Appropriate metrics**
	Innovative Climate		Firm's Culture	Culture that recognize value of RI	Innovation culture	**Innovative climate**

Table D.3 Overview of firm-related success factors mentioned in the literature

	Success factors in general			*Success factors for RI*		*Comparative review*
	Ernst (2002)	**Brown and Eisenhardt (1995)**	**Van der Panne et al. (2003)**	**O'Conner (2008)**	**De Brentani (2001)**	
Team related	Informal process Quality of planning	 Planning vs. Iteration, testing and frequent milestones	Organic instead of mechanic	Exploratory processes Learning oriented and exploratory processes instead of planning	Formal launch and testing activities	**Probe and learn process**
	Customer Integration	Customer and Supplier Involvement	Networking	External interface mechanisms -Lead users		**External linkages**
	No disturbance by daily-businesses	External Communication		Internal interface mechanisms – loosely coupled with mainstream organization Identifiable and separate organizational structure		**Intra-firm linkages**
	Communication	Internal Communication		Internal interface mechanisms - Internal linkages to team members		**Intra-team linkages**
	Cross-functional team Substantial autonomy and responsibility	Cross-functional team	Multidisciplinary team	 Governance and decision making mechanisms at the project		**Team structure**
	Project leaders Champions	Project leader power, vision and management skill Gatekeepers	 Champion	 Stimulate entrepreneurship to obtain suggestions	Expert skills Entrepreneurship	**Informal roles**

Table D.4 Overview of Team-related success factors mentioned in the literature

Appendix E: Final semi-structured interview

(In Dutch)

Algemene vragen

1. Welke functies heeft u voorheen gehad?
2. Heeft u al eerder een nieuwe dienst ontwikkeld?

Idee fase - Probleem in kaart brengen

Informal roles

3. Hoe is het idee ontstaan?

External linkages (netwerken -> ideeën)

4. Bent u lid van een **groot en diffuus netwerk** van contacten waarvan u een constante flow van uitdagende ideeën krijgt? Hoeveel leden in dat netwerk, en in welke sectoren?
5. Heeft u een soort van **antenne** die allerlei signalen in de omgeving opvangt?
   (eckart wintzen theory op?, open innovatie, nieuwe wetgeving? Bijvoorbeeld via formele **bijeenkomsten** ambitiedag, conferenties, beursen of studiereizen)
   - Maakte u ook gebruik van **formele hulpmiddelen** en technieken om “buiten de bestaande kaders te denken” (zoals scenario ontwikkeling, Delphi-methode, mappen van huidige diensten (om witte vlekken te vinden e.a.)?

Concept Oplossing aanreiken

Appropriate metrics

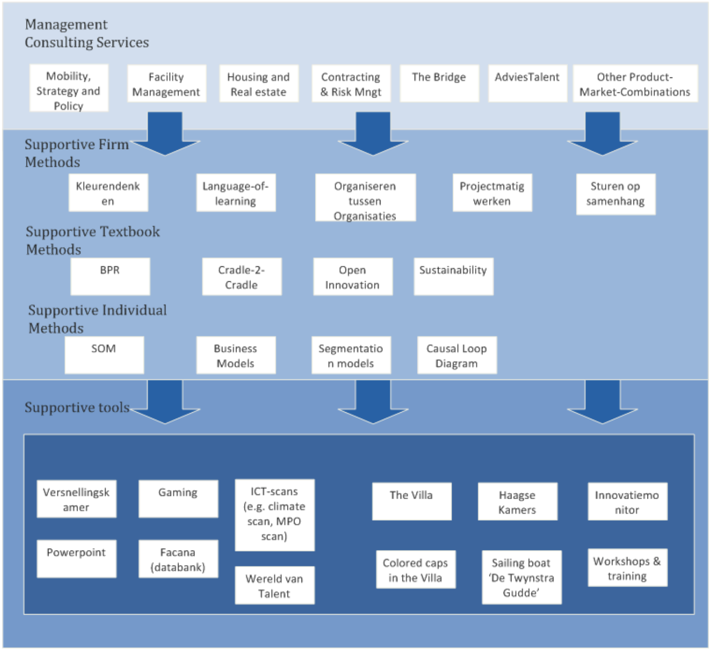
6. Zijn er **beloningssystemen** om mensen aan te moedigen hun ideeën aan te bieden?
   - Werd u hierdoor **gemotiveerd**, zo nee, waardoor dan wel?
   - Hoe was het risk vs. reward ratio t.o.v. dagelijkse activiteiten, hoe werd u gestimuleerd om nieuwe risicovolle dingen te doen?
   - Wat was de beloning voor uw idee? Valt hier iets aan te verbeteren?

Innovative climate

7. Kunt u dingen doen die buiten de **functieomschrijving** vallen, of wordt alles op de minuut nauwkeurig gepland?
8. Biedt Twynstra Gudde **tijd en ruimte** zodat mensen **wilde** ideeën kunnen verkennen?
   - Was dit voldoende?
9. Graag korte antwoorden hieronder:
   - Was u bang om door anderen te worden uitgelachen?
   - Mag je vreemd denken? Of noemen ze je dan een **dromer**?
   - Werd het experimenteren met nieuwe ideeën aangemoedigd?
   - Worden mensen gewaardeerd die bereidt zijn de regels aan hun laars te lappen?
   - Druk van omstanders creëert een positieve spanning en zorgt voor meer creativiteit?
   - Heerst er een **relaxte atmosfeer met grapjes en gelach** of is het stijf en serieus?
   - Worden veel stemmen gehoord of zijn mensen **wars van commentaar** en volgen ze hun eigen weg?

Resource fit

10. Hoe konden jullie voortborduren op reeds bestaande kennis en deze **verder uitbouwen**?
11. Had u genoeg kennis om de dienst te ontwikkelen?
    - was het beoogde doel realistisch en waarom kon niet iemand anders het ontwikkelen? (bijv. Randstad)
    - Wie speelde de **hoofdrol** en in welke mate (jijzelf, TG kennis/mensen, buitenstaanders)?
12. In welke opzichten was de nieuwe dienst (deze oplossing) anders dan gebruikelijke diensten? Zie figuur 1



Market potential

13. Was het marksegment nieuw voor Twynstra Gudde?
    - zo ja, hoe en wat waren de nieuwe eigenschappen van dit segment? (waar kwam de vraag vandaan?)
14. Was er een grote potentiële afzetmarkt?
    - Hoe werd die in kaart gebracht? (rekenmodellen, **Excel-sheets** vs. **Creatieve manier waarop** je het geld wilde verdienen)
    - (Hoe groot?), meteen te bedienen of werd er meer gekeken naar het markt potentieel op langere termijn? (deed dit ertoe?)

Strategic fit (Wat gaan we doen / zouden we het beste kunnen gaan doen?)

15. Werd bij de aanvang van de nieuwe dienst nagegaan of de doelstellingen van de nieuwe dienst pasten binnen de strategie van Twynstra Gudde?
    - Zo ja, waarom? Hoe?
    - Zo nee, waarom niet? Werden de strategische belangen duidelijk gecommuniceerd?
16. Hebben strategische doelen van Twynstra Gudde u geholpen, zorgden ze voor sturing en gaven ze richting om de juiste weg in te gaan?
17. **Waren er processen aanwezig** die u in staat stelden om nieuwe kennis en markt ontwikkelingen te reviewen, en te onderzoeken wat deze betekenen voor de strategie van Twynstra Gudde?
    - Met andere woorden, zijn er processen die u in staat stellen om de resource, market en strategic fit te bepalen? Of moet je alles zelf uitzoeken?

Ontwikkelen - Firm-gerelateerde factoren

Role and commitment of senior management

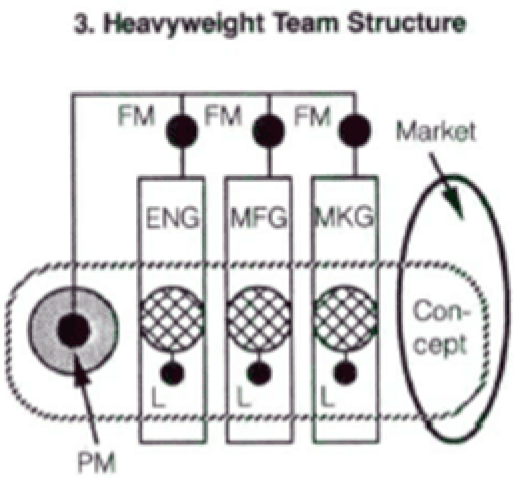
18. Kreeg u voldoende support (**tijd, geld, extra teamleden, politieke middelen**) van senior management?
    - Zo ja, **wie** waren senior management (partners, directie of anderen?)
    - Had u veel support nodig om de nieuwe dienst te realiseren of **kon u ook zonder?**
19. Hielp het management u met het ontwikkelen van een **visie**, om samen tot een concept te komen voor een riskante en onzekere dienst? Of moest u alles alleen doen?
20. Was het management in staat om te **delegeren** zodat het team voldoende autonomie had om creatief te zijn?

21. Creëerde het management (partners/directie/ of anderen in uw geval) **ruime doelen** die richting gaven maar niet de route voor innovatie? (bijv. geen **voorgedefinieerde ontwikkelingspaden** (stap1, doe-dit-doe-dat enz.)?
22. Hoe werd het contact met senior management ervaren?
    - Te strak erop of te los?

Project-related success factors

Team structures

23. Welke en hoeveel teamleden waren verantwoordelijk voor het ontwikkel project?
    - Hoeveel mensen waren **actief** in dit proces betrokken?
    - Wat waren de achtergronden (studies, werkzaamheden, kennis en kunde, ervaring) van deze personen?
    - Van welke afdelingen kwamen deze teamleden? (marketing, HR, finance, operations ?)
    - In hoeverre spelen mensen van de Service Organisatie een rol? Wie hebben daar een hoofdrol?
24. Geeft u de voorkeur aan crossfunctionele specialisten of multifunctionele individuen/generalisten?
25. Hadden teamleden **project verantwoordelijkheden** en tegelijkertijd **functionele verantwoordelijkheden**?
    - Welke kregen uiteindelijk voorrang? Zorgde dit voor problemen?
    - Bleven de teamleden gerelateerd aan hun functionele unit?
26. Had het team een eigen fysieke ruimte?



27. Wat was de positie van de teamleider (junior, medior, senior, partner)? Wat dit een voordeel/nadeel?

Informal Roles

28. Roberts & Fusfeld hebben een 5-tal rollen geïdentificeerd die volgens hun aanwezig moeten zijn om nieuwe diensten effectief te ontwikkelen. Hoe zijn de rollen verdeeld binnen uw team? Kunt u een voorbeeld geven bij elk van de rollen, sommige individuen kunnen meerdere rollen vervullen?

    1. Idea generator: iemand die informatie over markten en kennis in de buitenwereld opvangt en waarvan ideeën komen.
    2. Ondernemer or Champion: Herkennen, voorstellen, doordrukken en demonstreren van een idee voor formele management goedkeuring.
    3. Project leider: plannen en coördineren van een divers verzameling van activiteiten. Moet 1) verantwoordelijkheid hebben om beslissingen te nemen en 2) kunnen delegeren
    4. Gatekeeper: verzamelt en schuift informatie door omtrent belangrijke veranderingen in de omgeving (nieuwe wetten, nieuwe technologieën)

5. Sponsor or coach: begeleiden van minder ervaren teamleden bij hun taken, achter de schermen support, bescherming tegen de moederorganisatie (moederbedrijf)

29. Welke informele rollen vindt u belangrijk? Bent u het eens dat een gebalanceerde verzameling wenselijk is?
30. Ben u van mening dat er bepaalde rollen ontbreken of vindt u bepaalde rollen minder belangrijk, waarom?

31. Kunt u iemand binnen uw team aanwijzen die proactief ideeën aanpakt, initiatief toont?
    - Kunt u hier een voorbeeld van geven?
32. Kunt u iemand binnen uw team aanwijzen die risico neemt door:
    - dingen te proberen in het onbekende en met een grote kans tot falen, of
    - veel tijd / geld en middelen te gebruiken **of**
    - veel geld te lenen?
33. Kunt u iemand binnen uw team aanwijzen die houdt van veel autonomie?
34. Zijn er binnen de organisatie **voldoende middelen aanwezig om 'ondernemerschap'** te identificeren en stimuleren?
    - als mensen een goed idee hebben dan hoeven ze de organisatie niet te verlaten om het te realiseren?

Intra-team linkages

35. Hoe omschrijft u de team-spirit?
    - Waren er momenten dat team leden hinder van elkaar ondervonden? Zo ja, waardoor kwam dit?
36. Was het contact voornamelijk formeel of informeel?
    - **Formeel**: door management geïnstitutionaliseerde vergadering, brainstormsessies, projectbijeenkomst
    - **Informeel**: bijeenkomsten in niet formele of baanbrekende omgevingen, op de wandelgangen, koffie automaat, tijdens de reis

Intra-firm linkages

37. Werd de **rol en toegevoegde waarde** van uw idee duidelijk gecommuniceerd naar de rest?
    - Werd deze vervolgens erkend door de rest van de organisatie?
38. Ondervond u **hinder van huidige organisatorische bureaucratie?**
    - budget systemen of marketing die gefocust was op huidige producten
    - van mensen die uw idee tegenwerkten omdat ze bang waren voor kannibalisatie
    - Als er zich conflicten voordeden, hoe werden deze dan in het algemeen opgelost? Informeel of m.b.v. contracten?
39. Kon u zich losmaken van de huidige organisatorische processen, bureaucratie, beloningssystemen?
    - Hoe deed u dat? Op uw eigen houtje of waren hier al **mogelijkheden voor om huidige routines te omzeilen**?
40. Zag de rest van de organisatie u als legitieme business en waren ze in staat om tijd en **middelen op u af te schrijven**?
41. Op welke manieren stond u in contact met de rest van de organisatie? (vergaderingen, memo's, in de kroeg?)
    - Geeft u de voorkeur aan losse(contact via kennis conferenties, borrels) of strakke (vallen binnen een bestaande afdeling) verbindingen met de huidige organisatie?

External linkages (samenwerken -> samen sterk & complementair)

42. Werkte u samen met partners buiten uw eigen organisatie om de dienst te realiseren, welke?
43. Heeft u mechanismen in werking die ertoe bijdragen om het **juiste aantal en type partners** te selecteren?
44. Heeft Twynstra Gudde **contacten met kennisintensieve bronnen** – zoals relaties met universiteiten en onderzoeksbureaus - en worden deze ook onderhouden **zonder** dat ze een direct link hebben met bepaalde projecten?
45. Heeft u samengewerkt met '**lead-users'** en 'early adopters' om de nieuwe dienst te ontwikkelen? Op welk moment?
    - Denkt u dat **co-development** noodzakelijk is in nieuwe diensten ontwikkeling in management consulting (omdat er al veel klantcontact is)? Bij het ontwikkelen van een product met producteigenschappen lijkt het mij veel meer voor de hand liggend!

Launch

Market fit

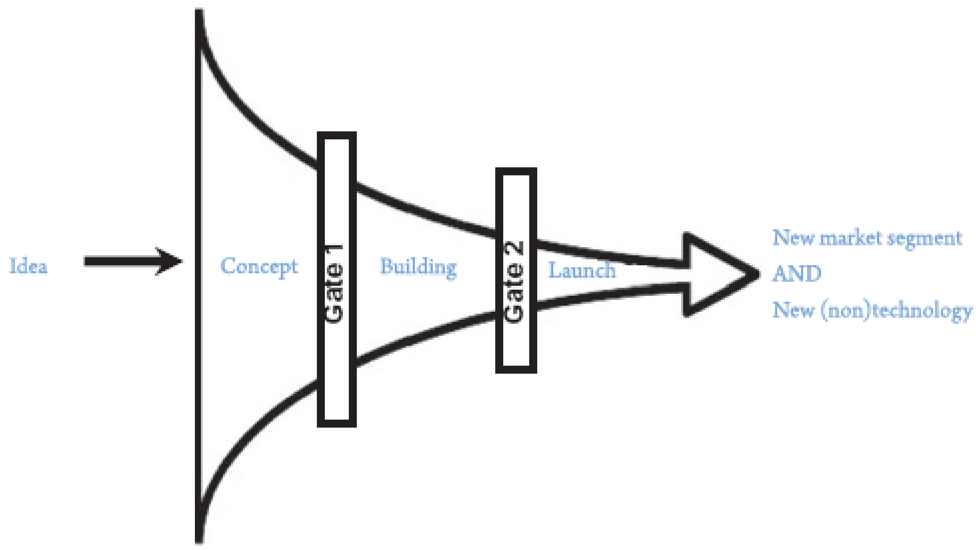
46. Op welke manier bood de nieuwe dienst **significante voordelen**, het onderscheidend vermogen, waardoor de dienst werd geadopteerd door de klant?
47. Hoe zorgde u voor de juiste fit met de markt (aansluiten bij klantwensen)?
48. Zijn er **tastbare componenten** aan de dienst toegevoegd om deze concreter te maken, welke en was in welke mate werd dit als nuttig ervaren? (e.g. petjes van De Caluwe, complexe modellen vertaalt naar simpele modellen)
49. Werden er hoog geschoolde en ervaren adviseurs **getraind** om de nieuwe dienst te leveren? Hoe vond u deze mensen, waar lette u op?
50. Was er een **juiste mix** tussen kwaliteit, relatieve prijs, kosten-van-gebruik, gebruiksersgemak en service? Zo ja, welke en hoe kwam deze tot stand?

Gehele proces

Probe and learn approach with formal launch

U wilde graag nieuwe marktsegmenten aanboren door nieuwe kennis (oplossingen voor problemen) te ontwikkelen…

51. Heeft u hierbij gebruik gemaakt van een formeel proces met strakke stagegate criteria, van een 'probeer-&-leer' benadering (terugkoppelingsmoment i.p.v. harde stage-gate criteria) of was er helemaal geen proces?



Funnel waarin één idee zit, van vaag begin met waarin vele paden kunnen worden gekozen tot uiteindelijk dominant design.

52. Hanteerde u hierbij een methode als learning-before-doing of meer een methode als learning-by-doing?
    - Wilde u alles van te voren willen caluleren of wilde u uittesten en hiervan leren en kijken of de nieuwe informatie het zinvol maakt om verder te gaan? Leren totdat je genoeg weet om de volgende stap te maken!
53. Maakt u gebruik van **simulatie, testen etc. om verschillende opties te verkennen**, en vertraagd u een focus op een enkele optie?
54. Als ik uw antwoorden aanhoor, leid ik af dat het volgen van regels en procedures hier niet zo belangrijk is voor het ontwikkelen van de nieuwe dienst?

Implementation / launch

55. Heeft de nieuwe dienst een landingsplaats gevonden in de organisatie?

56. Hoe laat je weten dat je bestaat, dat je iets moois te bieden hebt?
    - Hoe werd de interne (adviseurs) en externe omgeving (prospects) geattendeerd op / in contact gebracht met de nieuwe dienst?
57. Vindt u dat een formele launch fase wel bevorderlijk is voor een succesvolle adaptatie van klanten?
    - De activiteiten kunnen beter wel goed gepland worden: opleiden van personeel, promotie, verspreiden van drukwerk, website, adverteren.

Bijkomende vragen:

58. Typeert u de dienst als succesvol of onsuccesvol? Waarom?
59. Bestaan er nog andere factoren die naar uw mening hebben bijgedragen tot succes maar die niet tijdens dit interview naar voren zijn gekomen?
    - Kunt u deze beschrijven? Kunt u de voor- en nadelen van deze factoren beschrijven?
60. Heb ik volgens u overbodige vragen gesteld tijdens dit interview?

Appendix G: Type of respondents

(namen en telefoonnummers van deze respondenten kunnen worden opgevraagd bij de auteur)

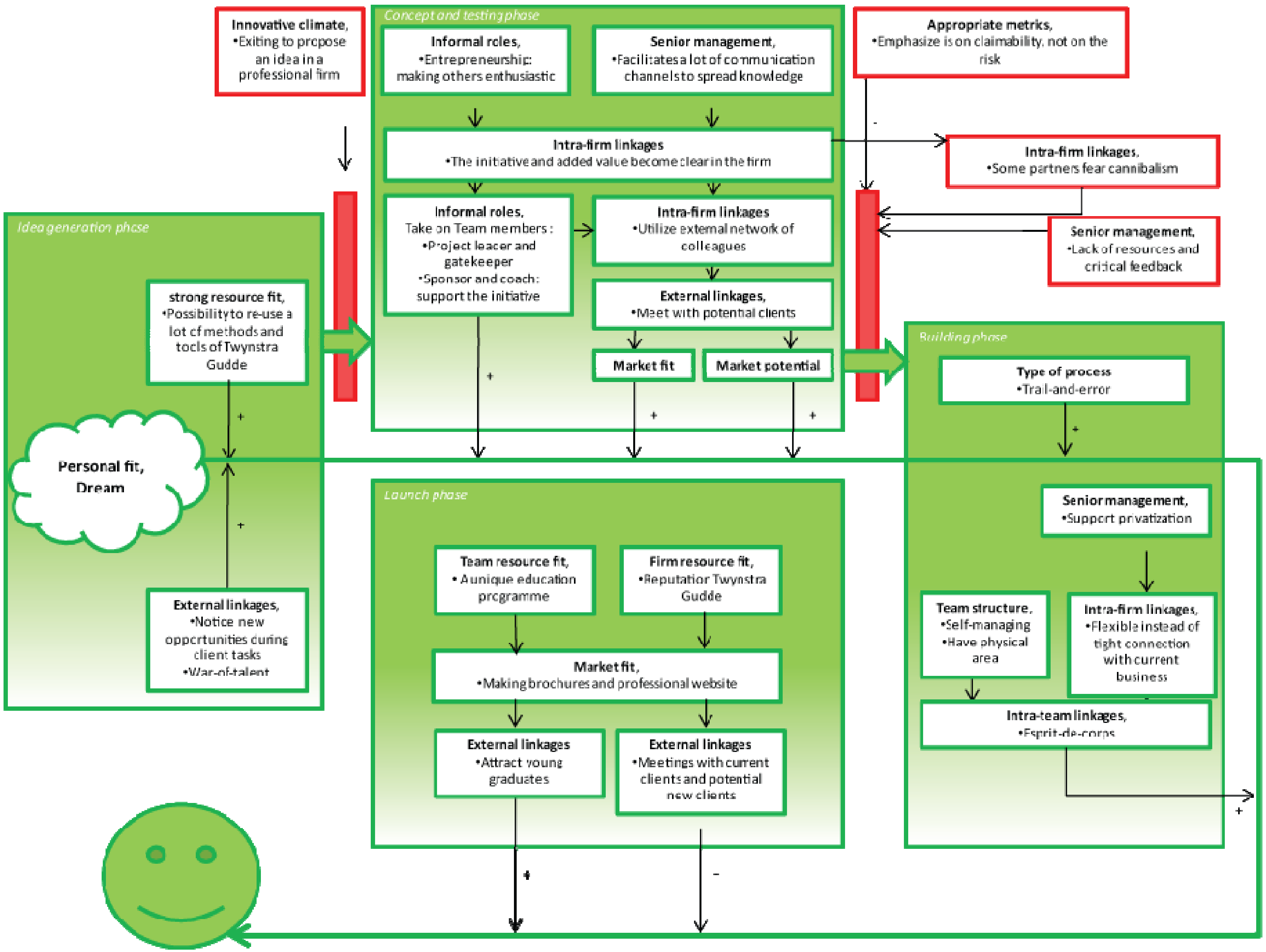
Six face-to-face exploratory interviews were held with:

- CEO van The Bridge Business Innovators over het ontstaan van Twynstra The Bridge
- Directeur van de Service Organisatie van Twynstra Gudde
- Initiatiefnemer van AdviesTalent
- CEO's van Twynstra Gudde: Carol Lemmens en Marcel de Rooij
- Partner en bedenker van het Kleurendenken
- Partner en manager over de totstandkoming van een nieuwe PMC

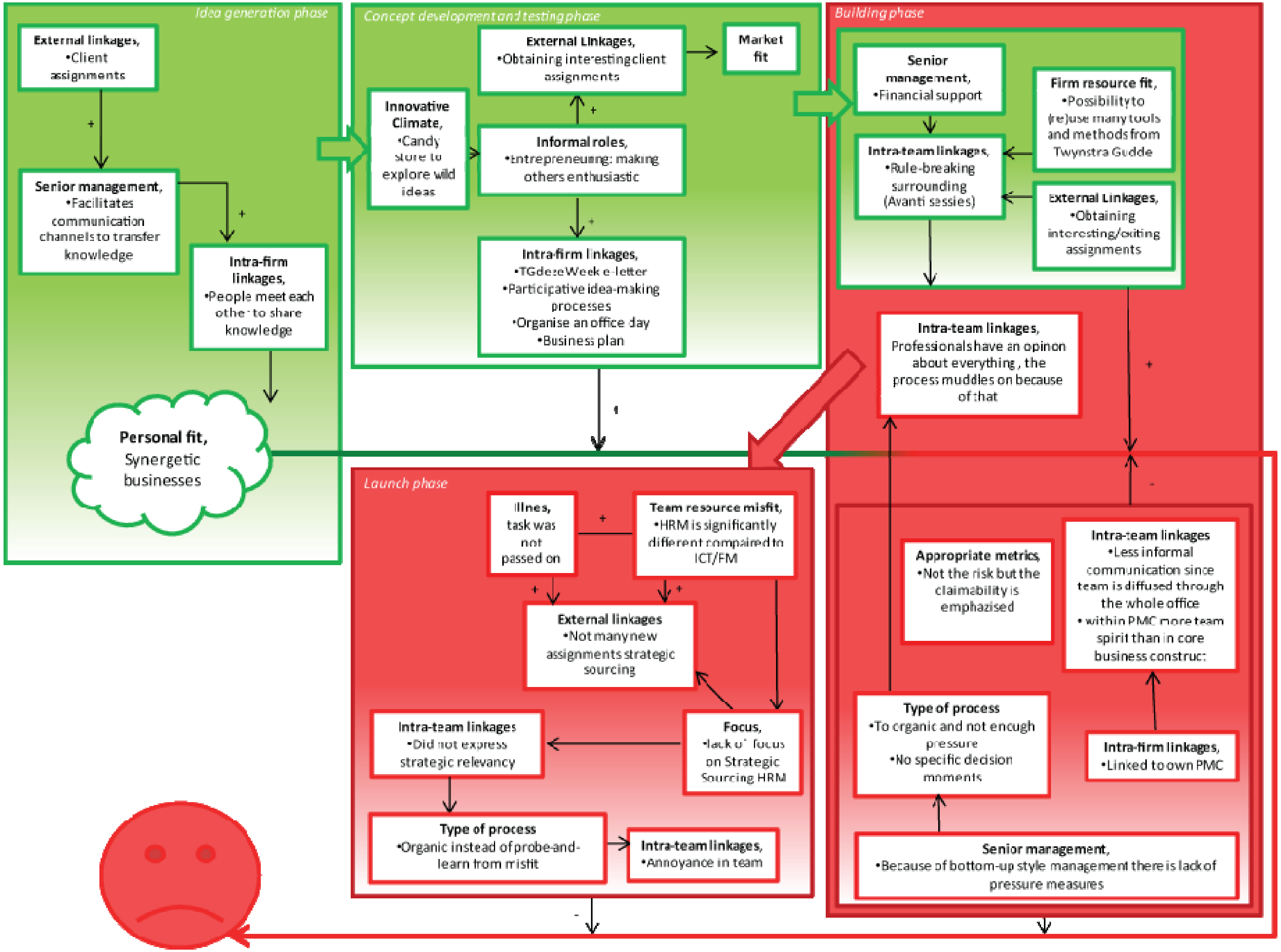
Twaalf diepte interviews met:

- A = Opleidingsprofessional betrokken bij AdviesTalent
- B = Initiatiefnemer AdviesTalent (2 interviews)
- C = Sponser en coach van AdviesTalent
- D = oud directeur Twynstra Gudde
- E = Directeur van de service organisatie (HR, ICT, Finance, marketing)
- F = Partner PMC FM (2 interviews)
- G = Partner PMC FLIV/Sourcing
- H = PMC-manager Business Performance and Change (HR)
- I = Adviseur PMC Vision
- J = Partner PMC Vision

Appendix H: Relationship diagram AdviesTalent



Appendix I: Relationship diagram Strategic Sourcing



Appendix J: Original quotations in Dutch

[1] "Je kan zeggen dat we een begin hebben gemaakt voor een nieuwe Talent Management methode voor jonge adviseurs" (B)

[2] "[X] verzorgde de binnenkant van het opleidingsprogramma en [Y] de buitenkant." (C)

[3] "Ik ben wel een bouwer maar heb wel altijd dingen gedaan die bij mij pasten en die ik leuk vond." (A)

[4] "Er waren ervaringsgegevens aanwezig over junioren: hoeveel ze kosten, hoeveel ze opleveren en hoeveel tijd je nodig zou hebben om de markt te maken."(A)

[5] "Gezien de positionering van AdviesTalent, een werk- en leertraject voor junioren, moest dat ook naar buiten want Twynstra Gudde zelf had dat nooit begonnen. Het was dat er zo'n idioot als Jaap was die het wilde. Kijkend naar de positionering van Twynstra Gudde was het niet logisch om iets met AdviesTalent te doen. Als directie werkten we toen aan een senior profiel en daar past een club van 30 junioren niet in, dat krijg je niet uitgelegd". (D)

[6] "In een aantal klussen heeft de klant gewoon behoefte aan handjes en voetjes. Niet per se aan een senior adviseur maar iemand die gewoon slim, op een goede manier, en begeleid zijn werk doet." (D)

[7] "AdviesTalent is een dienst die veel 'common ground' oplevert aangezien klanten worstelen met capaciteitsproblemen en Talent Management. Het sluit goed aan bij de behoefte in de markt en ik kan er altijd wel een kennismakingsgesprek uitslepen." (B)

[8] "De combi van de verbondenheid met Twynstra Gudde, het opleidingsprogramma, het soort mensen en de prijs was niet verkeerd" (D)

[9] "Je moet gewoon weten waarom de prijs-kwaliteit verhouding zo is dat je dit tarief vraagt en niet een lagere. Dat moet je basishouding zijn."(B)

[10] "We hebben mazzel gehad met het werven van junioren. We gingen een website bouwen en die kwam binnen de Twynstra Gudde website te hangen. Toen die er eenmaal was begon het opeens sollicitaties te regenen. Het effect was overweldigend. We hadden zomaar honderd sollicitanten waaruit we een mooie selectie konden maken op basis van het profiel dat wij noodzakelijk achten voor onze nieuwe dienst." (B)

[11] "Het feit dat je een heel mooie folder hebt geeft aan klanten het signaal van: het is er, het is niet meer een idee, het gebeurt. Dat is heel belangrijk." (B)

[12] "Ik heb misschien wel honderd oriënterende gesprekken gevoerd en op basis daarvan ben ik tot de conclusie gekomen dat die klanten wel openstaan voor onze dienst." (B)

[13] “Als directie ben ik meer geïnteresseerd in de wijze waarop je inkomsten wilt genereren en wat je gaat doen als het mislukt. Dat er ergens markt voor is geloof ik vaak wel” (D)

[14] “Je moet gewoon doorzetten en geloven dat die revenuen wel komen.” (B)

[15] “Adviseurs zijn hoog opgeleide mensen en die moet je triggeren op inhoud. Dat betekent automatisch dat je ze vrijheid moet geven en als je dat niet doet dan excelleren ze niet” (E)

[16] “Er is genoeg ruimte om een idee scherp te maken binnen Twynstra Gudde, maar tijd om het idee verder uit te werken en op poten te zetten is er te weinig. Ik kreeg twintig dagen terwijl ik er honderd nodig had.” (B)

[17] “Ik heb op een gegeven moment lak aan alles gehad. Ik heb mijn PMC verlaten en ben het gewoon gaan doen. Het was het risico van erop of eronder. Ik had geen garantie dat ik hier zou kunnen blijven werken. Ik vond het niet fijn dat Twynstra Gudde dit zei maar het paste wel bij mijn persoonlijke ambitie om hier iets moois van te maken.”(B)

[18] “Ik heb de directie van Twynstra Gudde wel eens aangesproken dat ik ze te passief en te positief vond over het traject. Naar mijn mening mochten ze wel wat meer doen. Een beetje achterover zitten van de directie is goed te begrijpen in een professionele organisatie met veel wilde ideeën maar ze zouden wel meer toetsend mogen zijn. Ik had behoefte aan een kritisch klankbord om het idee te verbeteren in plaats van een directie die mij vertelde dat het allemaal prachtig was.” (B)

[19] “In de beginfase hebben we samen gekeken wat een werk- en leerbedrijf nou precies betekende: wat is de toegevoegde waarde, wat is de essentie, hoe creëer je draagvlak, in hoeverre heb je Twynstra Gudde nodig?” (C)

[20] “Alle medewerkers hebben recht op variabel inkomen. Eén maand wordt bepaald door het behalen van de 65% target, de andere maand wordt bepaald door 1-op-1 afspraken met de PMC-manager over kwalitatieve doelen die zijn gehaald, bijvoorbeeld het schrijven van een boek. De PMC-manager beoordeeld de mensen die in de PMC zitten en hij of zij kennen ook de variabele beloning toe.” (E)

[21] “Als het gaat om belonen, dan gaat het niet alleen om tijd geven maar ook om te laten zien dat je het goed hebt gedaan. En dan niet alleen in de vorm van bekendheid maar ook in financiële beloningen.” (A)

[22] “Het mooie hiervan is dat dit heel veel ruimte geeft voor nieuwe initiatieven maar het belabberde hiervan is dat heel veel dingen stranden in goede bedoelingen. Die krijgen vervolgens niet de duw in de rug die nodig is om het ook echt van de grond te trekken.” (B)

[23] “Mensen zeggen: geweldig, leuk idee, ik ga helpen maar vervolgens komt er niks van dat helpen. Je zult het hier echt zelf moeten doen!” (B)

[24] “Het gaat binnen Twynstra Gudde niet om formele besluiten maar je moet het zelf oppakken. Waarbij het binnen Twynstra Gudde spannend is dat je door allerlei zachte grenzen heen moet; of je medewerking of tegenwerking krijgt van je professionele collega’s die overal wel wat van vinden.” (B)

[25] “Je moet jezelf steeds afvragen van: hier kan ik wat mee, hier kan ik niks mee. Van gesprekken waarmee je de oorlog niet wint moet je je niet teveel aantrekken.” (B)

[26] “Trail-and-error waarbij je steeds toewerkt naar helderheid en scherpheid.” (A)

[27] “Activiteiten als het aantrekken en opleiden van junioren, het verspreiden van drukwerk, het maken van een website en het adverteren dienen wel nauwkeurig gepland te worden.” (A)

[28] “…niet direct bij de start al allemaal van die afwegingen van waar ga ik mij wel of niet bewegen. Dat kan je nooit weten. Het is rennen en niet een hele zakelijke afweging van ‘is dit hem wel’.”(B)

[29] “Dit bureau is lid van een groot netwerk. Als je kijkt binnen de partnergroep naar relaties, dan heb je bijna overal wel een ingang.” (D)

[30] “Als adviseur zag ik dat opdrachtgevers geïnteresseerd waren in jonge mensen.” (B)

[31] “Wij zijn begonnen vanuit een idee dat dit product een weerklank zou moeten vinden in een aantal grote organisaties. Dit zijn we gaan toetsen en de antwoorden waren bevestigend. Je moet je voorstellen dat die gesprekken half acquirerend en half toetsend waren. Ik had al snel een directeur van Heineken die dit een goed idee vond, een directeur van KLM en iemand op het ministerie. Hierdoor wisten we dat we goed zaten en de opmerkingen die we kregen gebruikten we om ons idee beter af te stemmen op de wensen van de klant.” (B)

[32] “Op het moment dat je het idee hebt dan krijg je daarna ook focus. Overal waar je komt, wat je ziet en wat je hoort gebruik je om je idee te toetsen.” (B)

[33] “Je moet het idee niet tegen iedereen vertellen want er zijn mensen die gaan zeggen: dat is helemaal niks en wat een waardeloos idee. In deze fase zoek je juist inspiratie en je wilt niet dat het idee wordt afgeschoten. Je moet daarom een beetje voorzichtig zijn aan wie je jouw idee toevertrouwt.” (B)

[34] “In 2005 heb ik 150 ballonnen tegen het plafond gehangen met een kaartje eraan: mijn ambitie is het opzetten van een werk- leerbedrijf voor jonge adviseurs” (B)

[35] “We hebben in ons enthousiasme heel veel mensen meegetrokken, die gingen met ons meedenken en meebouwen.” (A)

[36] “Zo heb ik de vijf meest commerciële mensen van Twynstra Gudde in kaart gebracht door simpelweg rond te vragen.”(B)

[37] “De acceptatie hier binnen de tent is heel bepalend geweest. De acceptatie van de partners voor een nieuw initiatief waarvoor ze in eerste instantie bang waren dat het iets van hun markt zou afpakken.”(D)

[38] “Het is een nieuwe dienst en een nieuwe markt, dan moet je wel los. Wij wilden zelf risico dragen en los van huidige afdelingen. Je kunt niet ondernemen met begrotinkjes die bestaan binnen een bestaande afdeling.”(A)

[39] “Onze samenwerking was uniek. Het kan niet beter, we konden alles tegen elkaar zeggen en waren tegelijkertijd respectvol.” (A)

[40] “Het is lastig om jezelf open te stellen en al helemaal om je eigenwijze collega’s erbij te betrekken die ook behoefte hebben aan autonomie.” (B)

[41] “Het zou interessant zijn om daar nog eens een goede analyse op los te laten.” (A)

[42] “We hebben ons eigen atelier kunnen maken om dit vorm te geven.”(A)

[43] “Toen de aandeelhouders eindelijk beslisten waren wij al driekwart jaar bezig en hadden wij al 10 adviseurs in dienst.”(B)

[44] “[J] wilde wat, was hartstikke vasthoudend, durfde zijn nek uit te steken, ging er ook voor en liet niet los. In dit huis kan je het dan ook gewoon gaan doen.”(D)

[45] “Ik heb geen speciale promotiecampagnes uitgevoerd maar alles gaat hier op relatie.” (B)

[46] “Het over de grenzen van de PMC heen werken, dat is verdomd lastig binnen Twynstra Gudde.” (F)

[47] “Dat is iets wat we door samenwerken veel scherper hebben gekregen, dat er toch wel erg grote verschillen zaten tussen onze deelgebieden.” (H)

[48] “De strategie van TG is diffuus, dat is een strategie voor 500 individuen, om iedereen zo goed mogelijk te laten doen wat hij wil en waar hij goed in is.” (G)

[49] “Wij onderscheiden ons op basis van de kerncompetenties van Twynstra Gudde. Wij beschouwen sourcing niet als inkoopactiviteit maar als een verandermanagement opgave. Wij lopen voorop in de markt met de veranderkundige aanpak.” (F)

[50] “De markt is gigantisch. Vooral in een recessie periode is er nog een wereld te winnen voor Strategic Sourcing. Dat zie ik via mijn contacten bij de Universiteit van Groningen.” (G)

[51] “Er is geen proces geweest waarin heel gericht onderzoek is gedaan naar de markt. We hadden zoiets van dit thema is hot: je praat met collega’s, je bezoekt congressen, leest de krant en kijkt televisie.” (F)

[52] “Als je dit project zo belangrijk vindt dan moet je er &*^$^%& ook bij betrokken zijn” (F)

[53] “Ik voel dat ik gewaardeerd wordt doordat de directie aangeeft dat het een belangrijk thema is. Deze waardering vind ik belangrijker dan een financiële beloning.” (G)

[54] “Het zit puur in het commitment over de PMC heen, dat is iets wat de directie zou moeten oppakken. Dan zat ik met [z] en die was hartstikke gecommitteerd totdat het in de eigen PMC weer wat minder lekker ging. De PMC had voorrang.” (F)

[55] “Nu moet je iets nieuws altijd in de avonduren ontwikkelen, in de daguren moet je gewoon je bezetting en je omzet binnenhalen.” (H)

[56] “Dit is een snoepjesfabriek voor nieuwe dingen, alleen zijn wij er enorm slecht in om dingen daadwerkelijk succesvol naar de markt te brengen.”

[57] “De directie zegt tegen iedereen van ga zo door, ontwikkel het. Ze zijn heel enthousiast over nieuwe initiatieven maar ze maken deze steun heel weinig expliciet in de vorm van tijd en geld. Daardoor wordt ruimte heel vaak leegte.” (H)

[58] “We hebben geen mega-masterplan gehad. Wij gaan al snel naar de markt en dan gaan we nog eens kijken naar het concept. Wij gaan dus heen-en-weer en het is niet zo gefaseerd.” (H)

[60] “Het stond heel goed in de stijgers maar in de uitvoering waren de mensen te weinig toegewijd.” (F)

[61] “Wat hier mis gaat is dat iedereen het er maar een beetje bij moet doen waardoor veel dingen blijven hangen in een mooie wetenschap. Dus ik denk dat je in dat organische proces eigenlijk gewoon een aantal stapjes moet inbouwen waardoor je voorkomt dat mensen blijven aanklooien.” (F)

[62] “Ondernemen is gevoel, als je een ondernemer vooraf in een plan gaat zetten dan is gelijk de business al voorbij”(G)

[63] “Door voortdurend in gesprek te blijven met onze klanten proberen we erachter te komen wat er nu echt speelt”. (F)

[64] “Via de rol als lector krijg ik onderzoek naar mij toe van studenten, onderzoekers en andere kenniswerkers, daarnaast haal ik zelf veel uit de Amerikaanse literatuur.” (G)

[65] “We hebben stukjes geschreven in TGdezeWeek, een businessplan geschreven, een eigen portal opgezet en we hebben ons verhaal gedaan op de bureaudag, een partneroverleg, een PMC overleg en tijdens vrijdagmiddagborrels.” (F)

[66] “…het is moeilijk om mensen te committeren aan een thema.” (H)

[67] “Het is lastig om tijd vrij te maken omdat je als een soort duiventil in opdrachten zit.” (H)

[68] “We hebben geen mensen helemaal vrij kunnen maken voor Strategic Sourcing. Mensen deden het er allemaal bij en als mensen heel druk zijn met klantopdrachten dan hadden ze geen tijd.” (G)

[69] “We hebben de ‘Avanti’ afgehuurd. Dit was een tweemaster zeilboot waar we met z’n allen op konden slapen. We hebben expliciet voor een boot gekozen zodat niemand kon ontsnappen.” (G)

[70] “Ik merk dat we binnen een PMC veel meer teambinding hebben dan binnen zo´n business kern construct.” (H)

[71] “We kwamen erachter dat HRM tig andere thema’s had en dat Strategic Sourcing er één van was, terwijl wij altijd dachten dat dit een strategisch thema voor hen was.” (F)

[72] “Ik ondervond irritatie binnen het team omdat mensen hun afspraken niet nakwamen.” (F)

[73] “Als je nu goed zit en je hebt je zaakjes op orde dan ga je niet zo makkelijk de verantwoordelijkheid nemen voor een eigen PMC en de daarbij horende P&L. Dan sta je wel met de billen bloot en liggen de targets een stuk hoger dan nu.” (F)