

# Control Mechanisms in the Consulting Industry: A Comparative Study Across Firm Sizes

Elsa Huemer

Dissertation written under the supervision of Professor  
Pedro Parada

Dissertation submitted in partial fulfilment of requirements for the  
MSc in International Management, at Universidade Católica  
Portuguesa and for the MSc in Strategy, Innovation and Management  
Control at WU University of Economics and Business, May 27<sup>th</sup>, 2025.

## **Abstract**

**Title:** Control Mechanisms in the Consulting Industry: A Comparative Study Across Firm Sizes

**Author:** Elsa Huemer

**Keywords:** Control Systems, Consulting Industry, Control Mechanisms, Integrative Control, Informal and Formal Control

For a firm to perform successfully, it must ensure that employees' actions align with the organization's goals. Control systems are essential tools for providing this alignment, particularly in dynamic and knowledge-intensive industries such as consulting. Despite the importance of control systems, little is known about these systems in consulting firms of varying sizes from a holistic perspective. Therefore, this thesis aims to close that gap and answer the question: What control mechanisms do consultancies employ? Drawing on control theory, this paper examines the types of control, and the degree of formality used across various firm sizes. Utilizing an exploratory, qualitative, multiple-case study design, semi-structured, in-depth interviews were conducted with six practitioners from the DACH region working in consulting, ranging from small start-ups to large global players. The data analysis follows a structured approach, including thematic analysis, word coding, and the identification of differences and commonalities among consulting firms. Findings suggest that all firms apply an integrative control system that combines different control types. Furthermore, the findings reveal that control formality increases with the size of the consulting firm. Large firms tend to use more bureaucratic and formal control systems, whereas smaller firms rely more on informal controls. This study contributes to control literature by demonstrating that control mechanisms in consulting are neither exclusive nor uniformly applied. The paper's findings suggest that control systems should be designed with an awareness of the specific context and environment. These insights provide practical guidance for practitioners for balancing autonomy with strategic alignment.

## **Resumo**

**Título:** Mecanismos de controlo no sector da consultoria: Um estudo comparativo entre as dimensões das empresas

**Autora:** Elsa Huemer

**Palavras-chave:** Sistemas de Controlo, Indústria de Consultoria, Mecanismos de Controlo, Controlo Integrativo, Controlo Informal e Formal

Para que uma empresa tenha um desempenho bem-sucedido, é fundamental que as ações dos empregados estejam alinhadas com os objetivos organizacionais. Os sistemas de controlo são ferramentas essenciais para assegurar esse alinhamento, especialmente em indústrias dinâmicas e intensivas em conhecimento como a consultoria. Apesar disso, pouco se sabe sobre esses sistemas em empresas de consultoria de diferentes dimensões, numa perspetiva holística. Esta tese procura colmatar essa lacuna, respondendo à pergunta: Que mecanismos de controlo utilizam as empresas de consultoria?

Com base na teoria do controlo, o estudo examina os tipos de controlo e o grau de formalidade em empresas de várias dimensões. Adotando uma abordagem qualitativa e exploratória, foram realizadas entrevistas semi-estruturadas a seis profissionais da região DACH, que atuam em empresas desde startups até grandes firmas globais. A análise baseou-se em análise temática, codificação e comparação de padrões entre os casos.

Os resultados mostram que todas as empresas adotam sistemas de controlo integradores, combinando diferentes tipos de mecanismos. Além disso, observou-se que a formalidade dos sistemas aumenta com a dimensão da empresa: grandes firmas tendem a utilizar controlos mais burocráticos e formais, enquanto pequenas empresas recorrem mais a mecanismos informais.

Este estudo contribui para a literatura ao demonstrar que os mecanismos de controlo na consultoria não são exclusivos nem uniformes. Conclui-se que os sistemas de controlo devem ser adaptados ao contexto e ambiente específicos, fornecendo orientações práticas sobre como equilibrar a autonomia com o alinhamento estratégico.

**Table of Contents**

- 1) Introduction..... 6**
- 2) Theoretical Discussion..... 7**
  - a) Consulting Industry ..... 7**
    - i) Professional Service Firms ..... 7
    - ii) Strategic Challenges ..... 8
  - b) Control Theory ..... 8**
    - i) Agency and Stewardship Theory ..... 8
    - ii) Management Control ..... 9
    - iii) Contingency of Controls ..... 10
  - c) Control Systems..... 11**
    - i) Control Types ..... 11
    - ii) Control Formality ..... 14
    - iii) Integrative Control Systems ..... 14
- 3) Methodology ..... 15**
  - a) Research Design ..... 15**
  - b) Data Collection Method..... 15**
  - c) Case Selection ..... 16**
  - d) Research Quality and Limitations ..... 19**
  - e) Data Analysis ..... 20**
- 4) Results ..... 21**
  - a) Input Control..... 21**
    - i) Small Consultancy..... 21
    - ii) Mid-sized Consultancies ..... 22
    - iii) Large Consultancies ..... 24
  - b) Behavior Control..... 28**
    - i) Small Consultancy..... 28
    - ii) Mid-sized Consultancies ..... 29
    - iii) Large Consultancies ..... 30
  - c) Output Control..... 32**
    - i) Small Consultancy..... 32
    - ii) Mid-sized Consultancies ..... 33

iii) Large Consultancies .....	35
<b>5) Discussion .....</b>	<b>36</b>
a) Input Control.....	36
b) Behavior Control.....	38
c) Output Control.....	39
d) Integrative Control Systems.....	40
e) Control Formality .....	43
f) Further Emerging Themes .....	46
<b>6) Implications, Limitations and Future Research .....</b>	<b>47</b>
<b>7) Conclusion .....</b>	<b>50</b>
<b>8) Reference List.....</b>	<b>51</b>
<b>9) Appendix.....</b>	<b>56</b>
a) Interview Guideline.....	56
b) Data Analysis (excerpt).....	59
c) Interview Transcript (excerpt).....	63

## List of Tables

Table 1 Overview Consultancies .....	18
Table 2 Data Analysis Template .....	20
Table 3 Overview Input Control.....	21
Table 4 Overview Behavior Control .....	28
Table 5 Overview Output Control .....	32
Table 6 Overview Integrative Control Systems .....	40
Table 7 Degree of Formality .....	45
Table 8 Data Analysis Example.....	63

## 1) Introduction

Consultancies operate in fast-paced, project-driven environments, where performance heavily depends on human capital and expert knowledge. However, behind every successfully delivered project, consulting firms face challenges. One of the most pressing concerns is ensuring that consultants act and make decisions in the best interest of the firm. The underlying problem is that employees may have differing interests, objectives, and motivations, which can result in higher costs. To tackle this challenge, companies introduce control mechanisms. Control mechanisms range from hiring the right people (input control) to guiding employees in their activities (behavior control) and assessing and incentivizing them to achieve the targeted objectives (output control). Effective design of control systems is crucial for a firm's performance, as it impacts key success factors such as decision speed (Kownatzki et al., 2013), alignment of employees with organizational goals (Eisenhardt, 1985), and innovation (Cardinal, 2001). Consulting firms must carefully design control systems, as their primary asset is the knowledge of their employees, who are considered to work with a high degree of autonomy (Bosch, 2003).

Since the topic of control mechanisms is somewhat complex and extensive, previous literature has primarily investigated the use of control mechanisms in isolation, focusing on one control mechanism in detail (Alvesson & Kärreman, 2007; Snell, 1992). However, only a few research studies have examined how a combination of various control mechanisms has been implemented (Cardinal et al., 2004; Malmi & Brown, 2008). Academic research lacks a view into how consulting firms design their control mechanisms from a more integrative, holistic perspective. Furthermore, control mechanisms can also be informally implemented and often are not as evident as written-down, intentionally designed control mechanisms (Ouchi, 1980).

This paper addresses the research gap by examining what control systems consultancies of different firm sizes use and the degree of formality they maintain. Instead of focusing on a single specific control mechanism, this research examines the various control types implemented by consulting firms across input, behavior, and output control. Additionally, the goal is to compare these systems to firm size. To answer this question, an exploratory qualitative research design was employed. Semi structured interviews with employees from six small, medium, and large consulting firms facilitated the investigation of the control systems. Findings

suggest that all consulting firms adopt an integrative approach to control mechanisms by applying input, behavior, and output controls. Moreover, the formality of the implemented control mechanisms increases with firm size.

The structure of this thesis document is as follows: The subsequent section provides an overview of the literature review, including the consulting industry and control literature. The third section involves the explanation of applied methodology. Next follows Section Four, which describes the qualitative study's results, providing new insights into control mechanisms in consultancies of varying sizes. Section Five discusses the findings in the light of the theory. Lastly, follow the implications, limitations, and potential areas for further research.

## 2) Theoretical Discussion

### a) Consulting Industry

#### i) Professional Service Firms

The consulting industry is continually growing due to the development of new practices and the adaptation to market demands. Therefore, research in that sector has expanded in recent years (Anand et al., 2007). In literature, consulting firms are often referred to as professional service firms, alongside industries such as law and accounting (Greenwood et al., 2005; Greenwood & Empson, 2003; Hitt et al., 2001; Starbuck, 1992; von Nordenflycht, 2010; Winch & Schneider, 1993).

Furthermore, research indicates that professional service organizations possess distinctive characteristics compared to other industries.

First, consulting firms are characterized as knowledge-intensive organizations rather than capital-intensive ones (Bosch, 2003). Their primary value is created not in tangible products, but rather in the expertise and skills of their employees (Starbuck, 1992). Therefore, human capital is a consultancy's primary asset and source of competitive advantage, being valuable, rare, and hard to imitate (Hitt et al., 2001).

Second, employees have more authority and often participate in the firm's organizational governance and decision-making processes. Working autonomously means consultants are authorized to make decisions independently and are mainly self-managed. With some exceptions, consultancies tend to lack outside ownership, providing the firms with greater independence (von Nordenflycht, 2010).

Lastly, consulting firms often implement a distinctive type of ownership structure called “professional partnership”. The professional partnership structure is both an incentive system to motivate employees and a governance system to minimize agency costs. Partnership models count as a key element for balancing central control and local autonomy (Greenwood et al., 1990).

## ii) Strategic Challenges

Consultancies as professional service firms do not only have distinct characteristics but also face various challenges linked to their reliance on knowledge and human capital.

First, since human capital and knowledge creation are significant for consultancies, high employee turnover presents a key challenge to overcome (Winch & Schneider, 1993).

Second, consultancies must constantly balance autonomy and control. Employees work with high autonomy, but firms must still ensure strategic alignment and quality consistency (Anand et al., 2007).

Lastly, consultancies’ primary value creation is providing their knowledge to clients. As a result, there is a high pressure for innovation, knowledge creation, and transfer within the firms (Starbuck, 1992).

## b) Control Theory

### i) Agency and Stewardship Theory

Control mechanisms play a crucial role in aligning an individual's interests with those of the company, especially in consulting firms where employees are expected to work with a high degree of autonomy (von Nordenflycht, 2010). Two dominant theoretical perspectives, agency theory and stewardship theory, provide insights into the assumptions underlying managerial behavior and implications for implementing controls within the firm.

Agency Theory explains the relationship between the principal (the owner) and the agents (employees), whose interests may diverge. The challenge is that agents may act in their own interest rather than that of the principals. This misalignment of interest and risk profiles leads to costs referred to as agency costs. Those agency costs result from investments in control mechanisms, such as monitoring and incentive structures, as well as losses incurred from decisions made contrary to the principal’s interests (Eisenhardt, 1989). This theory can help organizations better understand which control mechanisms to choose. Theory suggests that

when the risk of managerial opportunism is high, formal control mechanisms such as structured performance reviews or quality checks can help align the agent's goals, actions, and capabilities with those of the organization (Davis et al., 1997).

In contrast, Stewardship Theory indicates that employees are inherently motivated to act as the company's stewards. As stewards, they prioritize the firm's long-term success over self-interest. This theory posits that when managers are trusted, goals are shared, and a strong professional identity is established, employees can be trusted without the need for formal controls. According to this theory, informal control mechanisms such as shared values and intrinsic motivation are recommended (Davis et al., 1997).

Research suggests that both stewardship and agency theories should not be viewed as mutually exclusive, but rather as contingent upon factors such as the external environment, firm size, culture, and uncertainty. Notably, the design of control systems itself can significantly influence employee behavior and reinforce tendencies toward agency and stewardship. This contingent view is especially relevant in the consulting industry, where autonomy and accountability must be carefully balanced (Davis et al., 1997).

## ii) Management Control

Control in the organizational context refers to the measures managers take to encourage employees to act in the company's best interest and minimize agency costs (Eisenhardt, 1985). Control mechanisms offer the organization a flexible approach to guiding actions and decisions. It is considered more adaptable than traditional structural frameworks such as centralized hierarchies or decentralized matrices. For organizations, especially those in project-driven and knowledge-intensive sectors, control configurations provide a critical source of linking strategy, behavior, and outcomes (Eisenhardt, 1985).

Control system design is influenced by corporate strategy. When a firm changes its strategic direction, it adapts its control practices accordingly to align employees with the firm (Kober et al., 2007). However, research has found that this relationship is reciprocal. Namely, the organizational structure also influences the corporate strategy, as transformative change results from initiatives that are ultimately integrated into the corporate strategy over time. This highlights the importance of context-sensitive control systems and that control may be very case-specific (Burgelman, 1983).

Moreover, control mechanisms are not solely designed and implemented in isolation. When control systems are developed exclusively by leadership employees, they might show resistance and abandon the headquarters-imposed control mechanisms. This resistance can be shown in a subtle manner, such as disengagement, or in extreme cases, overtly, as in terminating the contract. Therefore, employees commonly play an active role in designing the control systems. These dynamics play an essential role in consulting firms, where employees are the main asset of the firm and are typically self-managed and responsive to project needs (Chown, 2021; Gill, 2019).

The successful performance of consultancy firms depends on balancing autonomy and control to allow professionals to develop their knowledge further (Anand et al., 2007). Innovation is a key factor for consultancies, so firms must balance formal control with flexibility to remain innovative (Starbuck, 1992). However, the literature suggests that skilled employees often resist formal control mechanisms and highly value their autonomy, making it challenging to implement traditional bureaucratic control systems (Starbuck, 1992; von Nordenflycht, 2010; Winch & Schneider, 1993).

Effective control configuration design has several organizational advantages. First, decision speed, which is critical for a firm's success, can be positively impacted by effective control mechanisms (Kownatzki et al., 2013; Robert Baum & Wally, 2003). Second, control systems influence employee well-being, who are a crucial resource for knowledge-intensive firms (Hitt et al., 2001; Ouchi & Johnson, 1978).

Ultimately, control implementation has various advantages and challenges. As a result, understanding the extent to which control mechanisms impact the organization and the social dynamics that can result is key to corporate performance.

### iii) Contingency of Controls

Control literature has been augmenting in the last decades and offers different perspectives on overcoming the agency cost problem. Historically, relatively stagnant views have been applied, lacking key mechanisms. Therefore, a more dynamic approach is recommended for today's complex firms, where consulting is often found (Cardinal et al., 2017). Designing the control system should be viewed rather as a continuous balancing act than a fixed system. Therefore, companies are supposed to adapt controls to improve performance in dynamic environments. The best singular control system does not exist, and effective design depends on various factors (Cardinal et al., 2004). This perspective involves contingency theory, which suggests that

organizations should design their control systems based on the organizational context, environment, and tasks (Eisenhardt, 1985; Otley, 1999; Ouchi, 1979). Further factors considered include supervision costs, performance measurement, and employee motivation (Eisenhardt, 1985).

One contingent factor shown in research is firm size. As firms grow, they are required to adapt their control system (Starbuck, 1992). Larger companies tend to apply hierarchical control, whereas smaller firms rely on informal peer monitoring (Winch & Schneider, 1993). Large knowledge-intensive firms are introducing more structured control mechanisms to manage complexity, including standardization and routines (Snell, 1992). In large and complex organizations, output controls are common when managers need to justify their performance (Ouchi & Maguire, 1975).

Taken together, these insights underscore the importance of designing control systems tailored to the specific context, considering factors such as firm size, complexity, and strategic environment.

## c) Control Systems

### i) Control Types

There are various ways to approach control systems (Cardinal et al., 2004; Ouchi, 1979). Control literature has revealed different forms of controls: Market, Bureaucracies, Clans (Ouchi, 1979), Human Resources (Snell, 1992), Behavior (Ouchi & Maguire, 1975), Hidden (Jermier, 1998), Markets, Rules, Culture (Lebas & Weigenstein, 1986), Performance (Mintzberg, 1989), Output (Jaworski et al., 1993), Input (Cardinal, 2001), Concertive Control (Barker, 1993), and self-control (Kirsch, 1996). A common way to classify types of control is based on the phase of the work process it influences: input, behavior, or output (Kownatzki et al., 2013; Ouchi, 1979, 1992). The following chapter will explain each control type category:

#### **Input Control**

The first category is input control. Input control mechanisms regulate behavior by acquiring resources, including pre-hiring activities, the hiring process, or strategy imposition (Kownatzki et al., 2013; Snell, 1992). Those controls typically have identity-forming functions to reinforce corporate culture and identity (Alvesson & Kärreman, 2007). Therefore, the resulting socializing effects encourage the alignment of the firm's goals with those of its employees (Ouchi, 1979). In consulting firms, employees are commonly hired for their trainability, social

alignment, and capacity for knowledge exchange, in addition to their skills. Once hired, training is implemented to develop the employee's knowledge further (Greenwood & Empson, 2003; Snell, 1992).

Another control mechanism is strategy imposition. This refers to a top-down intervention designed to alter priorities or strategy. These top-down decisions can also limit the flexibility of the affected employees (Kownatzki et al., 2013). Literature suggests that strategy imposition is primarily implemented in larger firms, where headquarters aim to align local offices with global priorities (Burgelman, 1983).

According to the literature, firms with relatively complex and interdependent tasks tend to rely on input control (Snell, 1992). Therefore, consulting firms that provide value through their expertise typically rely on input control mechanisms (Alvesson & Kärreman, 2007).

To sum up, input control encompasses, in addition to hiring and training, mechanisms such as strategy imposition and project staffing.

### **Behavior Control**

The following control type category is referred to as behavior control or process control. These control mechanisms are applied when the controller assesses and evaluates the behavior of the employee, including policies, procedures, and hierarchy, to coordinate activities (Eisenhardt, 1985; Ouchi, 1980). In consulting firms, this is often evident in the project methodologies provided, client interactions, internal checklists, and scheduled quality checks. Behavior controls might also include structured meetings, deadlines, and written guidelines, as well as intervention from headquarters to resolve conflicts in the local offices (Kownatzki et al., 2013).

Next to standardized, structured behavior control mechanisms, peer-based mechanisms also fall under the category of behavior control. Thereby, teams shape expectations, values, and norms to influence behavior and decisions. That control type is also referred to as concertive control (Barker, 1993).

Such mechanisms can enhance quality consistency, reduce task ambiguity, and improve precision (Turner & Makhija, 2006). However, behavior control can imply employee resistance, especially in high-autonomy environments, such as the professional services sector (Gill, 2019). Additionally, when this type of control is implemented, employees tend to perform for the observer instead of maximizing efficiency. This is why increasing transparency by implementing behavior controls can lead to impediments to bringing innovation and knowledge

creation into the organization. Literature calls this the transparency paradox (Bernstein, 2012; Turner & Makhija, 2006).

Behavior control is typically used when tasks are predictable and managers have a clear understanding of the task (Eisenhardt, 1985; Ouchi & Maguire, 1975). Interestingly, this is not the case in the consulting industry, where tasks are mainly non-routine and consultants' deliveries vary from project to project (Bosch, 2003).

In summary, behavior control mechanisms, such as policies, checklists, and peer norms, can enhance precision and accountability but can also impede knowledge creation and innovation.

### **Output Control**

The last control type category is output control, whereby measurable performance outcomes and incentives are emphasized instead of the processes (Cardinal et al., 2004; Eisenhardt, 1985). Output control is also commonly referred to as outcome or financial control. In the consulting industry, it encompasses financial, operational, or strategic targets, such as billable hours, client satisfaction, or project margins, as well as performance assessments that inform decisions regarding promotions and bonuses. Such extrinsic incentives, including bonuses, profit sharing, and career advancement opportunities, are used to align the employee's interests with those of the firm. Next to extrinsic incentives, negative ones are also output controls, including, for example, verbal reinforcement, responsibility replacement, or termination of the contract (Moorman, 1995).

Compared to behavior control, this type of control is considered to offer more autonomy and empowerment, as it allows employees to decide for themselves how to achieve those targets (Moorman, 1995). This aligns well with independent and flexible work areas, enhancing efficiency (Eisenhardt, 1985).

However, academic literature highlights some disadvantages. First, it is argued that this type of control limits innovation (Eisenhardt, 1985). The type of goals must be carefully decided upon, as being evaluated solely on quantifiable metrics can lead to gaming behavior and short-term interests, whereby factors such as long-term client value provision and collaboration may be overlooked (Cardinal et al., 2004; Sitkin et al., 2020).

Output control offers autonomy and efficiency by incentivizing employees on specific outcomes and targets. However, this effectiveness depends on carefully balancing control mechanisms to avoid short-term incentives and reinforce the long-term interests of the firm.

## ii) Control Formality

In addition to the type of control, the degree of formality significantly influences how employees perceive the control and its effectiveness (Ouchi, 1980). Both formal and informal controls typically coexist dynamically in firms and are not strictly separable (Chown, 2021). However, literature argues that formal controls relate to official, written rules and standards that are visible and objective for everybody. In contrast, informal control is characterized by unwritten and unofficial rules that are less objective and often hidden (Gill, 2019). Even though informal control is usually not as apparent as formal control mechanisms, it is frequently intentionally established by leadership as a powerful tool to influence employee behavior (Alvesson & Kärreman, 2007).

In control literature, informal controls are often referred to as clan or concertive control (Barker, 1993; Ouchi, 1980). Research suggests that clan controls facilitate knowledge-sharing and adaptation, but may also hinder decision-making speed (Turner & Makhija, 2006). Furthermore, informal control may even create stricter control mechanisms than formal ones, which are often perceived as restrictive (Barker, 1993). This is frequently the case in informal mechanisms, such as peer monitoring, which can lead to peer pressure (Jermier, 1998). Peer monitoring can be robust when implemented considerately as it can enhance performance, accountability, and collaboration (Loughry & Tosi, 2008).

Ultimately, the interplay between formal and informal control mechanisms is essential in consulting firms, where peer influence, autonomy, and professional identity play a key role.

## iii) Integrative Control Systems

A relatively recent addition to the control literature is the adoption of an integrative approach to control mechanisms. Instead of investing in a single form of control, literature suggests taking a more holistic approach. This holistic approach involves researching control variables as a package, as they do not operate in isolation (Otley, 1999). Literature even points out that studying control mechanisms in isolation can lead to erroneous or incomplete conclusions (Malmi & Brown, 2008). To design an effective control system, hybrid approaches are necessary because organizational controls are most effective when employed in a complementary manner (Kreutzer et al., 2015; Ouchi, 1979).

Depending on the context, some control elements can achieve similar outcomes, whereas others complement each other (Malmi & Brown, 2008). An example of the benefits of the integrative

approach is that behavior and output control are independent and do not substitute for one another. The two control dimensions balance out each other's advantages and disadvantages, leading to complementarity effects (Ouchi & Maguire, 1975). Another study demonstrates that combining formal and informal controls yields better project outcomes. The authors argue that formal mechanisms can be used to (e.g., organizational mandates, role assignments, training programs) build and sustain informal control (Chua et al., 2012).

In sum, theory suggests that consultancies have distinct characteristics and challenges. Carefully designing control systems based on the characteristics and challenges can be a key success factor for consultancies. The Management Control Systems review suggests that a classification of input, behavior, and output control can help assess control configurations, in addition to the degree of control formality.

### 3) Methodology

#### a) Research Design

The main goal of this study is to investigate how consultancies employ different control types and to what degree of formality. To explore this research question, an exploratory research design was used. This exploratory research design included qualitative interviews as theory-informed, comparative case analysis. It allows to identify patterns, similarities, and differences in control practices across consultancies of varying sizes, where each consultancy firm serves as an individual case. This approach helped gather in-depth insights into the control mechanisms implemented in consulting firms, with openness to inductive insights emerging from the interviews (Eisenhardt & Graebner, 2007).

#### b) Data Collection Method

To collect data, qualitative semi-structured interviews were conducted. An interview guideline with open-ended questions was used to ensure consistency and allowed for flexibility to adapt the interview questions based on the interviewee's responses. The interview guide was structured according to five main sections: (1) general questions regarding the firm and the interviewee's role, (2-4) one section for each control type (input, behavior and output), and the corresponding degree of formality, and (5) follow-up questions regarding dynamics and holistic perspective of the control system application.

The literature on control provides a clear picture of potential emerging control types. However, the research design was chosen to be open to different control types that might emerge from the data, adopting an exploratory research approach. This helped lead interviews effectively by allowing the interviewer to switch between sections, ask follow-up questions beyond the interview guidelines, and make minimal adjustments to the questions according to the context.

The interviews were conducted online via Microsoft Teams and lasted between 30 and 60 minutes. A transcribing feature offered by Microsoft Teams was used to analyze the interview content retrospectively and to focus on effective conversation. All participants were from the DACH region, comprising Germany, Austria, and Switzerland. Consequently, the language spoken was German. To minimize the negative connotation with the word “control which translates to “Kontrolle”, the term was avoided or replaced by “Steuerung”, which translates more to “lead” or “guide” (Tittle & Dollar, 2019).

To gather insights into the formality of the control mechanism applied, I asked follow-up questions to clarify whether it was formally written down or informally implemented. This was crucial for classifying the control formality.

### c) Case Selection

The data collection followed Eisenhardt & Graebner’s Polar Type Sampling Strategy. This theory suggests that the researcher selects cases that represent extreme, differing conditions (Eisenhardt & Graebner, 2007). In this case, the extreme variable was employee size, and the consultancy’s employee size ranged from twelve to 300,000 employees. Additionally, the case selection included six consultancies operating in the DACH region. However, this does not necessarily mean that the company only operates in the DACH region. All interviewed practitioners were located in offices in Germany, Austria, and Switzerland. Furthermore, the participant selection was grade independent. Consequently, participants ranged from Associate Consultant to Partner/ Director career levels.

A total of six interviews were conducted to compare different firm sizes. First, three interviews were conducted with large firms that have more than 30,000 employees. One firm is referred to as one of the big three strategy and management consultancies in terms of market share in Germany (Blagoev & Schreyögg, 2019). Another firm is one of the Big Four consultancies, which are large accounting firms (Gardner et al., 2012). The third large consultancy is a major IT-focused consultancy headquartered in France.

Second, two interviews with mid-sized firms that have 200 to 500 employees. One of the mid-sized consulting firms is headquartered in France, and the other in Germany, and both are considered boutique consultancies due to their size.

Lastly, one final interview was conducted with a small consultancy of twelve employees with a start-up character. This distribution balances saturation and representation. Larger firms typically exhibit greater complexity and control, which necessitates more interviews to capture their control practices fully.

*Table 1 Overview Consultancies* offers insights into the consultancy case selection:

<b>Company</b>	<b>Size</b>	<b>Specialization</b>	<b>Employee Number</b>	<b>Regional Presence</b>	<b>Office Location</b>	<b>Head-quarters</b>
<b>Big Three</b>	Large	Strategy & Management (eg. Corporate Strategy)	32,000	World-wide	Austria	Boston, USA
<b>Big 4</b>	Large	Management (eg. Deal Advisory)	273,000	World-wide	Switzerland	London, UK
<b>IT Consultancy</b>	Large	Management (eg. Agile Transformation)	300,000	World-wide	Germany	Paris, France
<b>German Boutique</b>	Mid-sized	Previously: Accounting Now: Strategy (eg. Restructuring)	200	World-wide	Germany	Munich, Germany
<b>French Boutique</b>	Mid-sized	Strategy (eg. Due Dilligence)	300	World-wide	Germany	Paris, France
<b>Start-up</b>	Small	Communication, Culture and Leadership	12	Austria	Austria	Vienna, Austria

*Table 1 Overview Consultancies*

#### d) Research Quality and Limitations

This research methodology has various advantages that helped to gather data successfully and answer the research question. First, qualitative interviews help gather in-depth insights. Since the goal is to investigate informal types of control as well, the qualitative, semi-structured interview methodology was suitable for gathering insights into tacit knowledge. This approach allowed for the exploration of unwritten rules and norms.

Although the research design enabled to gather in-depth insights, it has some disadvantages. The answers to the questions might be subject to several biases. On the one hand, biases on the part of the person being interviewed, and on the other hand, the researcher's biases. The interviewee may misunderstand, question, or engage in impression management (Eisenhardt & Graebner, 2007). The problem was mitigated by structuring questions, adapting questions based on responses, and neutral phrasing. Furthermore, ensuring that the interview partners were aware that the results would be anonymized in the thesis helped gather more realistic results. Moreover, this approach helps to get more unbiased results and limit impression management.

Next, the researcher might be misinterpreting results. This was achieved by basing the research on previous literature, having the control mechanisms categories predefined, while also remaining open to new patterns that could evolve. The quality of interview insights is highly dependent on the interviewee's openness and understanding of the topic, as well as the skills of both parties involved in the interview, such as effective communication.

The nature of the qualitative research has limitations in terms of generalizability due to the small sample size of cases. Conducting qualitative interviews is time-consuming, which limits the number of interviews that can be conducted. However, the depth of the data gathered allows for theory building and analytical generalization. Furthermore, the data has not been validated with internal official documents or observations. As an external person, it is hard to get access to that kind of data to triangulate insights.

### e) Data Analysis

The data analysis followed a thematic analysis approach, whereby the coding of words, patterns, or recurring responses and separating them into categories helped to achieve a more robust analysis.

A table for each interview in the Microsoft 365 tool, specifically Excel, was created to analyze and visualize the transcribed data. *Table 2: The Data Analysis Template* illustrates the categorization process. The quotes from the transcribed interviews were transferred to the designated category of the table. The control mechanisms were assessed based on their formality and type, including input, behavior, and output control. After transferring the quotes to the corresponding cells, they were numbered accordingly in both Excel and transcription tools to maintain a reference for the origin of each quote. The results were six tables, as this analysis was conducted for each of the cases. Those tables were combined for each size, small, mid-sized, and large, to facilitate comparison of practices across sizes, resulting in three summarized tables.

	<b>Formal</b>	<b>Informal</b>
<b>Input Control</b>	<i>“Quote” (1)</i>	<i>“Quote” (3)</i>
	<i>“Quote” (5)</i>	<i>“Quote” (4)</i>
<b>Behavior Control</b>	<i>“Quote” (2)</i>	
<b>Output Control</b>		

*Table 2 Data Analysis Template*

This procedure helped to compare and contrast the various control mechanisms employed across consulting firms of different sizes. A summary of the resulting input, behavior, and output control mechanisms is provided in the next chapter.

#### 4) Results

##### a) Input Control

*Table 3 Overview Input Control* summarizes all input control mechanisms mentioned in the interviews:

	<b>Small</b>	<b>Mid-sized</b>	<b>Large</b>
<b>Formal</b>	- None	- Hiring - Referral Programs - Training - Strategy Imposition	- Hiring - Referral Programs - Training - Strategy Imposition
<b>Mix of formal &amp; informal</b>	- None	- Mentorship - Staffing	- Mentorship - Staffing
<b>Informal</b>	- Hiring - Learning on the Job - Strategy Imposition - Staffing	- None	- None

*Table 3 Overview Input Control*

In the following three chapters, each input control mechanism will be described based on the size category of the consultancies:

##### i) Small Consultancy

The results indicate that the small consultancy lacks a formal hiring process, a clear staffing structure, a comprehensive training program, and a formal top-down strategy. However, the firm relies on some informal input control mechanisms. There is no formal hiring process in place. Personal fit is considered the most essential criterion and is evaluated via informal meetings such as coffee chats. Potential talents are acquired primarily through informal networks, such as employee referrals or proactive job applications. The following quote illustrates that informal hiring method:

---

*“There is no formal staffing process; this is more of a gut feeling issue.”*

*– Austrian Start-up*

---

Furthermore, there is no formal onboarding process for newly contracted consultants; instead, onboarding occurs unofficially, through a process of “learning by doing.” Lastly, informal strategy imposition exists. Leadership has a clear strategy and direction. When leadership realizes that employees do not conform to those expectations, it brings all employees together to provide direction. They rely on communicating goals to give employees a sense of purpose and direction. The quote shows that spontaneous meetings are introduced whenever leadership feels that the organization lacks strategic direction:

---

*“Whenever the management feels that the company is developing in a different direction, the employees are brought together and brought into line.”*

*– Austrian Start-up*

---

## ii) Mid-sized Consultancies

Regarding input control mechanisms employed in medium-sized boutiques, it is worth mentioning that consulting firms have a highly formalized hiring process. Both quotes from the German and French Boutiques illustrate that the formal input control mechanism of formal hiring:

---

*“The hiring process is completely standardized.”*

*– French Boutique*

*“We have a structured hiring process.”*

*– German Boutique*

---

The hiring process always includes HR screening and standardized case studies. However, some details may differ, such as the number of interviews. For example, the German Boutique Consultancy has only one on-site assessment day after a successful HR Screening. In contrast,

the French Boutique has conducted several interviews with different offices in the same region, both online and remotely. Employees can give official referrals, but this has a limited impact on the hiring process. In the French Boutique, referred applicants can usually skip the first HR Interview, whereas there is no impact in the German boutique.

When it comes to staffing consultants on projects, medium-sized boutique consultancies typically employ a process that combines formal and informal elements. Staffing is executed centrally via HR or the leadership level. Thus, formal criteria such as availability and experience are considered. However, informal variables such as network, reputation, and relationships with the project lead play a crucial role in being selected for a project. This mix of formal and informal elements regarding project staffing decisions is illustrated in the following quotes:

---

*“We are staffing via a European staffing pool. However, I can say I want to block the person for my project.”*

*– French Boutique*

*“Partners meet every tuesday and then discuss where resources are needed. So on the one hand, it is somehow previous professional experience, on the other hand, internal network.”*

*– German Boutique*

---

Another input control mechanism is formal strategy imposition, which is represented by, for example, budget limitations. The French boutique consultancy headquarters usually gives the local offices freedom. However, it interferes when budgets are exceeded.

Regarding training, mid-sized consultancies have standardized training programs for new joiners that help them understand the tools and working methods used within the firm. The following quote from the interview shows that training for new joiners:

---

*“For all the new joiners, there is a week of training, where all kinds of training methodologies that we have developed ourselves are learned.”*

*– French Boutique*

---

The German Boutique even has a standardized learning catalog, where all employees can freely select training from highly skilled instructors, ranging from personal development to hard skills. Furthermore, consultants have a mentor responsible for their personal and career development. This mentor is not the consultant's project lead, but they have formal responsibilities, such as staffing or representing the talent in performance reviews. The next two quotes offer insights into the role of the mentor in the consulting firm:

---

*"Your mentor is responsible for your personal development, and he also represents you in the staffing meeting."*

*– German Boutique*

*"The mentor is there to represent you in the semi-annual performance evaluation."*

*– French Boutique*

---

### iii) Large Consultancies

Large consulting firms typically have a structured and formal hiring process, which the human resources department usually organizes. This includes formal elements such as official applications, HR interviews, assessment centers, and case studies, as shown in this quote:

---

*"This is a completely standardized process."*

*– Big Three*

---

In addition to standardized processes, large consultancies have official referral tools to incentivize employees to refer potential talent. Employees are also incentivized financially to do so. However, referrals still need to go through the entire hiring process.

Not only is the hiring process highly standardized, but the staffing of projects in large consulting firms is also highly formalized. However, informally, project leads such as partners and directors can prioritize their favorite employees when it comes to project staffing. Consequently, the informal internal reputation and network are crucial. The staffing process of large consultancies is illustrated in the following three quotes from the interview partner:

---

*“There is an official staffing process, so there are always available people, and then you look at what fits well depending on your profile. Informally, when the partner or any director has favorites, then he will always take them with him on his projects.”*

*– Big 4*

*“We draw on a pool of employees, for example, in the Central East and Europe regions, and so we staff according to competencies. Each partner also builds their own people pyramid. That means you have consultants whom you like and you work with them more often.”*

*– Big Three*

*“There are central staffing tools through which the requests are registered, and then this is played out again in a decentralized manner according to the capabilities of the sub-teams. If you're well connected, you're, in fact, maybe even before a staffing request on the list.”*

*– IT Consultancy*

---

Besides the formalized project staffing practices, formalized onboarding training is standard in large consulting firms to help consultants learn the most essential skills for client-facing projects. The length of the onboarding training varies among firms, ranging from one day to several weeks. Formal onboarding practices are illustrated in the following three quotes:

---

*“There is an onboarding, i.e., "institutes", where people are on it for six to ten weeks at the beginning and learn on the job in a safe environment, because they get small assignments of real projects and get feedback relatively quickly.”*

*– IT Consulting*

*“We always have onboarding weeks at the beginning when you are newly hired.”*

*– Big Three*

*“The onboarding training takes place every 2 months, so depending on when you start, you are there for the next one, and that is simply a training that lasts one day, where consulting basics are explained.”*

*– Big 4*

---

A standardized training catalog is part of the formal input control mechanisms. Progress is typically tracked and included as part of the performance review, which serves as a key output control. Consequently, large consultancies track the training as a Key Performance Indicator (KPI), which is exemplified in this quote:

---

*“We have very classic milestones, training, and compulsory training that everyone has to do at every level.”*

*– Big Three*

---

Mentoring programs, such as those for female professionals, practitioners, and industry groups, are standard in large corporations. Those programs include a mix of formal and informal elements. The mentoring program is structured by employees who organize events and match mentors with mentees. However, informal meetings are organized by the mentor and mentee according to their needs. All large consultancies have mentoring programs, as these quotes show:

---

*“We have a huge number of mentoring programs at every level.”*

*– Big Three*

*“We recently introduced a woman mentoring program, where you could then apply, and then a successful woman would be assigned to you as a mentor.”*

*– Big 4*

*“There are mentoring programs on several levels.”*

*– IT Consulting*

---

The last input control mechanisms mentioned in strategy imposition, which includes top-down decisions and instructions, commonly happen in large consulting firms. These decisions can entail the specific content of the services offered or the allocation of budget according to established strategies. The following two quotes illustrate strategy imposition in large consulting firms:

---

*“These are just top-down decisions that you just have to go along with.”*

*– IT Consulting*

*“There are strategies that are then tied to investment payments. So if Switzerland wants to have investments from global, for example, for new hires, then there are also strategies that have to be assumed.”*

*– Big 4*

---

To summarize, all companies have input control mechanisms in place, which vary in formality and level of detail.

## b) Behavior Control

The following *Table 4 Overview Behavior Control* summarizes behavior control mechanisms resulting from the interviews:

	<b>Small</b>	<b>Mid-sized</b>	<b>Large</b>
<b>Formal</b>	<ul style="list-style-type: none"> <li>- Daily Stand-up</li> <li>- Processes &amp; Policies</li> <li>- Standardized Project Methodology</li> </ul>	<ul style="list-style-type: none"> <li>- Processes &amp; Policies</li> </ul>	<ul style="list-style-type: none"> <li>- Processes &amp; Policies</li> <li>- Project Processes, Methodologies and Documentation</li> <li>- Checklists &amp; Quality Checks</li> <li>- Structured Meetings</li> </ul>
<b>Mix of formal &amp; informal</b>	<ul style="list-style-type: none"> <li>- None</li> </ul>	<ul style="list-style-type: none"> <li>- None</li> </ul>	<ul style="list-style-type: none"> <li>- None</li> </ul>
<b>Informal</b>	<ul style="list-style-type: none"> <li>- Group Dynamics</li> <li>- Corporate Culture &amp; Values</li> <li>- Monitoring</li> </ul>	<ul style="list-style-type: none"> <li>- Group Dynamics</li> <li>- Corporate Culture &amp; Values</li> </ul>	<ul style="list-style-type: none"> <li>- Group Dynamics</li> <li>- Corporate Culture &amp; Values</li> </ul>

*Table 4 Overview Behavior Control*

### i) Small Consultancy

Results show that the small consultancy implemented a formal meeting where all employees meet daily at 9am. The purpose of the meeting was to provide each other with positive feedback and motivate one another, as illustrated in this quote:

---

*“We have a standup meeting every day at 9am, where the whole company comes together and we give each other positive feedback.”*

*– Austrian Start-up*

---

Furthermore, the consultancy has formal standardized written processes and policies, including data protection and expense entry processes. A replicable methodology is used to execute every

project. Informal behavior control includes monitoring and informal quality checks. All consultants work in the same location, either at the office or at the client's site. Consequently, quality checks occur informally and directly. This quote explains the behavior control of monitoring:

---

*“We share a desk. We sit next to each other and look at each other's computers.”*  
– Austrian Start-up

---

Informal behavior control mechanisms at the Austrian Start-up include corporate culture and values. The firm relies on its core values, primarily transparency and effective communication. The leadership level acts as a role model. Furthermore, the founders transparently state the facts, and they expect the same from their employees. The following quote illustrates the informality of the corporate culture and values:

---

*“We don't have written down anywhere on the poster that hangs in our office, but it has become commonplace.”*  
– Austrian Start-up

---

## ii) Mid-sized Consultancies

The pair of medium-sized consultancies exhibits a few standardized and formalized processes and policies. Written processes and policies encompass data protection, expense entry procedures, and the establishment of a formal project code for costs. However, some guidelines are subject to flexibility. For example, adherence to expense restrictions is not strictly executed, and there are no consequences for not adhering to the expense limitations, as shown in the following quote:

---

*“There are processes and policies that are common practice topics, like data protection and expense policies. We have rough guidelines, but we handle them very pragmatically.”*  
– French Boutique

---

There are no formalized project methodologies, project reporting procedures, or quality control measures in place. The meeting structure depends mainly on the project lead. Informal values shape behavior informally. Consultants are typically autonomous and encouraged to adopt an entrepreneurial mindset. They are mainly output-oriented and are encouraged to manage their time independently. The working mode is primarily driven by the most senior person on the project, who determines whether quality checks and meetings are conducted. Therefore, the values and norms vary depending on that person. Mid-sized consulting firms have no formal feedback mechanisms in place. However, employees can receive informal feedback by proactively asking for it. The following two quotes illustrate the lack of formal quality checks and dependence on the project lead:

---

*“The methods that must be used are not prescribed in terms of content. There is no formal reporting during a project, and there is no formal reporting at the end of a project.”*  
– French Boutique

*“Projects are completely independent, and then it really depends on the partner on the one hand, and almost more on the manager on the other.”*  
– German Boutique

---

### iii) Large Consultancies

The group of large consultancies shows several formal processes in place to control behavior. For example, before the project begins, multiple checklists and questionnaires must be completed. Additionally, at the project closure, reports must be filled out, and the client officially takes over the deliverables. Similar procedures also occur during project execution. Standardized daily check-ins, retrospectives to reflect on project success, and mood checks, including questionnaires, are formal practices in large consulting firms. These processes are illustrated in the two quotes from large consultancies interviewed:

---

*“There are many things to do before the start of the pre-project, so there are many questionnaires that you have to fill out. And the official project completion is also more regulated, so we have to write a report on whether*

*we have delivered everything that was previously determined. The customer must also sign it off officially.”*

*– Big 4*

*“We have project retros every week, daily check-ins, and checkouts, and we have a teaming slot once a week.”*

*– Big Three*

---

After each project, consultants must receive formal feedback from the project team that is relevant to their performance evaluations, which serve as output controls. Additionally, in some large consulting firms, anonymized feedback can be provided via tools without a structured framework, as shown in the Big 4 company:

---

*“After each project engagement, we are also supposed to get feedback; the official requirement is four such reviews in the performance year. In addition, there are tools where we can also get unofficial feedback.”*

*– Big 4*

---

Furthermore, large consulting firms rely on values such as peer learning and collaborative behavior. Employees are even incentivized to engage in cooperative behavior because it will be taken into account during the performance review, which is part of the formal output control. The following two quotes show these practices:

---

*“We have a positive influence on the group dynamics, so that we all pull along and push, and everyone has a positive image.”*

*– Big 4*

*“The people first focus and grow by growing others. That's not just a statement, but it's really that you can't be promoted to higher levels if you haven't made sure that you've made other people successful.”*

*– Big Three*

---

In addition to that, managers and senior people determine the culture by leading by example and imposing informal rules and norms, as this example illustrates:

---

*“If you have two managers, whose leadership styles are very different, the employees' cultures are also quite different.”*

*– IT Consulting*

---

To conclude the results of the behavior control mechanisms, it becomes clear that all consultancies have some form of behavior control in place, both formal and informal.

**c) Output Control**

*Table 5 Overview Output Control* shows the results of both formal and informal output control mechanisms identified in the qualitative interviews:

	<b>Small</b>	<b>Mid-sized</b>	<b>Large</b>
<b>Formal</b>	- Revenue targets for leadership	- Performance Review - Extrinsic Incentives	- Target Setting - Performance Review - Extrinsic Incentives
<b>Mix of formal &amp; informal</b>	- None	- None	- None
<b>Informal</b>	- Up or Out - Intrinsic Incentives	- Negative Incentives - Up or Out	- Negative Incentives

*Table 5 Overview Output Control*

**i) Small Consultancy**

The data shows that small consulting firms have only a few formal output control mechanisms in place. The Austrian Start-up has revenue targets only at the leadership level, while the rest of the team lacks targets, performance reviews, bonuses, and so on. This quote highlights the lack of formal output controls:

---

*“But it's not that we say we have any employee KPIs or OKRs now; we don't have that.”*

*– Austrian Start-up*

---

However, they rely on a few informal output controls. As mentioned earlier, they motivate employees by informally expressing appreciation through communication and during daily meetings. Furthermore, up-or-out strategies, where “either you perform or you have to leave the firm” informally exist and are referred to as a “natural phenomenon.” This phenomenon is expected to occur automatically when someone no longer fits in the firm.

## ii) Mid-sized Consultancies

Mid-sized consulting firms typically conduct formal performance reviews for employees. The foundation of that evaluation is the different dimensions that the company selects. Examples of these dimensions include analytical skills and teamwork. The assessment is given top-down by the more senior people the consultants have worked with on a project. The size of the variable financial salary, also referred to as a bonus, depends on the career grade and, in some mid-sized consultancies, also on the performance evaluation per se. In higher grades, such as partner or director, additional KPIs, including sales, become relevant for the variable salary. This is illustrated in the following two quotes:

---

*“This is where the performance is decided, and this is relevant in this sense for the year-end bonus and promotion.”*

*– French Boutique*

*“In principle, this works via dividends, so you say, our company makes a certain profit, and you have certain shares in this profit. This profit is then divided by all the existing shares, and you get it paid out as a bonus. The evaluations are standardized. This has to be done for everyone and give the input, then always those you have worked with, i.e., your managers and partners on the projects.”*

*– German Boutique*

---

In some consultancies, the exact amount and partnership models are subject to negotiation and vary on an individual basis, as shown in the following quote:

---

*“There is a wide variety of partner models; we don't have a standardized model here.”*  
– *French Boutique*

---

Although mid-sized consultancies conduct formal performance reviews, they are not involved in setting formal targets upfront, despite being aware of the criteria that are part of the evaluation process.

In addition to official formal performance reviews, several informal factors also influence evaluations. Since performance reviews are evaluated based on the assessed consultant's internal reputation and relationship with leadership, these factors are considered informal. The following quote underscores the importance of internal reputation:

---

*“If the project manager says, ‘Hey, I like him, I think he is good’, you will get a better overall ranking.”*  
– *French Boutique*

---

Furthermore, informally, there are differences in the difficulty of projects that are not officially taken into account in the reviews. On the one hand, consultants have an incentive to take on relatively easy projects, as they do not directly impact their remuneration. On the other hand, more challenging projects informally give you better standing in the firm when your performance is seen as good. As a result, you will be promoted earlier, which might be an incentive to be assigned to more challenging projects. The German Boutique's quote highlights that dynamic:

---

*“Intensive projects where you do well will of course also give you good reviews, and accordingly, you may be promoted a little earlier, or be promoted at the regular time.”*  
– *German Boutique*

---

Mid-sized consultancies do not have formal up-or-out strategies, including designated quotas of people to be laid off, as shown in this quote:

---

*"We don't really have an upper out per se. So there is no fixed quota where we say somehow x percent per year has to go."*  
– German Boutique

---

However, informally, based on the performance review and multiple feedback rounds indicating that they will not be promoted, some people leave the firm automatically.

Lastly, further extrinsic incentives include events and expensive dinners, which are informally used to motivate employees. Negative incentives, such as assigning tedious tasks, are applied informally.

### iii) Large Consultancies

Regarding formal performance reviews, large consultancy firms have standardized and formalized performance assessments. Initially, individual target setting is involved, based on which consultants are being evaluated along various dimensions. The following quotes show the target setting dynamic:

---

*"We simply have a tool available to enter goals."*  
– Big 4

*"Once a year, you have target setting, where you can note down what your goals are."*  
– IT Consultancy

---

As a result, you can be compared to your peers, and leadership can identify potential areas for improvement. Performance reviews are conducted twice a year and serve as the basis for promotions and variable salary adjustments. Furthermore, additional factors may be relevant to the variable salary, such as the firm's overall performance or the staffing rate on projects. One of the most critical factors is project performance, which is based on an assessment after each project, as shown in this quote:

---

*“For each project, you get an evaluation, which is very standardized, very detailed.”*

*– Big Three*

---

The evaluation criteria are dependent on your level. At higher levels, the variable salary tends to be higher, sales targets are made relevant for bonuses, and some models might even include equity sharing in the company.

Informally, networking and internal reputation are crucial for official performance reviews. As it is illustrated in this quote:

---

*“So it is more important that I know more and more people, because there are more people who are known as independent reviewers.”*

*– IT Consultancy*

---

To summarize, output controls are prevalent in mid-sized and large companies, which employ both formal and informal mechanisms to manage output.

## 5) Discussion

This paper examines the control mechanisms employed by consulting firms of varying sizes. In addition to the types of control, the degree of formality is assessed, and how that is shaped by the consulting context, which is influenced by factors such as knowledge intensity, autonomy, and a high degree of autonomy (Starbuck, 1992; von Nordenflycht, 2010). The exploratory research design enabled the collection of findings that will now be discussed in light of the literature published in highly ranked journals.

### a) Input Control

Results show that input control is present across all six consulting firms, independent of firm size. This is consistent with the literature’s view, which argues that this type of control is essential for managing performance in knowledge-intensive firms (Snell, 1992; Starbuck, 1992).

However, the firms have considerable differences in applying input control in hiring, project staffing, training, mentoring, and strategy imposition.

Results show that a formal hiring process, including an assessment center, hiring criteria, case studies, and other elements, becomes more prevalent with increasing firm size. Literature argues that the hiring risk and need for consistency increase when companies scale. Therefore, professional service firms standardize recruitment and scale internal recruiting practices across locations to ensure cultural and skill alignment (Anand et al., 2007; Greenwood et al., 1990). Another reason to rely on more formal recruiting standards is that it mitigates biases. As a result, firms rely less on the intuition of the hiring person, but integrate more compliant and objective procedures (Snell, 1992).

It is demonstrated that consulting firms rely on networks and relational capital for project staffing, regardless of firm size. This aligns with the literature's view that social capital greatly influences staffing decisions, even in formal systems. This might be because people prefer working with colleagues they trust (Chua et al., 2012). Furthermore, formal tools and processes provide a structured approach. However, over formalization limits flexibility, which is necessary in decisions such as staffing (Bernstein, 2012).

Results suggest that larger companies have structured training, including a standardized training catalog. This provides various advantages, such as ensuring knowledge transfer and reducing dependency on informal learning and mentoring (Cardinal, 2001). Additionally, structured onboarding processes ensure that the employee's expectations, values, and competencies align with those of the firm. This enables strategic consistency across locations and projects (Simons, 1994).

Another common input control in larger consultancies is implementing mentorship programs. Since direct supervision can often become costly, mentoring programs leverage knowledge flow and culture (Turner & Makhija, 2006), which support career progression, identity formation, and talent retention (Greenwood et al., 1990). Another reason to implement mentorship programs is that as a firm's hierarchy expands, informal peer control, or behavior control, becomes less effective. Therefore, mentoring reintroduces human dimensions into bureaucratized firms (Barker, 1993).

A common input control in consulting firms of all sizes is the imposition of strategy. In a larger firm, top-down strategy imposition serves the purpose of translating the strategy into an

operational focus (Simons, 1994). It ensures that decentralized offices do not stray from corporate priorities, especially when incentives diverge (Burgelman, 1983).

## b) Behavior Control

Structured meetings are formal behavior control mechanisms used in consulting firms. These control mechanisms enable leadership to shape behavior directly by applying quality checks and distributing tasks (Cardinal et al., 2004; Simons, 1994). Furthermore, processes and policies, such as expense tracking or data protection policies, are implemented for compliance purposes. This is especially the case in large firms within an international context, particularly when responsibilities must be formally documented (Greenwood et al., 2005; Malmi & Brown, 2008; Ouchi, 1979).

Findings suggest that both small and large consulting firms utilize project methodologies. Various reasons may drive the implementation of formal project methodologies in projects. First, larger firms may adopt these methodologies to ensure quality across projects, scale delivery consistency, and facilitate knowledge transfer (Cardinal et al., 2004). Knowledge transfer is crucial in larger, knowledge-intensive firms, as it reduces dependencies on individual experiences (Turner & Makhija, 2006). Lastly, clients might expect consultants to deliver consistently with proven methods and transparent accountability mechanisms (Greenwood & Empson, 2003).

Next to formal behavior control, behavior is shaped by group dynamics and peer groups. Literature argues that it is often used because it is a powerful and cohesive form of control (Barker, 1993). Furthermore, they do not require significant financial investments (Ouchi, 1979). This informal behavior control is typically linked to formal output controls, such as performance reviews, where peer collaboration is an official target for consultants to be evaluated on (Bernstein, 2012).

Corporate values and cultures are also considered informal behavior control and have been observed in all studied consultancies. This type of informal behavior control sets behavioral expectations, as leaders act as role models, embed expected behaviors, and align teams with the corporate identity (Turner & Makhija, 2006). In a sector where employees work autonomously, this informal set of beliefs and values guides decision-makers to act in the firm's interest (Simons, 1994).

### c) Output Control

Output control is the last control category to be discussed. Findings indicate that small consulting firms typically lack effective output control mechanisms. This can be due to several reasons. First, as seen in the other sections, they mainly rely on input control and behavior control mechanisms. Outcomes are easily monitored face-to-face, with direct feedback involved, and bureaucratic formal systems may be unnecessary (Ouchi, 1979). Second, a small firm may have limited capacity to implement output controls, particularly formal controls in early-stage growth phases. This limitation can include time, data, or human resources (Malmi & Brown, 2008). Lastly, output control can undermine flexibility, which is essential in small firms. Tight output control can be limiting, as it can suppress creativity, learning, and experimentation (Bernstein, 2012).

Another interesting finding is that only large consulting firms have target settings at the beginning of every performance evaluation cycle. Mid-sized firms often lack clear target settings, despite having implemented performance reviews. One reason why mid-sized consulting firms lack formal target setting is that they perceive it as too rigid, as they value entrepreneurship and autonomy. In contrast, target setting might be necessary in large firms to create comparability and strategic alignment. Due to the large size, target setting must be explicitly done to aggregate, monitor, and benchmark consultants with one another (Simons, 1994).

Evaluations in mid-sized firms are mainly based on observed behavior and outcomes rather than predefined goals. This aligns with the literature suggesting that assessment is based on subjective and relational criteria rather than formal metrics in loosely structured environments (Eisenhardt, 1989).

#### d) Integrative Control Systems

*Table 6 Overview Integrative Control Systems* illustrates that all companies have integrated a mix of input, behavior, and output control:

	<b>Small</b>	<b>Mid-sized</b>	<b>Large</b>
<b>Input</b>	<ul style="list-style-type: none"> <li>- Hiring</li> <li>- Learning on the Job</li> <li>- Strategy Imposition</li> <li>- Staffing</li> </ul>	<ul style="list-style-type: none"> <li>- Hiring</li> <li>- Referral Programs</li> <li>- Training</li> <li>- Strategy Imposition</li> <li>- Mentorship</li> <li>- Staffing</li> </ul>	<ul style="list-style-type: none"> <li>- Hiring</li> <li>- Referral Programs</li> <li>- Training</li> <li>- Strategy Imposition</li> <li>- Mentorship</li> <li>- Staffing</li> </ul>
<b>Behavior</b>	<ul style="list-style-type: none"> <li>- Daily Stand-up</li> <li>- Processes &amp; Policies</li> <li>- Standardized Project Methodology</li> <li>- Group Dynamics</li> <li>- Corporate Culture &amp; Values</li> <li>- Monitoring</li> </ul>	<ul style="list-style-type: none"> <li>- Processes &amp; Policies</li> <li>- Group Dynamics</li> <li>- Corporate Culture &amp; Values</li> </ul>	<ul style="list-style-type: none"> <li>- Processes &amp; Policies</li> <li>- Project Processes, Methodologies and Documentation</li> <li>- Checklists &amp; Quality Checks</li> <li>- Structured Meetings</li> <li>- Group Dynamics</li> <li>- Corporate Culture &amp; Values</li> </ul>
<b>Output</b>	<ul style="list-style-type: none"> <li>- Revenue targets for leadership</li> <li>- Up or Out</li> <li>- Intrinsic Incentives</li> </ul>	<ul style="list-style-type: none"> <li>- Performance Review</li> <li>- Extrinsic Incentives</li> <li>- Negative Incentives</li> <li>- Up or Out</li> </ul>	<ul style="list-style-type: none"> <li>- Target Setting</li> <li>- Performance Review</li> <li>- Extrinsic Incentives</li> <li>- Negative Incentives</li> </ul>

*Table 6 Overview Integrative Control Systems*

First, as evident in the literature review, research has demonstrated that firms employ various control mechanisms rather than relying solely on a single control type. This is referred to as an integrative control system in the academic literature. The nature of integrative control systems has been studied across various industries, including industries such as pharmaceuticals, banking, manufacturing, consumer products, aviation, and advertising (Cardinal, 2001;

Cardinal et al., 2004). Furthermore, longitudinal case studies have compared the integrative nature of control systems across multiple years (Cardinal et al., 2004). Since there has been limited evidence that consulting firms adopt an integrative control systems approach, this study contributes to the literature by investigating control types across the categories of input, behavior, and output. The findings suggest that this integrative approach of control types also holds in the consulting industry. Additionally, the mix of various control types in the control systems of consulting firms is not limited to consultancies of a specific size but is an emerging theme across all the consulting firms studied. None of the studied consulting firms relies solely on one single type of control.

Various factors can explain this observed use of different control types. First, consulting firms find themselves in complex environments. Consulting firms are knowledge-intensive firms (von Nordenflycht, 2010). Therefore, output and behavior controls alone are insufficient, and there is a high need for input control (Snell, 1992; Starbuck, 1992). Knowledge-intensive firms must carefully select employees based on specific criteria and established selection processes (Hitt et al., 2001). Furthermore, it is essential to continuously upskill the workforce, as consultants' skills are the firm's primary asset (Greenwood et al., 2005). Consequently, consultancies implement input controls to address the challenge of relying on employees' knowledge and skills (Snell, 1992; Starbuck, 1992).

Another explanation for mixing different types of control is that each employee might require a different type of control. Some individuals may require close monitoring and regular quality checks. In contrast, others do not require that tight guidance and are solely motivated by the performance review, where they might get promoted, acknowledged, and financially appreciated for their accomplishments (Eisenhardt, 1985). This possible explanation has been given in one of the interviews, as illustrated in this quote:

---

*“There are just the people who are more delivery-focused, while others aren't.”*

*– IT Consultancy*

---

However, input control is insufficient to respond to the specific needs of the consulting industry. According to the literature, next to knowledge intensity, another characteristic of professional service firms is employees' high autonomy (Barker, 1993; Greenwood et al., 1990). As a result,

firms must integrate various control types to strike a balance between employee guidance and autonomy. Relying, for example, solely on formal behavior control can be costly, inefficient, and detrimental to employee morale (Eisenhardt, 1985). Additionally, the clients expect the consultants to be flexible and open to adapting to their needs. Limiting the consultants' self-management by integrating behavior control, such as rigid processes, could inhibit that flexibility. The following two quotes illustrate the company's objective of providing the employees with freedom and autonomy:

---

*"We want to encourage autonomy."*

*– Austrian Start-up*

*"You have quite a lot of freedom in what you want to do."*

*– German Boutique*

---

Nevertheless, solely focusing on output control can be insufficient. Motivating the employees to specific outputs, such as KPIs like project success or client satisfaction, can lead to some risks. One is that employees focus on short-term goals and do not act in the firm's long-term interest or uphold its quality standards (Moorman, 1995; Sitkin et al., 2020).

To sum up, organizations use a mix of control types because this approach helps them to balance autonomy with alignment, innovation with standardization, and short-term with long-term outcomes. This approach makes a control system more resilient and adaptive, as it aligns with the dynamic, knowledge-intensive, and decentralized nature of consulting firms (Cardinal et al., 2004; Sitkin et al., 2020).

Lastly, it was suspected that consultancies would rely more on input and output control. This was based on various arguments from the control literature. First, behavior control works best with predictable and well-understood tasks, which is typically not the case in the consulting industry (Eisenhardt, 1985; Ouchi & Maguire, 1975). Scope, topics, and client needs vary from project to project. Second, literature suggests that consultants usually have a high degree of autonomy. This degree of independence implies that consultants should be primarily incentivized to produce the correct output and meet the KPIs in the firm's interest. Lastly, the tasks that consultants are responsible for are non-routine and difficult to predict (von

Nordenflycht, 2010). Consequently, formal behavior control hinders client adaptation, innovation, and knowledge creation (Turner & Makhija, 2006).

According to this argumentation, it is arguable that consulting firms mainly implement input and output controls rather than behavior controls. Findings of this study, however, suggest that this is not the case. Behavior control mechanisms are standard in consulting, regardless of size. Large consulting firms formalize some behavior control. Nevertheless, they rely more on informal behavior control, aligning with small and medium-sized consultancies. Reasons for this might be that consultants self-regulate their behavior due to pressure to perform and identification with their work (Gill, 2019). Furthermore, behavior control may still be essential to ensure efficient knowledge transfer (Turner & Makhija, 2006), and junior consultants might need behavioral guidance, particularly at the beginning of the employee lifecycle (Snell, 1992).

To sum up, the integrative nature of control systems reveals several benefits that the complementary nature of the control mechanisms can explain (Cardinal et al., 2017; Malmi & Brown, 2008). Furthermore, it shows that there is no “one size fits all” approach, and control designers should implement controls contingent upon the environment (Eisenhardt, 1985; Ouchi, 1992; Sitkin et al., 2020).

#### e) Control Formality

Results suggest that consulting firms are not only applying various control types across the three different categories, input, behavior, and output control. However, consulting firms are implementing formal and informal elements within those control types, which is an emerging pattern.

Various explanations are possible for consultancies to use informal control types in conjunction with informal ones. On the one hand, informal controls foster trust, shared values, and culture (Chua et al., 2012; Ouchi, 1980). They foster internal commitment and employee morale when formal control types are perceived as coercive (Alvesson & Kärreman, 2007; Jermier, 1998). On the other hand, formal control provides structure, accountability, and transparency (Cardinal et al., 2004; Eisenhardt, 1985).

Formal input controls, such as structured recruitment processes and clear criteria, ensure consistency in talent acquisition while providing transparency regarding the recruiting criteria and format (Cardinal, 2001; Snell, 1992). However, informal input controls, such as

mentorships or on-the-job learning, are mechanisms that help share tacit knowledge and soft skills within the firm (Anand et al., 2007; Burgelman, 1983).

Furthermore, literature suggests that an overreliance on formal control mechanisms, such as excessive rules, surveillance, and quantitative performance metrics, can have several disadvantages for the firm. Informal controls can fill the gaps and outweigh the disadvantages of formal controls. A disadvantage of formal control, as mentioned in a research study, is that complete transparency, including the full tracking of employees' activities and monitoring, can reduce learning and innovation. Possible results include loss of employee trust, creativity, and engagement, especially in knowledge-intensive industries where client-facing professionalism is crucial for value creation (Sitkin et al., 2020).

Extensive formal control may lead consultants to avoid new approaches, fearing failure, and default to safe and conformist behavior. Those negative results can limit adaptability and problem-solving skills, even though they are key for high-quality consulting work. Consequently, consulting firms are implementing informal control mechanisms to avoid this over-formalization. Informal control mechanisms provide subtle yet practical guidance to align employees' behavior and expectations with the firm's interests (Barker, 1993; Ouchi, 1980). Additionally, informal controls promote intrinsic motivation, reinforce firm identity and cohesion, and allow flexibility (Davis et al., 1997; Greenwood & Empson, 2003). As autonomy is one of the key characteristics of professional service firms, flexibility is crucial for consultants to self-manage tasks according to client needs (von Nordenflycht, 2010).

Another key finding emerging in this thesis is that the degree of formality within each control type – input, behavior, output – tends to increase with firm size. Informal control mechanisms are more commonly used in small consulting firms. Meanwhile, in large consultancies, formal control types are more prevalent. This finding is illustrated in *Table 7 Degree of Formality*. The table displays a heatmap showing the intensity of using formal, informal, and mixed formal and informal control types within each category. Control mechanisms with a mix of formal and informal elements are, for example, mentoring programs, which are semi-structured or staffing that follows specific processes and criteria overruled by informal mechanisms.

		Small	Mid-sized	Large
<b>Input Control</b>	formal			
	mixed			
	informal			
<b>Behavior Control</b>	formal			
	mixed			
	informal			
<b>Output Control</b>	formal			
	mixed			
	informal			

none	low	high

*Table 7 Degree of Formality*

Several explanations in the literature explain this phenomenon. First, as soon as firms scale in employee size, complexity increases. Accordingly, increased complexity increases the need for greater coordination, alignment, and accountability (Mintzberg, 1989). For example, large consulting firms, such as the Big Three consultancies, are located in several countries and have expanded extensively in recent decades (Anand et al., 2007). Therefore, direct supervision is no longer manageable, and informal communication is considered insufficient. To manage this complexity, scaling companies introduce formal control mechanisms. These formal control mechanisms reduce agency costs (Cardinal et al., 2004; Ouchi, 1980; Snell, 1992). Furthermore, the literature suggests that with increasing firm size, the risk of managerial opportunism rises (Eisenhardt, 1989). Consequently, formal control mechanisms, such as performance evaluation, target setting, and process supervision, are employed to ensure alignment (Davis et al., 1997).

Second, in small firms, relationships between employees tend to be closer than in larger companies. Founders can personally monitor, influence, and guide the staff without any written-down rules or procedures (Greenwood & Empson, 2003). As consulting firms grow, personal relationships tend to weaken. Therefore, formal systems such as rules and KPI tracking are necessary, as relational oversight is no longer feasible (Simons, 1994). Correspondingly, research suggests that the effectiveness of peer-based referred to as “concertive control,” an informal control mechanism, decreases as organizational size and anonymity increase (Barker, 1993).

Third, stakeholder pressure is an explanation for the positive relation between firm size and control formality. Large consultancies must meet the expectations of specific stakeholders, including clients and regulators. To maintain legitimacy, consulting firms are expected to have formal controls in place, as these demonstrate professionalism, accountability, and quality assurance (Greenwood et al., 2005).

Fourth, it is arguable that large consulting firms must manage vast amounts of codified knowledge compared to smaller firms (Anand et al., 2007). Firms implement structured systems, such as standardized training and project documentation, to manage the complexity of this large knowledge asset. In contrast, smaller firms rely on informal knowledge exchange, as they have a more organic organizational structure characterized by flexibility and adaptability (Sine et al., 2006; Winch & Schneider, 1993).

Lastly, literature has studied the relationship between control mechanisms and decision speed. Even though formal control mechanisms slow down decision-making speed, they are relevant for coordinating decision-makers and mitigating the risk of agency costs (Kownatzki et al., 2013).

#### f) Further Emerging Themes

One additional emerging theme is related to the organizational structure and size of consultancies. Large corporations are limited by the complexity that comes with their size. Several interview partners mentioned that the future of organizations might involve transitioning to smaller entities to remain more flexible and encourage entrepreneurship. For example, the Austrian start-up aims to promote autonomy, and therefore, it argues that its goal is to remain a small firm (five to 15 employees), as this quote illustrates:

---

*“We are striving for an ‘extended form of franchising’ that does not grow larger but forms independent entities.”*

*– Austrian Start-up*

---

As seen in this study, smaller entities do not require as many formal control mechanisms as larger ones. As firms grow, they often struggle to maintain agility, speed, and autonomy, which can ultimately hinder innovation and adaptability (Mintzberg, 1989). Small units with organic network structures can be more entrepreneurial, faster to act, and accountable (Burgelman, 1983). In conclusion, this is an organizational trend that warrants further exploration in the future.

## 6) Implications, Limitations and Future Research

This paper’s findings contribute in several ways to the managerial implications. Practitioners who seek to design effective control systems in dynamic and knowledge-intensive environments can benefit from this research.

First, managers should combine different kinds of input, behavior, and output control to answer complexity challenges and an autonomous workforce. This integrative approach should be taken independently of firm size, and overreliance on a single control should be avoided. In addition to combining different control types, the degree of formality has to be balanced carefully. Control system designers should ensure that control mechanisms do not harm consultants’ initiative, especially in a client-facing high-ambiguity environment like the consulting industry.

Second, the findings indicate that there is no one-size-fits-all approach. There are recognizable patterns, but controls must be adapted to the specific context, as well as the needs of the consultants and clients. There are several best practices that firms can draw inspiration from, but ultimately, every consultant approaches the work differently. Therefore, it is recommended that firms evaluate the effectiveness of their implemented control systems continuously and adapt the control mechanisms accordingly. The findings suggest that as firm size grows, firms should implement more formalized control mechanisms, whereas in small firms, informal ones are more common.

Lastly, this paper demonstrates that control design can be viewed as a strategic lever. The purpose of control systems is not only to monitor employees, but to align employees' behavior and expectations with the firm's interest. Control systems are, therefore, at the core of strategic decision-making and should not be undervalued.

While this research offers valuable insights and findings into control configurations in consulting firms of various sizes, it is essential to acknowledge the limitations of this study. These constraints can impact factors such as scope, generalizability, and the interpretation of findings.

Regarding the sample size, it is worth noting that it consisted of only six consulting firms. This is due to time and capacity restrictions. Additionally, the study has been conducted qualitatively. Although valuable findings were obtained, there are limitations regarding statistical representativeness. This leads me to the suggestion that future research could focus on a quantitative research design. In addition to the quantitative research, further studies can expand the sample size to enhance the findings.

This expansion can be achieved in terms of size, and it would be interesting to magnify the research design across international borders. This leads to the following limitations of this paper, as it focuses on the DACH region. On the one hand, focusing only on one region limits international comparability. On the other hand, notable cultural differences within the DACH region make it challenging to generalize findings. Cultural differences can encompass norms related to hierarchy or autonomy (Kirkman et al., 2006). Future research could investigate those.

This research employed semi structured qualitative interviews, which facilitate the gathering of in-depth insights and flexibility. However, there are limitations to using this design. Interviewees can engage in impression management, presenting themselves and the firm in the best possible light (Eisenhardt & Graebner, 2007). Some topics, such as performance, autonomy, and corporate culture, can be sensitive. Consequently, there is the risk that some issues will be underreported or distorted.

Additionally, participants were selected independently of grade and seniority. This variable can influence the awareness of control mechanisms and their perception of the control system design. Some interviewees might have limited access to and insights into the control mechanisms implemented.

Not only does the interviewee bring certain constraints to the study, but the interviewer might also limit the generatability of the paper due to interpretation biases. To mitigate the problem, codes and themes were coded using a structured methodology to promote subjectivity. Nevertheless, qualitative interpretation is always open to alternative readings.

Additionally, this study is based entirely on self-conducted interview data. Due to company restrictions, access to internal documents, including HR systems and performance data, was not permitted. Therefore, the validity and reliability of this data can be called into question. Future research should build on this paper's contributions by examining additional data.

One final limitation is the assessment of the degree of formality in the control mechanisms used by consulting firms. The boundary between formal and informal mechanisms is often blurred, making classification more complex. However, the problem was addressed by defining formal controls and asking follow-up questions in the interview.

In addition to the previously mentioned future research suggestions, several research areas can be further explored based on the insights gained from this paper. As one of this study's limitations included some time constraints, a study ranging over a specific period was not feasible. Therefore, future studies can investigate the evolution of control mechanisms within a particular period. This type of research is referred to as a longitudinal research design and has been studied in other contexts and industries. Due to the dynamic nature of the consulting industry, the changes in control systems over time within the sector are an interesting topic for further exploration.

This paper investigates the application of control mechanisms in consulting firms, which are professional service firms. In addition to consulting, other industries, such as professional services, encompassing law firms and accounting firms, can also be explored. However, a similar research design can be used to study not only professional service firms but also industries such as manufacturing or highly regulated industries, like the automotive sector.

The interviewees in this paper are stakeholders of internal consulting firms. However, adding an external view can be an interesting additional approach. An example complements the consultant's view with the client's perspective on how control mechanisms impact service delivery, trust, and value creation.

In addition to this paper, further research can be conducted on how control mechanisms impact employee outcomes. Those outcomes can include indicators for employee satisfaction (net

promoter score) or employee retention (turnover rate). This relationship can be particularly interesting, especially in the consulting industry, which operates in a high-performance culture characterized by high employee turnover.

To sum up, this paper has revealed interesting findings and implications that are valuable for practitioners in knowledge-intensive, project-driven environments. The study provides an excellent foundation for future research to build upon.

## 7) Conclusion

Control mechanisms are a crucial lever for aligning employees' interests, actions, and expectations with those of the firm. This research contributes to the existing control literature by adopting a holistic approach and examining the combination of control mechanisms in consulting firms across various sizes. The exploratory and qualitative nature of this paper enabled the gathering of valuable insights into how consulting firms design their control systems, including informal practices. Findings suggest that firms apply an integrative control design approach in the knowledge-intensive consulting industry. The examined consultancies combine input, behavior, and output control mechanisms. Additionally, the findings suggest that the degree of formality in the control mechanism increases with firm size. In addition to these two main findings, further interesting insights are revealed regarding the application of specific control mechanisms. One finding suggests that the small consulting firm studied rarely has little output control, primarily relying on formal input control, and focuses mainly on behavior control. Another finding shows that mid-sized consulting firms have no target setting in place, while they have performance reviews. In contrast, larger consulting firms integrate both target setting and performance assessments.

Future research can expand on these findings by incorporating a quantitative or longitudinal research design to explore how control configurations evolve in the consulting industry or differ in a cultural context.

Practitioners, exceptionally professional service firms that heavily focus on human capital knowledge, can benefit from the insights gained from this research when designing effective control systems. A contextual, balanced control configuration design is key to business success. Furthermore, control mechanisms should be adapted according to the firm's environment and the stage of its growth. Finally, in an industry where adaptability and knowledge capital define success, effective control system design becomes not just a necessity, but a strategic asset.

## 8) Reference List

- Alvesson, M., & Kärreman, D. (2007). Unraveling HRM: Identity, Ceremony, and Control in a Management Consulting Firm. *Organization Science*, 18(4), 711–723.
- Anand, N., Gardner, H. K., & Morris, T. (2007). Knowledge-Based Innovation: Emergence and Embedding of New Practice Areas in Management Consulting Firms. *Academy of Management Journal*, 50(2), 406–428. <https://doi.org/10.5465/amj.2007.24634457>
- Barker, J. R. (1993). Tightening the iron cage: Concertive control in self-managing teams. *Administrative Science Quarterly*, 38(3), 408–437. <https://doi.org/10.2307/2393374>
- Bernstein, E. S. (2012). The transparency paradox: A role for privacy in organizational learning and operational control. *Administrative Science Quarterly*, 57(2), 181–216. <https://doi.org/10.1177/0001839212453028>
- Blagoev, B., & Schreyögg, G. (2019). Why Do Extreme Work Hours Persist? Temporal Uncoupling as a New Way of Seeing. *Academy of Management Journal*, 62(6), 1818–1847. <https://doi.org/10.5465/amj.2017.1481>
- Bosch, F. A. J. V. D. (2003). [Review of Review of Management Consulting: Emergence and Dynamics of a Knowledge Industry, by M. Kipping & L. Engwall]. *Administrative Science Quarterly*, 48(4), 695–699. <https://doi.org/10.2307/3556643>
- Burgelman, R. A. (1983). A Model of the Interaction of Strategic Behavior, Corporate Context, and the Concept of Strategy. *The Academy of Management Review*, 8(1), 61–70. <https://doi.org/10.2307/257168>
- Cardinal, L. B. (2001). Technological Innovation in the Pharmaceutical Industry: The Use of Organizational Control in Managing Research and Development. *Organization Science*, 12(1), 19–36.
- Cardinal, L. B., Kreutzer, M., & Miller, C. C. (2017). An Aspirational View of Organizational Control Research: Re-invigorating Empirical Work to Better Meet the Challenges of 21st Century Organizations. *Academy of Management Annals*, 11(2), 559–592. <https://doi.org/10.5465/annals.2014.0086>
- Cardinal, L. B., Sitkin, S. B., & Long, C. P. (2004). Balancing and Rebalancing in the Creation and Evolution of Organizational Control. *Organization Science*, 15(4), 411–431.

- Chown, J. (2021). The Unfolding of Control Mechanisms inside Organizations: Pathways of Customization and Transmutation. *Administrative Science Quarterly*, 66(3), 711–752.
- Chua, C. E. H., Lim, W.-K., Soh, C., & Sia, S. K. (2012). Enacting Clan Control in Complex IT Projects: A Social Capital Perspective. *MIS Quarterly*, 36(2), 577–600. <https://doi.org/10.2307/41703468>
- Davis, J. H., Schoorman, F. D., & Donaldson, L. (1997). Toward a Stewardship Theory of Management. *The Academy of Management Review*, 22(1), 20–47. <https://doi.org/10.2307/259223>
- Eisenhardt, K. M. (1985). Control: Organizational and Economic Approaches. *Management Science*, 31(2), 134–149.
- Eisenhardt, K. M. (1989). Agency Theory: An Assessment and Review. *The Academy of Management Review*, 14(1), 57–74. <https://doi.org/10.2307/258191>
- Eisenhardt, K. M., & Graebner, M. E. (2007). Theory building from cases: Opportunities and challenges. *Academy of Management Journal*, 50(1), 25–32. <https://doi.org/10.5465/AMJ.2007.24160888>
- Gardner, H. K., Gino, F., & Staats, B. R. (2012). Dynamically Integrating Knowledge in Teams: Transforming Resources into Performance. *Academy of Management Journal*, 55(4), 998–1022. <https://doi.org/10.5465/amj.2010.0604>
- Gill, M. J. (2019). The Significance of Suffering in Organizations: Understanding Variation in Workers' Responses to Multiple Modes of Control. *Academy of Management Review*, 44(2), 377–404. <https://doi.org/10.5465/amr.2016.0378>
- Greenwood, R., & Empson, L. (2003). The Professional Partnership: Relic or Exemplary Form of Governance? *Organization Studies*, 24(6), 909–933. <https://doi.org/10.1177/0170840603024006005>
- Greenwood, R., Hinings, C. R., & Brown, J. (1990). “P2-Form” Strategic Management: Corporate Practices in Professional Partnerships. *The Academy of Management Journal*, 33(4), 725–755. <https://doi.org/10.2307/256288>
- Greenwood, R., Li, S. X., Prakash, R., & Deephouse, D. L. (2005). Reputation, Diversification, and Organizational Explanations of Performance in Professional Service Firms. *Organization Science*, 16(6), 661–673. <https://doi.org/10.1287/orsc.1050.0159>

- Hitt, M. A., Bierman, L., Shimizu, K., & Kochhar, R. (2001). Direct and Moderating Effects of Human Capital on Strategy and Performance in Professional Service Firms: A Resource-Based Perspective. *The Academy of Management Journal*, 44(1), 13–28. <https://doi.org/10.2307/3069334>
- Jaworski, B. J., Stathakopoulos, V., & Krishnan, H. S. (1993). Control Combinations in Marketing: Conceptual Framework and Empirical Evidence. *Journal of Marketing*, 57(1), 57–69. <https://doi.org/10.2307/1252057>
- Jermier, J. M. (1998). Introduction: Critical Perspective on Organizational Control. *Administrative Science Quarterly*, 43(2), 235–256. <https://doi.org/10.2307/2393852>
- Kirkman, B. L., Lowe, K. B., & Gibson, C. B. (2006). A quarter century of Culture's Consequences: A review of empirical research incorporating Hofstede's cultural values framework. *Journal of International Business Studies*, 37(3), 285–320. <https://doi.org/10.1057/palgrave.jibs.8400202>
- Kirsch, L. J. (1996). The Management of Complex Tasks in Organizations: Controlling the Systems Development Process. *Organization Science*, 7(1), 1–21.
- Kober, R., Ng, J., & Paul, B. J. (2007). The interrelationship between management control mechanisms and strategy. *Management Accounting Research*, 18(4), 425–452. <https://doi.org/10.1016/j.mar.2007.01.002>
- Kownatzki, M., Walter, J., Floyd, S. W., & Lechner, C. (2013). Corporate Control and the Speed of Strategic Business Unit Decision Making. *Academy of Management Journal*, 56(5), 1295–1324. <https://doi.org/10.5465/amj.2011.0804>
- Kreutzer, M., Walter, J., & Cardinal, L. B. (2015). Organizational control as antidote to politics in the pursuit of strategic initiatives. *Strategic Management Journal*, 36(9), 1317–1337. <https://doi.org/10.1002/smj.2306>
- Lebas, M., & Weigenstein, J. (1986). Management Control: The Roles of Rules, Markets and Culture. *Journal of Management Studies*, 23(3), 259–272. <https://doi.org/10.1111/j.1467-6486.1986.tb00953.x>
- Malmi, T., & Brown, D. A. (2008). Management control systems as a package—Opportunities, challenges and research directions. *Management Accounting Research*, 19(4), 287–300. <https://doi.org/10.1016/j.mar.2008.09.003>

- Mintzberg, H. (1989). The Structuring of Organizations. In D. Asch & C. Bowman (Eds.), *Readings in Strategic Management* (pp. 322–352). Macmillan Education UK. [https://doi.org/10.1007/978-1-349-20317-8\\_23](https://doi.org/10.1007/978-1-349-20317-8_23)
- Moorman, C. (1995). Organizational Market Information Processes: Cultural Antecedents and New Product Outcomes. *Journal of Marketing Research*, 32(3), 318–335. <https://doi.org/10.2307/3151984>
- Otley, D. (1999). Performance management: A framework for management control systems research. *Management Accounting Research*, 10(4), 363–382. <https://doi.org/10.1006/mare.1999.0115>
- Ouchi, W. G. (1979). A Conceptual Framework for the Design of Organizational Control Mechanisms. *Management Science*, 25(9), 833–848. <https://doi.org/10.1287/mnsc.25.9.833>
- Ouchi, W. G. (1980). Markets, Bureaucracies, and Clans. *Administrative Science Quarterly*, 25(1), 129–141. <https://doi.org/10.2307/2392231>
- Ouchi, W. G. (1992). A conceptual framework for the design of organizational control mechanisms. In C. Emmanuel, D. Otley, & K. Merchant (Eds.), *Readings in Accounting for Management Control* (pp. 63–82). Springer US. [https://doi.org/10.1007/978-1-4899-7138-8\\_4](https://doi.org/10.1007/978-1-4899-7138-8_4)
- Ouchi, W. G., & Johnson, J. B. (1978). Types of Organizational Control and Their Relationship to Emotional Well Being. *Administrative Science Quarterly*, 23(2), 293–317. <https://doi.org/10.2307/2392566>
- Ouchi, W. G., & Maguire, M. A. (1975). Organizational Control: Two Functions. *Administrative Science Quarterly*, 20(4), 559–569. <https://doi.org/10.2307/2392023>
- Robert Baum, J., & Wally, S. (2003). Strategic decision speed and firm performance. *Strategic Management Journal*, 24(11), 1107–1129. <https://doi.org/10.1002/smj.343>
- Simons, R. (1994). How New Top Managers Use Control Systems as Levers of Strategic Renewal. *Strategic Management Journal*, 15(3), 169–189.
- Sine, W. D., Mitsuhashi, H., & Kirsch, D. A. (2006). Revisiting Burns and Stalker: Formal Structure and New Venture Performance in Emerging Economic Sectors. *The Academy of Management Journal*, 49(1), 121–132.

- Sitkin, S. B., Long, C. P., & Cardinal, L. B. (2020). Assessing the Control Literature: Looking Back and Looking Forward. *Annual Review of Organizational Psychology and Organizational Behavior*, 7(Volume 7, 2020), 339–368. <https://doi.org/10.1146/annurev-orgpsych-012119-045321>
- Snell, S. A. (1992). Control Theory in Strategic Human Resource Management: The Mediating Effect of Administrative Information. *The Academy of Management Journal*, 35(2), 292–327. <https://doi.org/10.2307/256375>
- Starbuck, W. H. (1992). Learning by Knowledge-Intensive Firms. *Journal of Management Studies*, 29(6), 713–740. <https://doi.org/10.1111/j.1467-6486.1992.tb00686.x>
- Tittle, C. R., & Dollar, C. B. (2019). Control Balance Theory of Deviance. In M. D. Krohn, N. Hendrix, G. Penly Hall, & A. J. Lizotte (Eds.), *Handbook on Crime and Deviance* (pp. 243–257). Springer International Publishing. [https://doi.org/10.1007/978-3-030-20779-3\\_13](https://doi.org/10.1007/978-3-030-20779-3_13)
- Turner, K. L., & Makhija, M. V. (2006). The Role of Organizational Controls in Managing Knowledge. *The Academy of Management Review*, 31(1), 197–217.
- von Nordenflycht, A. (2010). What Is a Professional Service Firm? Toward a Theory and Taxonomy of Knowledge-Intensive Firms. *The Academy of Management Review*, 35(1), 155–174.
- Winch, G., & Schneider, E. (1993). Managing the Knowledge-Based Organization: The Case of Architectural Practice. *Journal of Management Studies*, 30(6), 923–937. <https://doi.org/10.1111/j.1467-6486.1993.tb00472.x>

## 9) Appendix

### a) Interview Guideline

#### 1. Hintergrundinformationen (zur Einordnung der Unternehmensgröße & Struktur)

- a. Wie groß ist Ihr Unternehmen ungefähr (Anzahl der Mitarbeitenden, Umsatz, Standorte)?
- b. In welchem Bereich hat sich Ihr Unternehmen spezialisiert?
- c. Wie würden Sie die Führungsstruktur Ihres Unternehmens beschreiben? (z. B. partnergeführt, hierarchisch, dezentral, unabhängige Niederlassungen)
- d. Wie gestaltet sich die Beziehung und Struktur zur Unternehmenszentrale?
- e. Welche Rolle haben Sie aktuell in Ihrem Unternehmen?
- f. Wie lange sind Sie bereits in dieser Position tätig?
- g. Inwieweit sind Sie in Entscheidungen zu Mitarbeitendenführung, strategischen Weichenstellungen und Leistungssteuerung eingebunden?
- h. Haben Sie Entscheidungsautonomie? Welche Entscheidungen können Sie eigenständig treffen und welche nicht?

#### 2. General Control

- a. Wie stellt Ihr Unternehmen sicher, dass die Tätigkeiten der Mitarbeitenden mit den Unternehmenszielen und -interessen übereinstimmen?
- b. Gibt es spezifische Maßnahmen, um das Verhalten und die Leistung der Mitarbeitenden zu lenken?

#### 3. Input Control

- a. Wie werden neue Berater:innen in Ihrem Unternehmen eingestellt?
- b. Verfügt Ihr Unternehmen über eine formalisierte, verschriftlichte Rekrutierungsstrategie?
- c. Welche Schulungsprogramme bietet Ihr Unternehmen für Mitarbeitende an?
  - i. Gibt es strukturierte Einarbeitungsprogramme (standardisierte Trainings, Zertifizierungen)?
  - ii. Oder erfolgt das Lernen eher durch informelles Mentoring und „Training on the Job“?
- d. Wie werden Berater:innen Projekten zugewiesen?
- e. Geben Führungskräfte strategische Richtlinien und Priorisierungen vor?

#### 4. Behavior Control

- a. Gibt es standardisierte Prozesse, Policies oder Regeln die Berater:innen befolgen müssen?
  - i. Sind diese schriftlich festgelegt, oder sind die durch zB die Unternehmenskultur gegeben?
- b. Müssen bestimmte Methoden bei der Projektumsetzung verwendet werden?
  - i. Werden diese strikt vorgegeben oder dienen sie eher als flexible Leitlinien?
- c. Wie stellt Ihr Unternehmen sicher, dass Berater:innen strukturiert arbeiten?
  - i. Gibt es verpflichtende Abstimmungen, Reporting und Qualitätsprüfungen?
  - ii. Oder arbeiten Teams weitgehend eigenständig mit interner Abstimmung?
- d. Wie wird die Leistung während eines Projekts verfolgt?
- e. Inwiefern prägen ungeschriebene kulturelle Normen das Verhalten in Ihrem Unternehmen?
  - i. Gibt es starke interne Erwartungen zu Arbeitszeiten, Kundeninteraktionen oder der Unternehmenskultur?
  - ii. Haben Gruppendynamik und Reputation Einfluss auf die individuelle Leistung?
  - iii. Wie würden Sie die Unternehmenskultur beschreiben?
- f. Greift die Führungsebene ein, wenn es Konflikte gibt?

## 5. Output Control

- a. Welche Anreize setzt Ihr Unternehmen ein?
  - i. Finanzielle Anreize: Gibt es..
    - 1. Boni?
    - 2. Unternehmensbeteiligungen?
    - 3. umsatzbasierte Beförderungen?
    - 4. Partnerstruktur?
  - ii. Nicht-finanzielle Anreize: Gibt es..
    - 1. Anerkennung?
    - 2. attraktivere Projekte?
    - 3. schnellere Karriereentwicklung?
  - iii. Negative Anreize: Gibt es..
    - 1. Up or Out Strategien?

2. Vertragsbeendigungen?
  3. Verbalen Druck?
- b. Wie wird die Leistung in Ihrem Unternehmen gemessen?
- i. Klare Leistungsziele: Gibt es..
    1. abrechenbare Stunden?
    2. Kundenzufriedenheit?
    3. Umsatzvorgaben?
    4. Ziele (KPIs)?
  - ii. Interner Ruf?

## 6. Weitere Aspekte

- a. Würden Sie sagen, dass Ihr Unternehmen verschiedene Steuerungsmechanismen kombiniert, anstatt sich nur auf eine Art der Steuerung zu verlassen?
  - i. Falls ja, wie werden diese verschiedenen Ansätze miteinander verzahnt?
  - ii. Falls nein, warum priorisiert Ihr Unternehmen bestimmte Ansätze gegenüber anderen?
- b. Haben sich die Maßnahmen Ihres Unternehmens im Laufe der Zeit verändert, insbesondere mit wachsender Größe oder zunehmender Strukturierung?
  - i. Falls ja, was hat sich verändert?
- c. Wenn Sie die Art und Weise, wie Ihr Unternehmen Mitarbeitende führt, verändern könnten, was würden Sie verbessern?
- d. Würden Sie sich mehr Flexibilität (weniger formale Vorgaben) oder mehr Struktur (klarere Leistungskriterien) wünschen?
- e. Glauben Sie, dass Steuerungsmechanismen die Leistung in der Beratung eher fördern oder behindern? Warum?

b) Data Analysis (excerpt)

**Legend:**

Formal Input Control

Informal Input Control

Formal Behavior Control

Informal Behavior Control

Formal Output Control

Informal Output Control

	<b>Formal</b>	<b>Informal</b>
<b>Input Control</b>	(14) <i>“Was wir nicht haben wir haben kein Bildungsbudget, Wir haben keinen Weiterbildungskatalog, wir haben keine formellen Pflichttrainings.”</i>	(3) <i>“Immer nur dann funktioniert, wenn du an das glaubst, was du tust. Weil die wie gesagt, an das Thema glauben, an die Tätigkeit glauben und auch an das Wachstum glauben. Es ist auch ganz stark das, was wir den Kunden sagen, gilt auch bei uns intern, also wir setzen ganz stark auf Kommunikation auf Richtung.”</i>
		(9) <i>“Wir haben immer, wenn die Geschäftsführung das Gefühl hat zu Unternehmen entwickelt, sich in eine andere Richtung. Wird das Unternehmen zusammengeholt und eingenordet? Weil es ist total wichtig, vor allem, wenn du in einem Wachstumskurs bist, dass du, dass du in dieselbe</i>

		<p><i>Richtung schiebst und dass du auch an demselben strengen ziehst.”</i></p>
		<p>(11) <i>“So werden auch so werden auch Mitarbeiter ausgesucht. Ja also Consultants, dass wir vorbeikommen, dann ist das. Unser Consultants sind laut der junge Wilde, die Bock haben, den österreichischen Markt umzureißen. Da muss man so auf die Ebene schauen, also ich sag jetzt mal auf der Juniorebene ist es 100% personal. fit. Hire for attitude, Teach Skills”</i></p> <p>(12) <i>“Und unser informeller Hiring Prozess ehrlicherweise ist. Wir finden Leute wurscht, ob aus Netzwerk aus Empfehlung aus sonst irgendwas Bewerbung. Dann gehen 23 Leute mit dieser person mittagessen. Es finden. Vielleicht dann noch ein 2 Gespräche statt und dann wird entschieden passt die Person vom Fit her zu uns oder nicht? aber wir haben jetzt weder einen Case noch haben wir ein Assessment Center, noch haben wir jetzt irgendwelche formellen Kriterien, weil auch wenn du in der Unternehmensgröße, wo</i></p>

		<p><i>wir sind, geht es eher drum passen, die Leute ins Team.”</i></p>
		<p><i>(17) “Es gibt keinen formellen staffing Prozess, das ist eher ein Bauchgefühl Thema, weil wir ganz stark mit eben CE OS, Geschäftsführern, Vorständen arbeiten.”</i></p>
<p><b>Behavior Control</b></p>	<p><i>(6) “Wir haben jeden Tag um 9 ein standup Meeting oder das gesamte Unternehmen zusammenkommt, also begeben uns jeden Tag in der Früh gegenseitig positives Feedback. Das bringt unterbewusst die Leute nach vorne. Und die machen einen besseren Job, weil das wirklich was ist, psychologisch, was Leute motiviert.”</i></p>	<p><i>(1) “Wir teilen uns einen Schreibtisch. Unser gesamtes Team sitzt an einem Schreibtisch.”</i></p>
	<p><i>(7) “Wir haben natürlich so Standardprozesse für für Spesenreisekosten und so Zeugs. gewisse Grund Policies was jetzt angeht weiß nicht welche Tools darf ich verwenden, also also datenschutzgeschichten und sowas.”</i></p>	<p><i>(5) “Alle Projekte, die wir tun, teilen sich auf zwischen mir und dem Geschäftsführer auf. Heißt wir sehen, wie die Mitarbeiter performen. Da gibt es aber ehrlicherweise nichts formelles, weil wir arbeiten hauptsächlich mit österreichischen Mittelständlern zusammen, also 200 bis 1000 Mitarbeitern. Und die sind relativ direkt und schnell im Feedback..”</i></p>

	<p>(8) <i>“Und um das zu erreichen, haben wir einen Relativ klaren Prozess wie wir, wie wir das machen es ist auch ganz klar, wie du eine Kampagne machst, das heißt, unsere Projekte laufen eigentlich immer so ab.”</i></p>	<p>(11) <i>“Und auch ein wichtiges Prinzip ist Klarheit also was wir nicht tun, ist, wenn was gut rennt, sagen wir das, wenn wir es nicht gut rennt, sagen wir das auch, weil wir sind eine Kleine, ein kleines Unternehmen in einer schnelllebigen Branche und schnelllebigen Zeit. Wir haben keine Zeit, irgendwas schönzureden oder irgendwas umzuerbeln, das heißt bei uns ist wirklich Klarheit und das ist das haben wir nirgendwo auf eine beim Plakat festgeschrieben, was bei uns im Büro hängt, sondern das ist, das hat sich so eingebürgert.”</i></p>
		<p>(13) <i>“Onboarding, learning, training: Das ist ganz es ist echt( nur learn on the Job.”</i></p>
<p><b>Output Control</b></p>	<p>(10) <i>“Wir setzen uns also Umsatzziele, was wir pro Jahr erreichen wollen. Es gibt aber ehrlicherweise eher für Geschäftsführung plus mich. Aber es ist nicht, dass wir sagen, wir haben jetzt irgendwelchen irgendwelche Mitarbeiter, KPIS oder OKR so, das haben wir nicht.”</i></p>	<p>(2) <i>“Up or Out als natürliches Phänomen: Das heißt wie gesagt die ich glaub, dass die, dass das Phänomen ein natürliches Unternehmens Phänomen ist, für Consultances und nichts Negatives.”</i></p>
	<p>(18) <i>“So, das heißt der Grund, warum die Staaten bei uns ja ist</i></p>	<p>(4) <i>“Wir haben auch eine ganz starke Kultur der Wertschätzung.</i></p>

	<p><i>nicht die Kohle, sondern weil sie das Gefühl haben, sie können da was coolen dabei sein, was Wachstum, was leiwand ist.”</i></p>	<p><i>Die Business basiert auf dem Prinzip der Reziprozität. Umgangssprachlich auch bekannt als so wie du in den Wald hineinrufst. So kommt es auch wieder zurück.”</i></p>
--	--	---

Table 8 Data Analysis Example

### c) Interview Transcript (excerpt)

**Interviewee:** Alle Projekte, die wir tun, teilen sich auf zwischen mir und dem Geschäftsführer auf. Heißt wir sehen, wie die Mitarbeiter performen. Das einzige, was, was eigentlich ein formeller Performance Review euch notwendig wäre, wäre eigentlich für mich, weil er eigentlich nie sieht, was ich mach und ich nicht sehe, was er macht vielleicht ganz interessant, oder? Ich sehe er macht aber eher nicht, was ich mach. Da gibt es aber ehrlicherweise nichts formelles, weil wir arbeiten hauptsächlich mit österreichischen Mittelständlern zusammen, also 200 bis 1000 Mitarbeitern. Und die sind relativ direkt und schnell im Feedback. Also wenn, wenn dort ein Consultant, schlechten Job macht und das 23 mal dann ruft der an und sagt passt nicht. (5)

**Interviewer:** OK, aber so formelle Sachen gibt es da nicht, dass du mit dem Kunden immer Check ins hat. Und nach Feedback fragt oder ihr innerhalb der Firma Feedback?

**Interviewee:** Was du zum Beispiel hast ist, wir haben jeden Tag um 9 ein standup Meeting oder das gesamte Unternehmen zusammenkommt, also 8 Leute sitzt bei uns. Wir setzen ganz viel, das ist ein bisschen esoterisch auf Energiestatements, also begeben uns jeden Tag in der Früh gegenseitig positives Feedback. Zu irgendwas, was passiert ist, zum Beispiel sage ich lieber Michael. Gestern der Termin, wo wir gemeinsam gesessen sind, der war sehr cool, dass du dort gesagt hast, wie du dich positioniert hast und wie du das Unternehmen vertreten hast, war extrem gut. (6)

**Interviewer:** Sehr spannend.

**Interviewee:** Wir haben auch eine Kultur des Lob und Kritikverhältnisses von 5 zu 1 das heißt, wir versuchen auch als Führungskräfte. Bevor wir einmal kritisieren 5 bis 10 mal zu loben. Warum? Weil die Organisationspsychologie sagt nur wenn du vorher mindestens fünfmal gelobt hast, kann Kritik aufgenommen werden als wertschätzend konstruktives

Feedback. Das heißt, das ist das ist die Form von Feedback, die wir uns untereinander geben, und das ist egal, ob ich das jetzt als Führungskraft einem Junior gebe oder gleichzeitig ein Junior mir gibt. (4)

**Interviewer:** Habt ihr das irgendwo aufgeschrieben, dass ihr das so macht oder hat sich das so etabliert?

**Interviewee:** Das haben wir. Das wurde festgelegt, auch schon vor meiner Zeit. Das wurde festgelegt und wird das Ritual täglich durchgeführt. (4)

**Interviewer:** OK, habt ihr sonst noch irgendwelche solche standardisierten Meetings, so wie du es gerade besprochen hast, irgendwelche Prozesse oder Regeln, die alle Berater verfolgen müssen?

**Interviewee:** Ja, ich mein, wir haben natürlich so Standardprozesse für für Spesenreisekosten und so Zeugs. Wir haben natürlich auch gewisse Grund Policies was jetzt angeht weiß nicht welche Tools darf ich verwenden, also also datenschutzgeschichten und sowas. (7)