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Article

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TIMING OF PROACTIVE ORGANIZATIONAL CONSULTING: DIFFERENCE
BETWEEN ORGANIZATIONAL PERCEPTION AND BEHAVIOUR

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Abstract

The aim of this paper is to show organizational perceptions and behaviours regarding proactive search for consultancy services. Management consulting is operating primarily through the analysis of perceived and existing organizational problems, but on the other hand it could be considered as a creation of value for organizations through the application of knowledge, techniques and, assets to improve organizational performance which is in the unknown and hidden potential part of organizational Johari window. Perceptions of organization are shown through managers and consultants perceptions survey in southeast Europe region. From the other side as an empirical base of real managerial behaviours there is a database of companies which had been proactively asking for consultancy services in southeast Europe region. This research is based on Adizes Institute database, which is the reason we have introduced the Adizes Corporate Lifecycle model theory. We will show the difference of perceptions at what stage in lifecycle organizations should engage consultant help and reality, when companies actually do that. We will use data analysis results to discuss whether timing when organizations decide to proactively engage consultants is the right time for such engagement.

Keywords: Management consulting, Adizes Corporate Lifecycle stages, managerial perceptions, organizational reality, Johari window in organizational consultancy context

JEL Classification: L29, L84, M10

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Introduction

Among various contemporary definitions of management or business consulting services, early definition example of the Association of Consulting Management Engineers (ACME) stands out, defining management consulting as the professional service performed by specially trained and experienced persons in helping managers identify and solve managerial and operating problems of the various institutions of our society, and this professional service focuses on improving the managerial, operating, and economic performance of these institutions (Kipping and Clark, 2012). Management consulting develops and changes along with the technology and industry so the following definition and its explanations must be considered. Management consulting has long been recognized as a useful professional service that helps managers to analyse and solve practical problems faced by their organizations, improve organizational performance, learn from the experience of other managers and organizations, and seize new business opportunities (Kubr, 2002). As a process, management consulting could be stated as a way of practice in helping organizations to improve their performance, operating primarily through the analysis of existing organizational problems and the development of plans for improvement. Management consultancy could be considered as a creation of value for organizations through the application of knowledge, techniques and assets to improve organizational performance.

Management consulting industry developed with the rise of management as a unique field of study, and first consulting firm dated in 1886 and it was Arthur D. Little Inc. in USA. But the expansion in management consultancy industry was in 1980s and 1990s. The industry then stagnated in 2001 and recovered after 2003, with a current trend towards a clearer segmentation of management consulting firms. Management consulting is today divided into numerous specialized domains, such as supply chain management, logistics management, change management, information technology consulting, enterprise integration, mergers and acquisitions, workforce optimization, human resource consulting, financial consulting, taxation and advisory consulting, audit and assurance consulting, virtual-digital management consulting, strategic communication consulting, and many others, which could overlap between. Larger diversified consultancies, such as Booz Allen Hamilton, Accenture, Deloitte, McKinsey, Ernst and Young, PricewaterhouseCoopers, Bain and Company cover wider domains, while smaller organizations usually specialize. Current challenges lie in critiques, such as numerous business books published with techniques which could be helpful for improvement of organization, but do not work in real cases, impression management – presented and promoted false benefits – raised potential client's expectations and not fulfilling it. Also, the rising of digitalized world is one of the biggest challenges for every industry so for consultancy as well, now when lots of knowledge is viral and accessible, competition is not just from large consulting companies, but also from smart individuals.

The main reason of hiring consultants is solving of major problems which could not have been solved by management, mainly by gaining external (objective) advice and use of services/specialized expert knowledge which organization lacks, but has been externally confirmed in practice many times. Consultants can function as bridges for information and knowledge, and that external consultants can provide these bridging services more

economically than client firms themselves (Bessant and Rush, 1995). If managers and outside advisers work out in advance what is expected of each party during their work together, the chances of solving problems are improved. He suggests that managers and consultants structure the engagement according to a hierarchy of goals – which proceeds from the most basic objective, providing information, to the most sophisticated, permanent improvement of organizational effectiveness. The best way to move up that hierarchy is for executives and advisers to work together to identify needs and develop solutions (Turner, 1981). Ringland and Shaikat (2004) summarized research that found management consultancies were employed for five key reasons:

- Organizations need specialist knowledge (industry-specific knowledge, organization-specific or some issue-specific knowledge),
- Organizations need implementation (organization has constrained resources, or it is inexperienced in that type of project, or organization need effective and efficient work done),
- Organization needs validation – assurance (of already done internal work or for decisions or implementation, and from the other hand a better image in front of its clients),
- Organizational need for independence/impartiality (objectivity and distance from “centralized” corporate politics),
- Organizational need for blaming somebody (when internal work goes wrong, or where stakeholders need someone to “sacrifice”, so called “scapegoat”).

We can distinguish proactive engagement, where organizations hire consultants without significant external enforcement, and reactive engagement where main reason is external pressure – e.g. late stage crisis, external entity or legal obligation. Still, there is misunderstanding regarding exact time when consultants should be engaged. Organizational perception for any of five above stated reasons will directly influence actual consultant engagement chance. That perception changes during lifecycle, and depends on number of other factors, e.g. organizational performance, culture and management style. It is appropriate to assume that organizations near the “Prime” lifecycle phase will diminish chance to accept external knowledge and engagement due to enlarged self-confidence and even arrogance. Often it is more important to unlearn, than to learn (Nystrom and Starbuck, 2015), which is even harder in that stage. Individual perception may be different from structural organizational factors and hinder engagement of consultants. Employees may learn that organization needs outside help when organization is still unable to learn and execute that knowledge, because individual learning does not guarantee organizational learning (Senge, 1990). We have found this issue interesting, and with data from confidential consultant’s reports available, have decided to examine following hypothesis:

HYPOTHESIS 1: There is significant difference in distribution of probabilities between perception of lifecycle phases when proactive consulting should be procured, and actual proactive engagement of consultants in organization.

This hypothesis can be reformulated into form harder to prove by quantitative methods, stating that organizations often do not engage consultants at the right time because they

lack knowledge or fail to confess about problems or crisis existence at the first time. So, contrary to common practice in business, organizations may not engage consultants when they learn there is, or expect future development of an issue or crisis. Instead of that consultants should proactively engage organizations and offer them their knowledge, because in most cases it is the knowledge organizations lack in the first place. However uncommon that approach in business is, it is currently dominant in medicine, where focus of efforts shifts toward primary care, mostly on prevention, just like in quality management (Jarrett, 2016). So instead of waiting for medical problem to develop, show and demand costly, timely and risky treatment at secondary or tertiary healthcare level, healthcare workers are preventing it by proactive engagement. Maybe consultants should try the same.

1. Methods

Empirical background of this article is twofold. First part is based on questionnaire answered by 119 managers from companies in Southeast Europe region fitting similar Balkan economy outlook (Savoiu, Taicu and Cudanov, 2016), about perception when do companies proactively search for consultancy services help. Questionnaire had 7 questions, and was sent without bias to 311 random participants within social network of researchers. With total of 119 valid replies, response rate was solid 38.26%. Second part is based on secondary data from consulting experience and case studies of 72 companies from the same region which proactively asked for consultancy services. Case studies were consultant's Syndag® – organizational diagnosis reports database from the Adizes Institute, and multiple case study, as well as extraction of secondary data is method supported in business research (Zikmund et al., 2012).

Syndag® reports are usually about thirty pages long of structured and organized content and results from organization diagnosis workshop. The name represents abbreviation for Synergetic Diagnostic workshop which is the first phase of eleven phases of the Adizes program for organizational transformation. It involves the whole management team of directors of all main functional units and the CEO. The consultants do not do themselves the diagnosis but facilitate through a structured process to identify from the participants the potential improvement points for organization. In today's accelerating change world, just as organizations change from mechanistic (Weber, 2009) to more organic (Burns and Stalker, 1961), organizational consulting follows the sequence in process of organizational diagnosis, changing from external consultant analysis into method of group consultants and management sessions. The consultants lead the participants in classification of the potential improvement points to identify at which stage on the Adizes Corporate Life cycle curve (Adizes, 2004).

To check our hypothesis, we have used chi-square goodness of fit test (Krishnaswamy, Sivakumar and Mathirajan, 2004) to test difference between two distributions of data. Conclusions were provided using inductive and deductive reasoning, following guidelines appropriate for research in business context (Saunders, Lewis and Thornhill, 2011, p. 501). Construct validity as an extent to which an operationalization measures the concept it is supposed to measure (Cook and Campbell, 1979) is analysed by qualitative means, because this questionnaire was originally developed for this research and there is no comparable

data or study on the validity of questionnaire, and because only one method to measure the concept was used, limiting the of advanced statistical analysis of construct validity proposed by Bagozzi, Yi and Phillips (1991). Questionnaire was developed following the guidelines from Saris and Gallhofer (2014) as “concept by intuition”, in order for our questions to measure real impressions of the participants. Second part of our research was primary data, derived directly from observation of consultants. When estimating their accuracy and reliability we bear in mind that consultants worked at least three days in observed organizations, that during the process around one hundred “Potential Improvement Points” or PIPs were identified (Raz, 2009). Also, process of assessing organization is standardized, timing is planned literally to the minute and guidelines are the same for all consultants, who are required to pass exams in standardized skills and knowledge. Finally, companies paid substantial consultant fees for each of those reports with conclusions and estimations, among which important one is current lifecycle phase. Based on that we conclude that accuracy and reliability of data was acceptable.

External validity of the study is mostly limited by our samples in both empirical pillars, focused on Serbia, with 16.81% in questionnaire and 27.78% in analysis coming from neighbouring countries of Croatia, Slovenia, Macedonia, Bosnia & Herzegovina. This limits generalization to the Western Balkan countries, but since Uhlenbruck and De Castro (2000) found many similar trends in the economies of Central and Eastern Europe, generalization of results may be applied to the organizations in countries of Central and Eastern Europe which have finished or are still in the process of transition.

2. Results

Questionnaire replies were first normalized, and then average probability was calculated for each lifecycle phase. Results of the questionnaire are presented in the following figure, and follow expected pattern where proactive consulting is more actively sought during early phases of the lifecycle, peaks in “Prime” and “The Fall“ stages, and then decline during the later stages.

From the analysis of Adizes Institute ASEE database of 72 client companies which proactively searched for consultancy services, companies proactively asked for consultancy services help when they were in following Adizes Corporate Lifecycle stages in percentages: Infancy (5.56%), Go-go (51.39%), Adolescence (30.56%), The Fall (1.39%), Aristocracy (1.39%), Recrimination (8.33%) and Bureaucracy (1.39%). Probabilities are presented in the following figure, and it is observable how strong discrepancy exists in “Go-go” and “Adolescence” phases where actual engagement is much higher than presumed, as well as in “Prime” and “The Fall” stages where actual engagement is much less than presumed. It is very interesting that in Recrimination phase values are practically the same. (Figures no. 1 and no. 2)

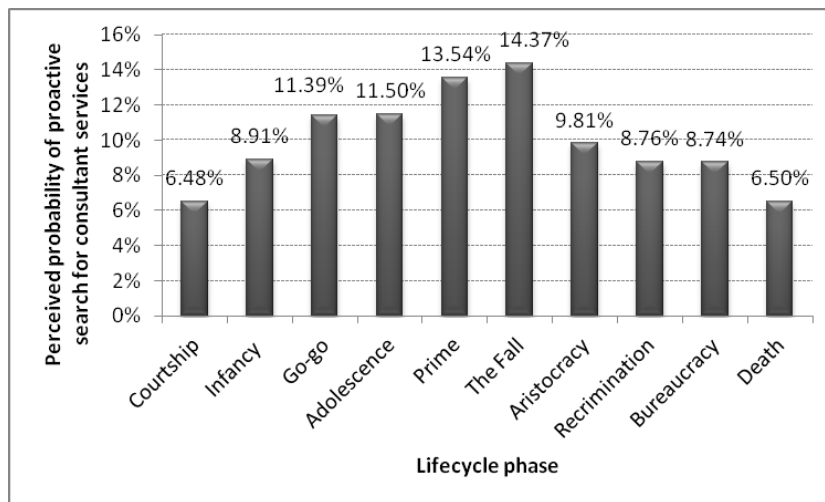


Figure no. 1: Perceived probability of proactive search for consultant services per each Adizes Corporate Lifecycle Stage

Source: questionnaire results

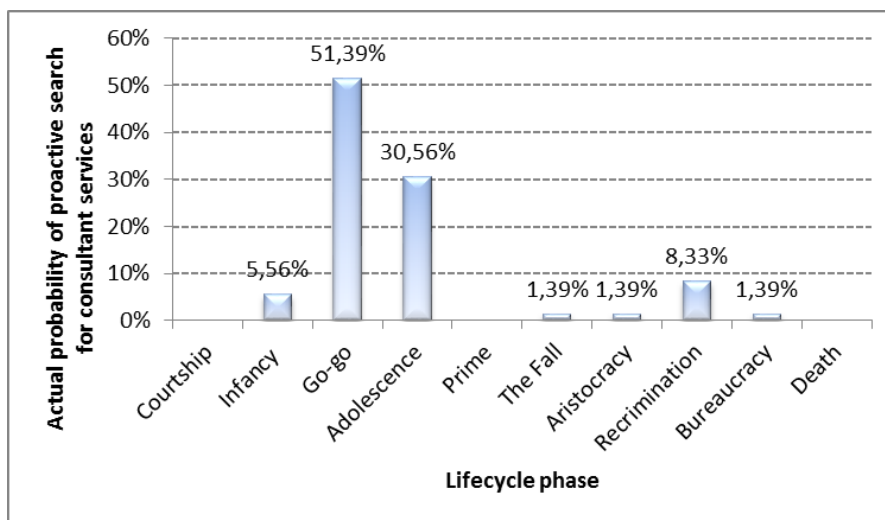


Figure no. 2: Actual probability of proactive search for consultant services per each Adizes Corporate Lifecycle Stage

Source: analysis of consultant reports

Figure no. 3 shows differences between phases, and values were calculated by subtracting actual percentage in that phase from expected percentage. Next, we will examine if differences in distribution are due to the chance.

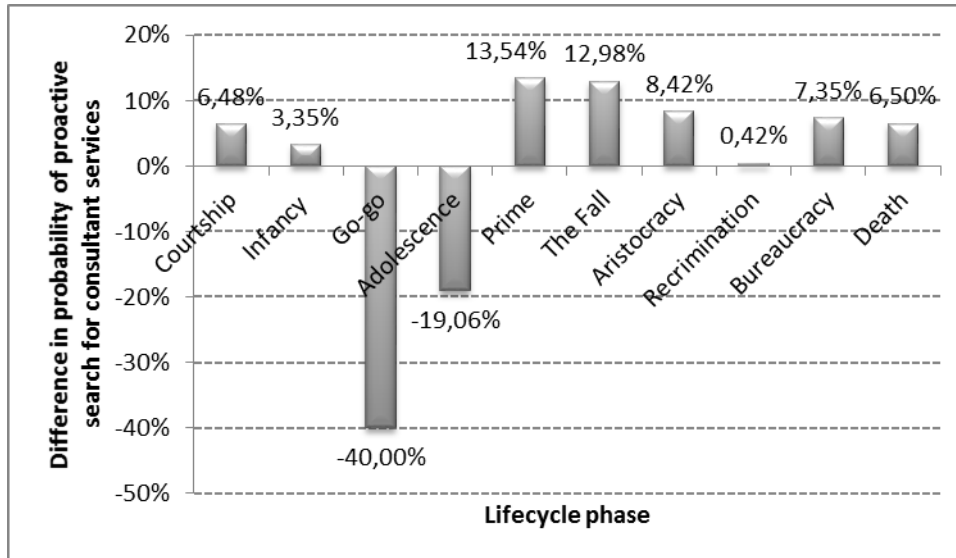


Figure no. 3: Difference between perceived and actual probability of proactive search for consultant services per each Adizes Corporate Lifecycle Stage

Source: questionnaire results – analysis of consultant reports

In order to examine if difference observed is due to chance we have used χ^2 (chi-squared) goodness of fit (GOF) test. First we have checked assumptions required for the test:

- Existence of categorical variable – Phases of Adizes lifecycle have been used as categorization for estimated and actual probabilities. As ordinal variable, because there is clear order of phases, it satisfies requirements.
- There is no relationship between observations and participants in the research.
- Groups of categorical variable is mutually exclusive. In reality, lifecycle phase is closer to continuous variable than to discrete, because consultant reports often describe lifecycle phase as “in-between”, describing characteristics of two consecutive phases. In several cases, reports even found noteworthy characteristics of more than two phases which were not consecutive. In order to eliminate that issue, former Adizes consultant has independently classified each case in the category which was found most representative.
- Minimum of 5 expected frequencies in each group. Since there are severe deviations in the actual distribution among different phases, there are seven categories which were not

represented with at least five frequencies. In order to overcome this issue, those categories were merged and treated as single category, both on the survey data and actual data.

Afterwards data was processed using R-Studio software package. Results are presented in tables no. 1 and 2. Table no. 1 presents perceived probabilities of proactive consultant engagement in the observed lifecycle phase, followed by actual frequency of consultant engagements in the next row. All other seven phases besides Go-Go, Adolescence and Recrimination are aggregated and treated as one, due to the conditions for Chi-squared analysis.

Table no. 1: Values and residuals

Lifecycle phase / consultant engagement data	Go-Go	Adolescence	Recrimination	All other phases
Questionnaire results – normalized values	11.388%	11.500%	8.756%	68.357%
Actual occurrence – frequencies	37	22	6	7
Actual occurrence – expected results	8.199146	8.279798	6.304178	49.216878
Standardized residuals	10.0582182	4.768158	-0.1211474	-6.0176799

Table no. 2: Chi-squared test results

χ^2 (chi-squared)	degrees of freedom	P-value
160.13	3	<2.2e-16

3. Discussion

Our results show there is significant difference of distribution between perceived timing for proactive consultant engagement and actual consultant engagement. P value of <2.2e-16 indicates very little probability that results are due to chance. Also, residual values of 10.0582182; 4.768158; -0.1211474; -6.0176799 show how much approximately standard deviations is the difference between compared distributions in respective categories, and deviations above three are considered large, so our conclusion is that in recrimination phase there is general accord between perception and behaviour, but in all other lifecycle phases there are large deviations. In order to discuss further why could organizations ask for consulting mainly in “Go-Go”, “Adolescence” and “Recrimination” stage we will first review organizational lifecycle theory.

3.1 Main organizational lifecycle models

In 1950, Kenneth Boulding (Boulding, 1950) first suggested the concept of organizational life cycles presenting most general model of lifecycle (Ionescu and Negrusa, 2007). It was followed by Haire (1959) idea that there is uniform path most organizations follow in their

development. Pioneer review research was done by Quinn and Cameron (1983) and it identified nine early models. And each of them emphasizes different aspects and factors as important and valid to be measured and evaluated through organizational change in timeframe from its beginnings to the maturing stages (or end). Here we will list nineteen models:

- Basic model lifecycle with birth, youth and maturity/decline (Boulding, 1950).
- Organizational life cycle model based on research in government bureau (Downs, 1967): Downs' model views government organizations as moving from the establishing of legitimacy, to innovation and expansion, and then to formalization and control (Quinn and Cameron, 1983).
- Organizational life cycle model in based on research in private companies (Lippitt and Schmitt, 1967), corporations progress through three stages of development: birth, youth-developing, stability and reputation, and maturity.
- Organizational life cycle based on strategy and structure (Scott, 1971), Scott's model indicates that organizations progress has 3 stages, from informal "one-man-shows", to formalized bureaucracies, and then to diversified conglomerates.
- A Life cycle theory of a firm (Mueller and Dennis, 1972).
- Greiner's model (Greiner, 1972) organizational grow through evolution and revolution has five stages: creativity, direction, delegation, coordination and collaboration stage.
- Torbert's model (Torbert, 1974) is a model of organizational development based on the individual "mentalities" of organizational member.
- Lyden's model (Lyden, 1975) is based on organizational functional problems and have four stages.
- Lavoie and Culbert's stages of organization and development (Lavoie and Culbert, 1978).
- Katz and Kahn (1978) base their model on the elaboration of organizational structures that develop over timeframe of growth, and they suggest that three main stages occur in organizational life cycle: primitive system stage, stable organization stage and elaborative supportive structure stage.
- Adizes organizational life cycle model (Adizes, 1979) compares the life cycle of a company to life cycle of living organism, and has 10 stages, a life cycle curve and its separation on growth and maturity phases.
- Kimberly's model (Kimberly, 1979) is based on creation and development of medical schools and has four stages.
- Quinn and Cameron (1983) propose four stage model stating entrepreneurial, collectivity, formalization and control stage and elaboration of structure stage.

- Five stage model of small business growth (Lewis and Churchill, 1983) recognize existence, survival, success, take-off and resource maturity as main stages, but do not elaborate on decline process.

- Miller and Friesen (1984) recognize birth, growth, maturity, revival and decline as five stages of growth, without much focus on the pitfalls of described phases but with elaborated empirical research of different characteristics of situation, strategy, structure and decision making process.

- Another influential five stages of small business growth model (Bruce and Scott, 1986) identifies inception, survival, growth, expansion and maturity, along with the characteristic crisis during growth, but does not elaborate decline either.

- Whetten (1987) describes organizational growth and decline process as main phases of the organization.

- Five stage empirical life cycle model (Lester, Parnell and Carraher, 2003) recognizes existence, survival, maturity, renewal and decline, resembling general Miller and Friesen viewpoint and giving more slightly more focus on decline.

- Hanks (2015) presents recent analysis of lifecycle and offers integrated stage and process model and content.

In this paper we will focus on Adizes organization life cycle model (figure no. 4) due to available data. In focus of whole Adizes methodology is change as perpetual process. The corporate life-cycle stages that Adizes (2004) describes in his model provide a useful basis for understanding a fundamental perspective of organizational development, change, and the principles which causes organizational aging. Adizes corporate life cycle theory identifies two common causes, one is that everything even stars (which are not living beings) as its own life cycle, and the other common denominator is change and disintegration as a natural consequence of changing process. Adizes adopted the approach in chaos theory that problems are manifestations of disintegration caused by change (Masterpasqua and Perna, 1997), and then he used that approach to look at the organizational developmental stages through the nature of problems organization is overcoming. The essence is in this conclusion according to Adizes is: if we assume that every system has its own life cycle, as they change progressing along their life cycle, system follows predictable patterns of behaviour. At each stage, system manifest certain struggles, certain difficulties or transitional problems-they must overcome.

Whenever an organization makes the transition from one lifecycle stage to the next, difficulties arise. When an organization expends energy to make effective transitions from old to new patterns of behaviour, these are normal problems. If an organization expends energy inward in futile attempts to remove blockages to change, it is experiencing abnormal problems which usually require external therapeutic interventions. An organization can solve its normal problems with its own internal energy, setting processes in motion and making decisions that will overcome the problems. An organization cannot avoid those normal problems because it needs to learn and develop its capabilities. Normal problems are transitional in nature: You encounter them, solve them, learn from them, and readily move on. Abnormal problems slow the organizational progress, retarding organizational

ability to develop. They frustrate and entrap it in a particular stage of the life cycle. Organizations with normal problems do not require external interventions (Adizes, 2004). Organizations with abnormal problems need interventions from outside, this is the point where the organizations should become aware that they need to proactively search for help of consultancy services. After short explanation of ten Adizes corporate lifecycle stages, we will focus on real situation from database of companies, and see in which stages they proactively search for consultancy services and help, and we will elaborate why.

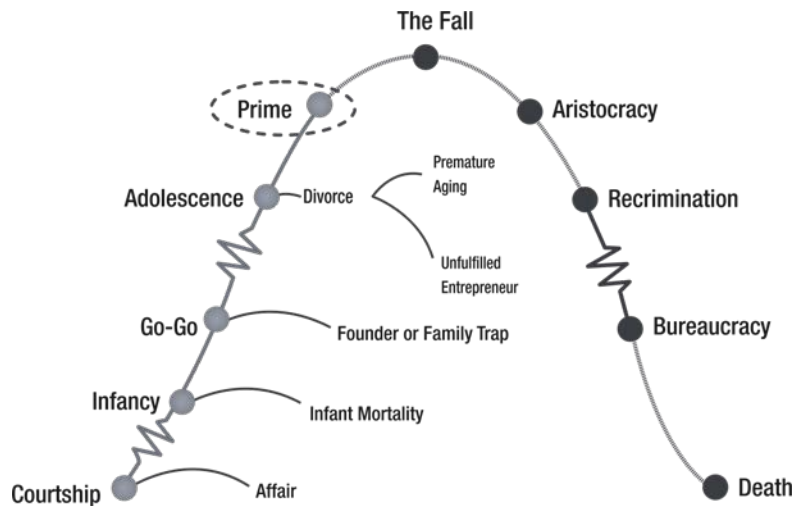


Figure no. 4: Adizes Corporate Lifecycle

Source: Adizes, 2004

3.2 Perceptions of organizational reality

Johari Window model (Luft and Ingham, 1955) is made for individual use to help individuals to see themselves in context of self-perception and perception of others in terms what is known and not known (figure no. 5). Johari window could be extended on organizational level in perspective of an outside world (Joglekar, 2015) and further developed (Mainiero and Tromley, 1994) to show where management consultancy services are needed and useful. If we look at the diagram below which represent Johari window for organizations in context of organizational transformation consultancy services, logically the “unknown to the organization” quadrants are where organizational consultancy services are needed and helpful. The area of Quadrant 2, where we have organizational latent undeveloped possibilities from one side and available knowledge, specific, universal methodology, experience and skills of organizational consultants on the other side, is obvious field for helping the organization to develop its flexibility by activation its latent internal organizational forces, energy and learning capacity.

Interesting is that if organization decide to work on this Quadrant 2 area, it could not just open the learning and change process possibilities, but it could be also used to get organization in condition of rejuvenating itself and preventing of aging on the road to stage of Prime. But for the aiming to Prime stage (top organizational performance) and continuous and healthy organizational growth through the exact amount of flexibility and controllability (Adizes, 2014), organization should also work on Quadrant 4 in Johari window. The value system of a group and its membership may be noted in the way “unknowns” in the life of the group confronted. So called “Unknown aspect of an organization” could be achieved through the change management process implementation in every segment of an organization, from processes to structure, communication of vision and values to culture artefacts and deep beliefs which at the end of the change process become the most valuable asset. In starting the change process, it is something which could not be described and defined – so called intangible and by the end of organizational transformation process it becomes awakened, meaningfully defined internally in organization and impossible to be copied from competitors. It becomes an asset portfolio of key success factors which could not be replicated so easily because of uniqueness of change management implementation process in every organization combined with specific organizational cultural psycho-social DNA, where this organization was firstly aware that need help for improvement, then willing to learn and grow to the full potential and beyond known limits.

Explaining Johari window adapted for organizations in context of organizational transformation consultancy services, we could notice that perception is very important. Perception of organization what is known and what is unknown for itself is actually the perspective of people, of employees and management of this particular organization. It is usually perception of – key people (owners and top managers), who get the information from their employees and colleagues from their own perception. The important question than imposes to us, does the perception of an organization (its management) corresponds with the reality in terms when organization have need for change and consultancy services. Does the organization have perception what is “unknown to them” and when it is the right timing to proactively work on it?

Relating this concept and our research results, we can explain unusually high trend to proactively engage consultants in “Go-go” and “Adolescence” phases as a “sweet spot” between size of Quadrant 1 in Johari window, organizational modesty to accept outsider’s superiority in solving some important internal issue (or even lack of arrogance in some cases) and sense of urgency for observed problems and issues. Those three factors are related similar to series-factor model, so if one factor diminishes all output diminishes along, making it easy to dismiss proactive consultant engagement. Modification of Johari window is a factor we underline as influential, because it is easy for growing organization to become less aware of its problems, especially on the system level of whole organization, due to forming of organizational silos which hinder communication within (Daft, 2009).

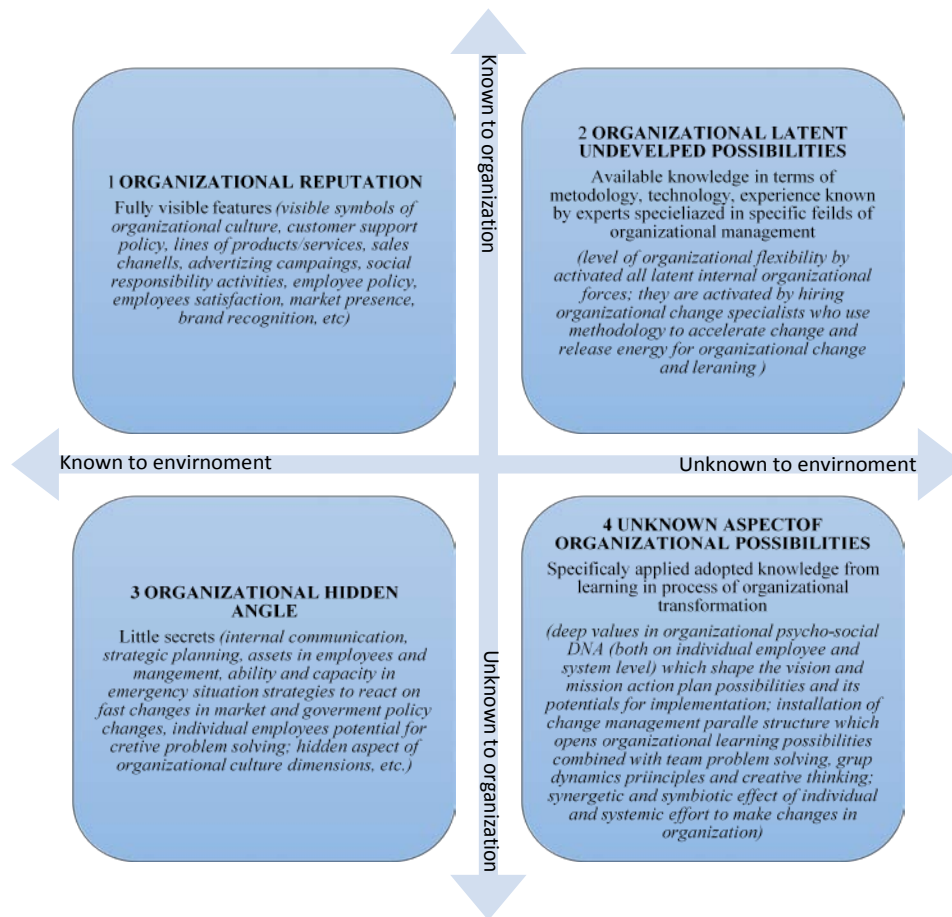


Figure no. 5: Johari window applied to organizations in terms of organizational consultancy services

Source: developed according to Luft and Ingham (1955)

Conclusions

This paper presents differences in perceptions of organizations and actual engagements regarding timing for asking for consultancy services in Southeast Europe region. Based on database of 72 companies from the region which proactively asked for consultancy services and questionnaire answered by 119 managers and consultants from companies in Southeast Europe we conclude that in growing stages, significantly more than in aging stages, the majority of the companies in Southeast Europe region have been proactively asking for consultancy services, specifically in Go-Go and Adolescence stage. If we take into

consideration the results from questionnaire for managers and consultants there is statistical significant difference in perceptions and reality.

The interesting question is why gap in perceptions exist in minds of key people in organizations and even consultants whose job is to help managers in diagnosing and overcoming organizational problems. We have discussed that in the light of corporate lifecycle theory and Johari window, explaining gaps and blind spots in organizational knowledge. Practical contribution of our research can be in opening managers to the idea their organizations sometimes lack the knowledge on a binary decision that consultants should be engaged, let alone what should be their task and project description.

The brief explanation of results found in real cases is in following facts:

- Organizations seek more for consultancy services in Go-Go phase, because they are in the Founders Trap (Adizes, 2004) or lost their way.

- The hardest transition along the growing part of Adizes Corporate Lifecycle curve is between Go-Go and Adolescence in overcoming normal and abnormal problems of growth. Also, from those three phases where the majority of companies from sample are found (Infancy, Go-Go and Adolescence) are full of pathological deviations of the phases. There are: Infant mortality a threat from Infancy stage, Founders trap – in Go-Go stage and Divorce in Adolescence stage which could lead into Premature aging and going directly to aging part of Lifecycle curve or to Unfulfilled Entrepreneur deviation. Most of companies from sample were located in these three growing stages, actually in areas on Adizes Corporate Lifecycle model which include problems characteristic for certain stage, its deviation and even previous stage (company passed through).

- Interesting point is that some of the companies from sample had characteristic problems in aging stages, but they never actually went through Prime stage, and this could be a trap even to consultants if they do not pay attention to this fact that even though the company shows the signs of aging, could go to aging part of the Adizes Corporate Lifecycle curve by deviation, but its location when organization proactively search for consultancy service is designated in growing stage.

- Organizations are less aware of need for help in phases of Aristocracy and Bureaucracy because they are into the Finzi-Contini syndrome (Adizes, 2004) where powered group dynamic of management team overruled each one of them in actual personal awareness of situation. Aristocracy companies are rich and sleepy and lulled into the image of success. In Bureaucracy companies are usually subsidized by political forces, and because of that they do not have pressure to change.

- In phase of Recrimination, organizations usually hire consultants for financial restructuring. As Adizes does not do that, thus we do not have data about this location on Adizes Corporate Lifecycle model.

This is one of the limitations of this paper because our data is biased to what Adizes methodology® can do. Other limitations might be “blind area” in the Adizes institute itself, besides knowledge regarding Recrimination phase – maybe organizations perceive this organization as best for engaging in “Go-go” and “Adolescence phases. This limitation

might be solved by using multiple data sources from number of major and acknowledge consulting companies, but since consulting firms usually keep their knowledge to themselves, and often are legally bound to non-disclosure we would recommend other approach to future researchers trying to find original empirical data unbiased by single source. Survey participants might not know Adizes lifecycle and methodology, so part of answers can have bad influence to accuracy and reliability of estimations. Companies from our sample might be biased by strategic environment and redirected to solving more urgent economic issues (Jednak and Kragulj, 2015). Also, research can be extended beyond borders of South East Europe with larger sample which would extend generalization. Our main contribution might be that key organization decision makers will consider successful quality management and healthcare system concepts of prevention as a parallel to engaging consultants. Rational patient should visit doctor regardless of feeling perfectly well in order to prevent possible issues, because doctor might know something that patient doesn't. Quality should be ensured early in the process, not controlled at the end when everything is over and there are no easy, cheap and quick solutions. Consultants should not only be engaged when organization thinks there is the need for their services, but even when organization feels no need – they might know something organization does not. After all, that is one of the main reason for consultant engagement.

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