

# **HOW INTERNAL PUBLIC SECTOR IT CONSULTANTS “WORK”? THE CONCEPTUALIZATION OF POWER/KNOWLEDGE IN THE USE OF INTERNAL CONSULTANTS IN A SAUDI UNIVERSITY**

Ibrahim Almatrodi  
*University of East Anglia*

## **ABSTRACT**

This paper examine the role of “internal consultant,” related to the implementation of an Enterprise Resources Planning in public service organizations a large university in Saudi. To study a role or how consultants work the researcher integrate two theoretical works one from Cleggs Circuits of power and the second Absorptive Capacity. The researcher applied these theoretical positions on single case study of a university in Saudi Arabia. It conclude of a framework explains the work of such internal consultants to help understand the role of such internal expertise which the literature lack examining.

## **KEYWORDS**

Consultants, Circuits of power, Absorptive capacity, Universities.

## **1. INTRODUCTION**

The aim of this research is to develop a theoretical framework for analysis of the engagement of IT consultants in the public sector. IT consultants usually face challenges and complex problems that home organizations with their current personnel skills may not confront. Due to the high strategic importance expressed by many public organizations to implement or use IT systems such as Enterprise Resources Planning (ERP) systems, the involvement of consultants is extremely important for those organisations and for public sector organizations. To be able to build such a theoretical framework that can be used successfully in the analyses of the case study that this research is studying, the paper argues that it can help us understand the process of power, the nature of establishing networks, and how to understand power/knowledge by focusing on the process of its implementation. Through the study the researcher has realized that the practices of internal consultants and the mechanisms of their work have to be studied. This research wished to study if the current example of such involvement in internal expertise and other similar cases are a move forward for organizations.

## **2. DEFINING POWER POLITICS AND POWER KNOWLEDGE**

This research aims to develop a theoretical framework for studying how the Enterprises Resources Planning (ERP) internal consultants “work”. In order to be able to develop such a framework an in-depth understanding of how consultants’ expertise and advice is delivered is needed. An overview of knowledge-based theories will be required as well as power/politics theories because such a framework cannot ignore these two notions which underpin the practices of consultants. An explanation of each concept thus is necessary in order for us be capable of establishing a framework that can help us approach our research in exploring the power of ERP internal consultants.

The theories we have that looked at knowledge's wide use in Knowledge Management literature understand knowledge from different aspects. An early discussion of knowledge can be found in the work of Polanyi (1962), where he provided the basic modern philosophical background. Other scholars such as Davenport and Prusak (1998) extended the discussion and the implications presented a kind of western understanding of how knowledge can be developed and implemented, and Nonaka and Takeuchi (1994) provided a more eastern Japanese view of the concern. Davenport and Prusak explained knowledge as the total sum of experiences, values, and information held at the individual and social levels and used by the individual members of an organisation that can lead to new experience (1998). Additionally, Nonaka and Takeuchi (1994) emphasised that knowledge is "a dynamic human process of justifying personal belief toward the truth" (p. 58). This debate kept moving forward when Blackler (1995) described knowledge as "multi-faced and complex, being both situated and abstract, implicit and explicit, distributed and individual, physical and mental, developing and static, verbal and encoded" and also emphasised propriety to focus on the process of knowing rather than the previous explanations.

Absorptive Capacity is an example of the process of knowledge as Blackler asked for the focus to be on future research. With its many definitions it was started by Cohen and Levinthal (1990) who told us that Absorptive Capacity is "the firm's ability to recognize the value of new, external, assimilate it and apply it to commercial ends" (p. 128). Other researchers emphasised that it can help deliver organisational needs (Mowary and Oxley 1995); others such as Zhara and George (2002) believed it can produce competitive advantage, and still others (e.g., Liao et al. 2007) recognised the need to use and obtain external and internal knowledge. There are four famous activities explained clearly by Zhara and George (2002): knowledge acquisition, assimilation, transformation, and exploitation; those four will help deliver absorptive capacity and result in competitive advantage.

Absorptive Capacity misses a lot of the nature of everyday organisations, which is organisational politics. As Blackler emphasised, there is a need to focus on the process of knowing, and in this process comes a fact that affects how knowledge is implemented or developed, which is power. This is a very important limitation for Absorptive Capacity because we cannot understand how consultants work by focusing only on the process of absorptive capacity in our analysis, in which we neglect how consultants' power is practiced or the mechanisms of their work. Internal consultants in our case have an institutionalised department that manages the ERP use and managed the ERP implementation before. This can provide a picture of the kind of institutionalising power those internal consultants have, and only by Absorptive Capacity will we miss another important concept and practice that can increase understanding of the how the ERP internal consultants "work".

To be able to understand the institutionalisation of power for the ERP internal consultants or how they work, as we mentioned before there is a need for a theory that enables an analysis of power politics alongside a theory for knowledge. There are a range of theories that enable observation of power such as the three dimensions of power (Lukes 1974), Actor Network Theory (ANT) and Clegg's (1989) Circuits of Power. Each of these theories has a lot of positive aspects and limitations but in terms of relating to the aim of this research, Clegg's circuits of power have the necessary analytical tools to enable them to achieve an understanding of the mechanisms of power or how power is processed. This is because Clegg tried to integrate most of his theoretical work with relation to power since Machiavelli's along to Weber, passed by Latour and Foucault and other theorists, and he was successful in producing for us a framework that was capable of integrating the most valuable ideas that enable an analysis for power in organisations. As this research has a link to Information Systems (IS) and especially ERP, a very central aspect related to our analysis of power in this study is that Clegg agrees with ANT theorists that agency is both human and non-human; this is a very important distinction that helps us understand the kind of power technology and consultants have on organisations.

In a more detailed manner of circuits of power, Clegg viewed it as three mechanic circuits: episodic, social, and system integration. Within these circuits power moves and become more stable when it transfers between these circuits. Achieving power in one of these circuits does not mean the total institutionalisation of power but when an actor or agency builds the right coalitions with the absorption of resources it can achieve power on one of these circuits which is episodic power. However, total process of power doesn't end here but it goes through a social circuit which circulates around legitimacy of agencies which is based on, for example, knowledge in this case. But the process does not end here in the social circuit; it requires disciplining opponents or other agencies in the organisation through, for example, incentives or promotions or the opposite, which ensures the disciplining.

In this stage we can assume the total institutionalisation of human agency such as the internal consultants or non-human agency such as the ERP systems. When power moves between those three circuits power is produced significantly according to Stewart Clegg.

Actor Network Theory lays the foundation so the circuits of power can operate smoothly. In Actor Network Theory a process called translation which at the end of this process an Obligatory Passage Point (OPP) is produced. The extreme importance of this translation is that circuits of power cannot mechanically operate through all circuits without translation as process agencies have to build collations by establishing the alignments that are needed by the circuits to work. The process of translation consists mainly, according to Callon (1986), of four moments: problematization, interestment, enrolment and mobilisation. These moments starts when the main actor tries to engaging many other actors in a way to follow this central actor. This is the kind of start for the building of the coalition by the original actor. This moment is followed by another moment, which is interestment; the original actor plays a central role in trying to block other actors from being in the centre and away from their alternatives by aiming to establish the original actor authority. This strength of the coalition by the actors and by the original actor continues by another moment, which focuses on defining the roles needed for each actor. Then mobilisation in the last moment aims to mobilise other actors and to try to play a role of spokesperson for their interests. Here, as a result, an obligatory passage point will be produced, which is the coalition needed so the circuits of power can start effectively.

But what is significant is how Actor Network Theory understands knowledge "by studying knowledge creation as a cultural process and by emphasising conventional distinctions between people and technology" (Blackler 1995 p. 1034). For example, John Law (1992), one of the leading theorists of ANT, described knowledge as "a social product rather than something generated through the operation of a privileged scientific method. And, in particular they argued that 'knowledge' may be seen as a product or an effect of network of heterogeneous material" (p. 381). This understanding of power for ANT as the network of alignment of both human and non-human agencies establishes the starting point of exploring the power/knowledge of internal consultants because Circuits of Power, by missing the translation process, cannot explain the institutionalisation of power. Clegg explains this clearly (1989): "This issue of what is institutionalised is the central issue for the circuit framework...what becomes institutionalised depends precisely on the power of agents' 'translation' [and] the circuits of power framework seeks to depict how this accomplished" (p. 227). The absorptive capacity and circuits of power can both achieve an understanding of the process of power/knowledge as Clegg recently explained, urging that "the study of knowledge management should really be a study of power/knowledge because its processes are indivisible from those of power" (Clegg 2009 p. 326). From this perspective, drawing on the limitations of theories available for explaining the institutionalisation of power/knowledge of internal consultants and by urging from Stuart Clegg, it is clear that the integration of these two theories which individually focus on one aspect to make use of these two theories with the foundations of ANT can achieve a better level of analysis of the focus of the study.

## 2.1 The Methods and the Case

In order to gain an in-depth understanding of the notion of IT public sector consultants and power/knowledge, this research will develop a theoretical framework based on an empirical case study of the implementation of ERP systems at a Saudi Arabian public university. Additionally, 37 interviews were collected through semi structured interviews and were analyzed according by thematic analysis and according to the seven principles for interpreting information systems research developed by Klein and Myers (1998). This university has to introduce to its structure an internal consultants department, which includes a group of ERP internal consultants. What is significant is that it shows the involvement of this department since its establishment in 2007 helped with implementing the ERP system, and how this involvement can demonstrate power/knowledge mechanisms.

## 2.2 The ERP Internal Consultants in a Saudi University

This paper argues that the above framework can be used successfully in the analyses of the case study that this research argues can help us understand the process of power, the nature of establishing networks, and how to understand power/knowledge by focusing on the process of its implementation in this organisation through the interviewing of internal and external consultants and users (managers and administrators as final users). A total of 36 semi structured interviews were conducted in a way to understand the challenges that have been faced by the internal consultants in their involvement of ERP implementation and its use since its launch in 2007. Through this interview the researcher has realised that the practices of internal consultants and the mechanisms of their work have to be studied further in order to improve theory and practice related to information systems implementation and knowledge management.

The ERP internal consultants in this case work primarily by delivering knowledge through their interaction with the university. However, this engagement of consultants involves using power or interacting with powerful members and this involvement leads to political games in organisations being obvious in our analysis of the data. The nature of the public sector in a way is different from the nature of the private sector in which the internal consultants are clearly exporting their experience and skills from private organisations to be applied at the university, which is a public university. The realisation of the initial analysis of the role of internal consultants has led to the focus being that their knowledge is produced and avoiding analysing and defining the process of power, the nature of establishing networks, how to understand the process of power/knowledge, and how knowledge moves; all those aspects can help in understanding and awareness of power/knowledge dynamics.

In 2007 the internal consultants started the process of implementing the ERP system, and at the time the university decided to establish a central department to oversee the implementation and later the use of the new technology in the university. The ERP system has been provided and implemented technically by a local company, and also the development of the system itself was at this local lab. This new ERP system is called Government Resources Planning (GRP). It has a similar architecture to the ERP system but has been implemented for many other public organisations, not for a public university. The university chose this provider and this particular system when the rector of the university at the time established a committee that aimed to study the need for the university to implement the new system in order achieve the vision of making all major work in the administration of the university automated. The committee decided to visit other public universities to look at their systems in order to help identify the options that can help achieve the aims of the committee. As result the university has decided to choose the current GRP system as the best option available in terms of cost, efficiency and satisfaction. The committee, before it visited other institutions, started to identify the different administrative requirements by sending files with questions to be answered by each department and the manager of each department made sure the files were completed by the administrators. The requirement identification, visiting other universities and the discussion held between the committee members led to the decision to buy the current system from the provider. The results of the committee were sent to the rector with the recommendation of buying the GRP systems with the justification that they provided in terms of cost, efficiency, and satisfaction of other organisations.

The University before the implementation and purchases of the system have decided to visit three university who all used to implement ERP oracle for a number of years. After theses visits and studying in-depth their experiences of the system, costs, and the requirement of our university the decision was to buy the system from the local developer and implementer due to the complexity of the university administration that has different managerial procedures and different type of employees such as employees in the university hospital have a different governmental procedures and the academics for example [Senior Manager]

The same committee decided to successfully align the university different departments and the provider and to provide advice on the challenges facing the implementation and the later use. This decision led to establishing a central actor (ERP internal consultant's office) in the organisation where all actors have to wait for ERP internal consultants input regarding their request or explanation regarding the problems faced. It's clear that every actor, either university employees or the external actors (consultants and provider), has go through this newly developed department. Here the moment of the problematization started to appear.

So they must follow their input and advice due to the overseeing of the implementation of a new ERP, costing millions of Saudi Riyals. Here we see as well the second moment, which is interestment that aims to unlock other actors to participate; so far the main IT department has not been participating directly in this process. Those different actors, either internal or external, with the internal consultants department have different roles; for example the administration was asked to provide whatever support due to the huge literature on ERP. The emphasis was on the extreme importance of top management support; other administrative roles include managers forcing employees to use the system or ask for the modifications needed to successfully use the system. Enrolment circulates around defining the role played by the different actors. As we can see now, and by applying the translation process explained by Callon (1986), an obligatory passage point has been produced, which means that the network of alignment needed for the Clegg Circuits of Power can start to operate.

They wonder why they need to work with us and if they are going to have extra bonuses. So we applied what the Rector used to say: "Buy their time if they don't have time." They started to work with us, and they had bonuses in addition to their salaries. Finally, because the Rector supported the system, this change became possible. [Internal Consultant]

A more specific in-depth process of power for the ERP internal consultants based on making the obligatory passage point (OPP) played a central role for the mechanisms for the circuits of power. What the research has observed as well is the institutionalisation of power for the ERP internal consultants. This aspect of the institutionalisation of power was obvious when the ERP internal consultants played a central role in the Obligatory Passage Point (OPP) in the way the ERP established their alliances and coalitions with different actors internally and externally and in the way they use resources to overcome challenges faced by the implementer; for example, in providing certificates for training which can be helpful in the process of promoting the participants. In the stage of coalitions and resources we see the operating of the first circuit of power which is the episodic power that aims to focus on how A makes B do something that B otherwise would not do. But the Circuits of Power is a more complex process in which legitimacy plays an important role in accomplishing the second circuit, which is social power. The ERP internal consultants were capable through the establishment of the centre and their speciality of the new technology that has been built from previous expertise in the private sector to build credibility that made their advice valuable to the organisation in terms of facing the ERP and organisational challenges related to its implementation and use. Both the centrality of the department and credibility of their knowledge help and increase the social power that circulates around legitimacy. The stability and achieving the end of the process of power cannot be finished without disciplining actors and this is part of the systems integration circuit. In the ERP implementation it was clear the kind of rewards were put forward to the employees who supported the system implementation and later the use and the sanctions for people, which might range to reduce their influence in their university department. In this analysis for the process of power politics we see a limited mentioning of how knowledge moves and is led in terms of the internal consultants even with a limited mentioning of social power. It can be clear now that there are a need for another theory for knowledge movement alongside the circuits of power makes the move of power/knowledge more obvious in terms of analysis.

you can look at the warehouse example: we shortened the working cycle, and the employees accepted it and worked according to it. The consultant opinion was to give certificates away that could be accepted as points in promoting the employees taking the training successfully. Thus, the users became interested to take the training for the sake of the certificates. [Internal Consultant]

Absorptive capacity helps us understand how knowledge moves and is delivered in the organisation, and that applying only circuits of power misses a very important aspect of the work and mechanisms of work for internal consultants. Three main elements of Absorptive Capacity as explained in the work of Lane and Koka (2002) are that knowledge moves in three stages: exploratory learning, transformative learning, and exploitative learning. Within the first element, exploitative learning aims to understand how the university understands its new external knowledge. In this case the internal consultants they deliver knowledge when they help with identifying, explaining, and exploring problems related to ERP implementation and use.

Then these problems either get passed to the provider to make the needed modification to solve the problem needed or return the modification to senior management for further study of the problem. Thus, the internal consultant’s knowledge and other actors’ knowledge with relation to the GRP implementation and use in the university was mainly circulating around internal and external consultants and provider experiences and skills. In addition, the university strategy, civil workers law and academic papers were the main tools in the stage of absorptive capacity. Secondly, transformative learning focuses on how the university uses its new external knowledge, and in this case that was through meetings and brainstorming or the different actors exchanging letters or emails. Thirdly, exploitative learning aims to explain how new external knowledge is applied, and it applies formal writing to senior management, training and technical modifications in the system.

Table 1. The Framework for the Institutionlisation of Power for the ERP Internal Consultants at the University

<p><u>Question 1: How the power/knowledge of ERP internal consultants institutionalised at a public university?</u></p>		
<p><b>Actor Network Theory</b></p>	<p>Central Actor was able to align with internal and external actors. ERP internal actors being the central actor and more capable of making the Obligatory Passage Point (OPP).</p>	
<p><b>Circuits of Power</b></p>	<p><b>Power /knowledge</b></p>	<p><b>Absorptive Capacity</b></p>
<p><u>Episodic power</u> Focuses on resources e.g., for tranining</p>		<p><u>Exploratory learning</u> Focuses on experience and skills e.g., Academic papers and strategy</p>
<p><u>Social power</u> Focuses on legitmacy e.g., on knowldege</p>		<p><u>Transformative learning</u> Focuses on e.g., meetings and brainstroming</p>
<p><u>Systems Integration</u> Focuses on disipline and punishment, e.g., rewards and sanctions</p>		<p><u>Exploitiative learning</u> Focuses on e.g.,writing to management; technical modification to ERP</p>

### 3. CONCLUSION

This research provided an explanation of the work of what is called internal consultants with the relation to the ERP systems implementation and post implementation stage, this explanation and the framework provided explained the work and it can be used in future in analyzing the work of internal expertise and what elements the focus should be on. It integrate there different framework it adopts the idea of obligatory passage point from the ANT, the three Clegg circuits of power and absorptive capacity. It also showed how these three frameworks can explain and help in future of organizing the work of internal expertise in other organizations. Future research can develop the framework further and apply in different sectors to find out ways for improving the engagement of internal expertise.

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