

What Factors of Consultant Make the SMEs Receive the Consultation?

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Abstract

Background/Objectives: This study examined what factors of the consultant the Korean SMEs (Small and Medium Enterprises) prefer and how the relative importance of the consultant preference factors influence on their intention to receive consultation. In other words, this is a study on the consultant preference factors in the perspective of consulting service consumers who have direct impact on the intention to receive consultation and are differentiated from preceding studies on consultant's capabilities in the perspective of suppliers. In this light, this study was divided two studies. The one is the study on the relative importance of consultant preference factors (education, consulting license, consulting experience, experience in similar project, and consulting fee) (Study I) and the other study is on the relationship between consultant preference factor and intention to receive consultation-whether the intention of SMEs to receive consultation becomes stronger when the consultant preference factors becomes more significant (Study II).

Methods/Statistical analysis: Study I used conjoint analysis and Study II, FISHBEIN model. This research conducted a survey twice to 125 managers who are almost owner of SMEs located in Daegu city and Gyeongbuk province.

Findings: Finally, 250 copies of a questionnaire (Study I: 125 and Study II: 125) were used in the analysis and the outcomes are as follows. First, in Study I which used conjoint analysis, the experience in similar project had the highest relative importance among consultant preference factors, followed by consulting experience, consulting fee, education, and consulting license. Second, in Study II which used FISHBEIN model, the experience in similar project had the strongest impact on the intention to receive consultation of the SMEs, followed by consulting experience, consulting license, education, and consulting fee. By summarizing these outcomes, it is possible to realize that the consultant preference factor with greater relative importance has greater impact on the intention to receive consultation of SMEs.

Improvements/Applications: It is also possible to notice that the relative importance is different between the consultant's capabilities in the perspective of supplier (consulting company or individual consultant) and the consultant preference factors in the perspective of consumers (company intending to receive consultation). Therefore, the consulting service suppliers, the consulting companies or individual consultants, shall make utmost efforts to accumulate the experience in similar projects or the consulting experience which has the biggest influence on the intention to receive consultation of the consulting consumers, especially like the SMEs or in developing capabilities as consultants with expertise in specific areas.

Keywords: Consultant's Capabilities, Consultant Preference Factor, Intention to Receive Consultation, Conjoint Analysis, FISHBEIN Model

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1. Introduction

The importance of consulting for small and medium enterprises has recently drawn great attention, which also activated academic discussions about consulting. In particular, various researches on the concept, structure, contents, and so forth of consulting have been conducted beyond the matter of recognizing consulting itself which has been controversial so far[1]. Nonetheless, it is undeniable that studies on consulting are still on a beginning level compared to other areas. This study reviewed the past discussions about consulting and suggested a more progressive direction. According to KMTCA[2], consulting is "an independent professional service that assists managers and companies to achieve the goals they pursue through highly qualified professionals who identify and solve problems in management and technology and lead changes." Consultants are those who conduct such consulting services. In other words, the consultant should diagnose and analyze the customer's problems and provide solutions through advice and guidance. This study critically approached the studies on consultant's capabilities[3,4] which started from the conceptual definition of consulting and consultant in the perspective of business management, particularly, marketing. The authors of this study focused on the fact that the studies on consultant's capabilities emphasize the consultant in the perspective of the consulting service supplier (consulting companies, consultants) and approached the subject matter using the consultant preference factors in the perspective of the company receiving consultation which is the consulting service consumer. There are indeed many studies that examined the quality of the consulting services in the perspective of consumers[5]. However, these studies are about the quality of the consulting

services perceived by consumers and are different from the study that directly examines the consultants for small and medium enterprise. For this, this study was divided into the study on the relative importance of consultant preference factor (education, consulting license, consulting experience, experience in similar project, and consulting fee) (Study I) and the study on whether the intention to receive consultation becomes stronger when the consultant preference factor becomes more significant or the study on the relationship between consultant preference factor and intention to receive consultation (Study II) to examine how the relative importance of consultant preference factor influence the intention to receive consultation of the company receiving consultation. The study on consultant preference factor in the perspective of demanders, the study on the relationship between the relative importance of consultant preference factor and the intention to receive consultation would be a meaningful study in two aspects; First, the consultant's capabilities in the perspective of the supplier may not be the same as the consultant preference factors in the perspective of the consumer, and the study on the relative importance regarding consultant preference factor in this study would suggest outcomes that match the consumer-oriented management philosophy. Second, the relative importance of consultant preference factor must show a positive relationship with the intention to receive consultation. Since both the relative importance of consultant preference factor and the intention to receive consultation were perceived in the perspective of consulting service consumers, intention to receive consultation shall appear high when the relative importance of consultant preference factor is more strongly perceived. Therefore,

if a positive relationship between consultant preference factor and intention to receive consultation would make this study a study on consultant preference factors in the perspective of consumers in the true sense of the words.

2. Theoretical Background and Issue

2.1. Consulting, Consultant, and Client Company

There have been many conceptual definitions of consulting. Typically, Markham[1] defined consulting as the 'relationship in which the third party or outsider exchange his or her own experience and knowledge in a way that they are useful for the organization' while defined it as an independent and professional service which resolves problems in the management and business and finds new opportunities to expand the learning opportunity and implement changes using the opportunities to assist the management and organization to achieve their goals. Also, KMTCA[2] defined it as an independent professional service that assists managers and companies to achieve the goals they pursue through highly qualified professionals who identify and solve problems in management and technology and lead changes. In summary, these definitions indicate that consulting is in a relationship of exchange between consultant and company receiving consultation. This means that it requires 'consultant', an outside or a third party having professional knowledge of a certain fields, and 'company receiving consultation', the organization that wishes to resolve its problems through the assistance or the support from the consultant, and the concept of 'consulting' becomes complete when the exchange between these two parties, the provision of the professional service by the consultant and the payment of the price for

the service by the company receiving consultation, is completed.

2.2. Capability of Consultant, Consulting Service Quality and Preference for Consultant

In general, capability refers to an ability to accomplish something and an individual's internal characteristics which becomes the reason for effective and excellent performance under a specific situation or an operating condition. The capacity of a consultant can be referred to as the ability to provide consultation, that is, the ability to consider the organization's present or future business objectives as a strategic partner of a particular organization and analyze problems related customer service and provide solutions. Rynning[3] suggested factors required for successful consulting and selected the ability to establish strategies, manage relationship, plan and operate schedules as the capabilities required by a consultant. First, the ability to establish strategies is the ability to analyze problems and develop strategies to resolve them, the ability to manage relationship is the ability to smoothly coordinate the relationship between participants of a consulting project, and finally, the ability to plan and operate schedules is the ability to plan and operate schedules based on limited resources such as time and cost. Williams and Woodward described the role of the consultant as expert, manager, researcher, and educator in order to define the capabilities of a consultant. In other words, they considered the role of an expert who provides information about specialized areas or information in general, the role of a manager who manages and supervises the entire project, the role of a researcher who collects, analyzes, and interprets information, and the role of an educator who obtains professional

knowledge to help the organization to solve problems by itself as the capabilities that a consultant must have. On the other hand, Park[6] expressed the capabilities that a consultant must have in an indirect way by suggesting the consultant's past record, experience in similar project, the understanding of the customer's business type, expertise, and consulting fee as the standard for selecting a consultant. Many studies except[6] approached the consultant's capabilities in the aspect of the ability or the knowledge that an individual called consultant requires in order to provide consulting[7]. However, this type of perception has limitations as it does not consider the position of the company receiving consultation (consumer) at all as an internal factor that a consultant shall have as an entity which provides the consulting service.

Recently a number of studies were conducted to overcome such limits, particularly those that dealt with consulting service quality, and this indicates that focus on consulting has begun to shift from the perspective of suppliers to the perspective of consumers. Studies on consulting service quality are basically focusing on the premise that consulting is a 'service.' In other words, they are based on PZB's[8] concept of service which states that the consulting service quality is the 'degree of discord and direction between consumer's expectation for service and the actual performance' and the research outcomes of PZB[9] which state that the SERVQUAL to measure the consulting service quality comprises 5 factors (empathy, tangibles, responsiveness, reliability, and assurance) and that the course of perceiving the service quality is determined by the difference between the expectation and performance in these five dimensions. For example, empirically analyzed that the

dimension of consulting quality comprises four dimensions such as expertise, reliability, empathy, and tangibles. On the other hand, Ryu[10] measured the consulting service quality in the aspects of interactive quality, resulting quality, and physical environmental quality using the three dimensional model of. However, these studies on consulting service quality are the studies that examined the quality of consulting service itself as they are perceived by consumers and are different from the study that directly dealt with the consultant for small and medium enterprise. In other words, the preference factor in the perspective of consumers regarding an individual consultant for small and medium enterprise is absolutely different from the concept of consultant's capabilities or consulting service quality. How can the consultant preference factor used in this study be conceptually defined, then? This study derived it from the conceptual definition of consulting and defined it as the capability of the consultant that the company receiving consultation considers relatively important in achieving its own goals or resolving its problems. Particularly, this study used education, consulting license, consulting experience, experience in similar project, and consulting fee as the preference factors by referring to the expertise, past performance, understanding of customer's business type, experience in similar project, and consulting fee which were used in the study by Cheon-seokPark[6] which suggested the key capabilities of consultants in the perspective of the company receiving consultation. For example, if the company receiving consultation most prefers the consultant with the experience of resolving problems that are similar to the problems the company receiving consultation has among the consulting capabilities, then experience in similar project or consulting experience

among the consultant's capabilities would be (relatively important) preference factor for the particular company receiving consultation. In other words, it would be possible to derive significant results for the consultant preference factors of the company receiving consultation by examining the relative importance among consultant's capabilities (education, consulting license, consulting experience, experience in similar project, and consulting fee). Therefore, following research problem was derived.

2.2.1. Research Problem 1

How does the company receiving consultation perceive the relative importance of consultant's capability (education, consulting license, consulting experience, experience in similar project, and consulting fee)? How they determine the relative importance for consultant preference factor? And particularly, do they attach high values to the relative importance of experience in similar project or consulting experience?

2.3. Preference for Consultant and Intention to Receive Consultation

This study revised consultant's capabilities in the perspective of the company receiving consultation as suggested by Cheon-seok Park[6] to derive consultant preference factors and defined education, consulting license, consulting experience, experience in similar project, consulting fee as the capabilities that are considered relatively important in achieving goals or solving problems for the company receiving consultation. On the other hand, the intention to receive consultation can be described as the intention to receive consulting service from highly qualified professionals who identify and solve problems in management and technology and lead changes in order to achieve the goal pursued by the management

and company. These two concepts share common grounds in where they both focus on consultant and approach the subject in the perspective of consumer. In other words, the relative importance of consultant preference factor shall show a positive relationship with the intention to receive consultation. Since the relative importance of consultant preference factor and the intention to receive consultation were both perceived in the perspective of the consulting service consumer with consultant in mind, the intention to receive consultation shall be high when the relative importance of consultant preference factor is perceived more strongly. To confirm this, the following research problem was derived.

2.3.1. Research Problem 2

Does the company receiving consultation perceive the intention to receive consultation more intensely when it perceives the relative importance of the consultant preference factor?

3. Study I: Relative Importance of Preference for Consultant

3.1. Overview

Study I was intended to resolve Research Problem 1 and was conducted to examine how the company receiving consultation perceived the relative importance of the consultant's capabilities (education, consulting license, consulting experience, experience in similar project, consulting fee) and whether higher values are attached to the relative importance of experience in similar project or consulting experience compared with other capabilities. The method used for this study was conjoint analysis, which is a typical method used to analyze consumer utility. In other words, it analyzes the product to assume one consumer utility for each attribute of the product to allow

consumer to estimate the product that consumers would choose[11].

3.2. Empirical Analysis

3.2.1 Subject of Survey

This study targeted the companies that have the experience of receiving consultation or intend to receive consultation among small and medium enterprises, and used data from 125 respondents from 52 companies to

analyze the relative importance of preference factors when choosing a consultant. 125 subjects were divided by their roles in the company into the decision maker who decides whether the company receives consultation, the influencer who influences the decision making process and client manager who takes care of the consulting, and the ratio is shown in Table 1.

Table1 :Subject of Survey

| Item | | Decision Maker | Influencer | Client Manager | Total |
|-------|-----------------------------|----------------|------------|----------------|-------|
| Total | Number of Subjects (Person) | 19 | 32 | 74 | 125 |
| | Ratio (%) | 15.2 | 25.6 | 59.2 | 100.0 |

3.2.2. Conjoint Analysis

Conjoint analysis in this study is divided into Stage 1: Determination of Major Attributes and Important Attributes of Consultant and Determination of Level of Attributes, Stage 2: Determination of Profile Card Set of Virtual Consultants, Stage 3: Understanding Respondents' Preference Rank, and Stage 4: Estimation of Partial Value at the Level of

Attributes by Attributes.

Step 1: Determination of Major Attributes and Important Attributes of Consultant and Determination of Level of Attributes

Important attributes and the level of attributes considered when choosing a consultant as shown inTable 2.

Table2 :Attributes of Consultant and Level of Attributes

| Important Attributes | Level of Attribute 1 | Level of Attribute 2 | Level of Attribute 3 |
|------------------------------------|-----------------------------|----------------------|----------------------|
| Education | University Graduate or Less | Master's Degree | Doctor's Degree |
| Consulting License | Holder | Non-holder | - |
| Consulting Experience | Extensive | Small | None |
| Experience in Similar Project | Extensive | Small | None |
| Consulting Fees (Million Won /M·D) | 1 | 0.75 | 0.5 |

As shown in Table 2, education, consulting license, consulting experience, experience in similar project, and consulting fee were selected as the construct factors (attributes) that influence the company receiving consultation in selecting the consultant. 2~3 levels of attributes were set for each attribute. For example, three levels, University Graduate or Less, Master's Degree, and Doctor's Degree, were set for education and two levels, Holder and Non-holder, were set for consulting license, three levels, Extensive, Small, and None, were set for consulting experience and experience in similar project, and three levels, 1 Million Won/M·D, 0.75 Million Won/M·D, and 0.5 Million Won/M·D, were set for consulting fee based on consultant's grade and qualification in the Small and Medium Enterprise Consulting Support Project.

Step 2: Determination of Profile Card Set of Virtual Consultants

Next, virtual products (virtual consultant) was composed by selecting a level in each attribute and a set of cards comprising minimum number of cards suitable for measuring only the main effect of each attribute on the preference of company receiving consultation was prepared. For example, a product may comprise attributes such as 'Holder of Master's Degree in Consulting + Consulting License Holder + Small Consulting Experience + Extensive Experience Similar Project + Consulting Fee of 0.75 million won/M·D'. A set of 20 cards suitable for measuring main effect was developed by using the orthogonal design feature of the statistics package, SPSS.

Step 3: Understanding Respondents' Preference Rank

Next, the set of 20 cards were presented to 125 respondents to spread the card set in the

order of higher preference to lower preference.

Step 4: Estimation of Partial Value at the Level of Attributes by Attributes

Finally, a regression analysis was conducted by taking the preference rank as the dependent variable and attribute as independent attribute, and the utility that 125 respondents may obtain from each level, the partial value, was estimated. The result is shown in Figure 1.

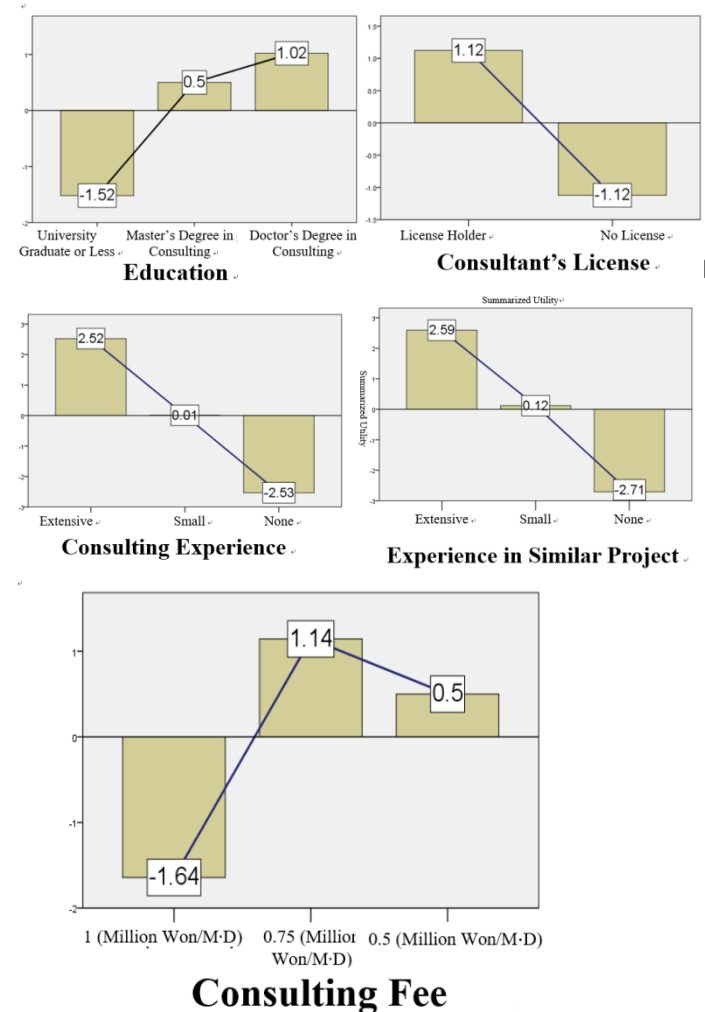


Fig. 1. Partial Value of Consulting in Level of Attribute by Attribute

The utility (partial value) that can be obtained from the attribute level as in [Fig. 1] is as follows; First, for education, the University Graduate or Less received: -1.52,

Master's Degree: 0.5, and Doctor's Degree: 1.02, indicating that partial value is higher when education is higher. Second, for consulting license, the Holder received: 1.12 and Non-holder: -1.12, indicating that the license holder is given more partial value than non-holder. Third, for consulting experience, Extensive received: 2.52, Small: 0.01, and None: -2.53, indicating that the partial value was higher with more consulting experience. Fourth, for experience in similar project, Extensive received: 2.59, Small: 0.12, and None: -2.71, indicating that utility was higher with more experience in similar project. Finally, for consulting fee, 1 Million Won/M·D received: -1.64, 0.75

Million Won /M·D: 1.14, and 0.5 Million Won /M·D: 0.5, indicating that the highest partial value was found with the mean value, 0.75 Million Won/M·D.

3.2.3. Analysis Result

The relative importance of individual attribute was estimated based on the change in utility value for attribute level within the same attribute, or the difference between the highest and the lowest utility values within the attribute (Refer to [Table III]). The importance of each attribute obtained through the conjoint analysis above is shown in Figure 2.

Table 3. Calculation of Relative Importance of Attributes

| Division | Education | Consulting License | Consulting Experience | Experience in Similar Project | Consulting Fees | Total |
|---------------------|-----------|--------------------|-----------------------|-------------------------------|-----------------|---------|
| Maximum | 1.02 | 1.12 | 2.52 | 2.59 | 1.14 | 8.39 |
| Minimum | -1.52 | -1.12 | -2.53 | -2.71 | -1.64 | -9.52 |
| Difference | 2.54 | 2.24 | 5.05 | 5.3 | 2.78 | 17.91 |
| Relative Importance | 14.18% | 12.51% | 28.20% | 29.59% | 15.52% | 100.00% |

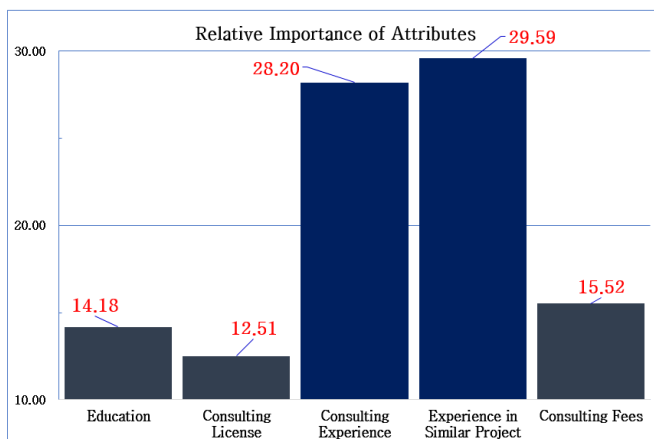


Fig. 2. Relative Importance of Attribute

As shown in Table 3 and Figure 2, the relative importance of consultant attribute was 14.18% for education, 12.51% for consulting license, 28.20% for consulting experience, 29.59% for experience in similar project, and 15.52% for consulting fee, and this indicated that the possibility of giving more emphasis on the experience in similar project and the consulting experience when choosing the consultant is high.

4. StudyII: Preference for Consultant and Intention to Receive Consultation

4.1.Overview

Study II was conducted to resolve Research Problem 2 and it examined the impact of consultant preference factor of company receiving consultation on the intention to receive consultation to analyze the relationship between them. Extended FISHBEIN model was chosen as the method. The extended FISHBEIN model is the version revised by[12] from the initial attitude model[13] based on the Theory of Reasoned Action. They stated that a person rationally thinks about the consequences of the action that he or she would commit in advance and is very much likely to commit the action when it is deemed to bring positive outcomes and suggested the behavioral intention as the parameter preceding behavior. This extended FISHBEIN attitude model is considered to have improved the explanation and prediction of behavior compared with the initial FISHBEIN attitude model.

4.2.Empirical Analysis

4.2.1. Status of Study Subjects

For StudyII, authors made efforts to match the study subjects in Study I as much as possible in order to connect the results of Study I to the intention to receive consultation and used the survey data from a total of 125.

4.2.2. Extended FISHBEIN model

The extended FISHBEIN model in Study II can be summarized as in Figure 3; Stage 1: Attitude toward Act of Receiving Consultation, Stage 2: Subjective Norm for Act of Receiving Consultation, and Stage 3: Intention to Receive Consultation Reflecting Weighted Value in Attitude toward Act of Receiving Consultation and Subjective Norm for Act of Receiving Consultation.

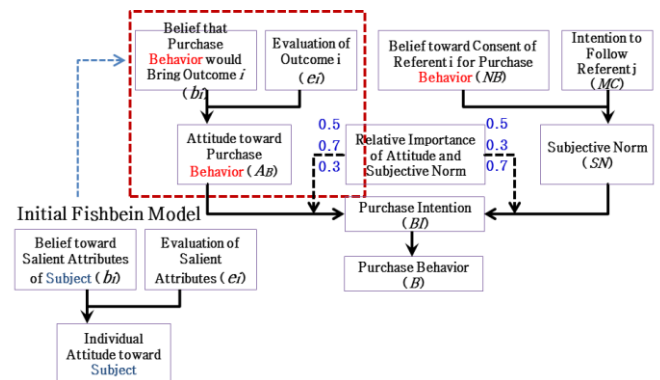


Fig. 3. Extended FISHBEIN model

The measurements of the variables used in the extended FISHBEIN model in this study are as follows; First, 1) Belief toward Outcome of Behavior of Receiving Consultation (bi) used ‘Consultant with higher education (holding consulting license / with much consulting experience / with much experience in similar project / costing higher consulting fee) would bring higher performance of company diagnostics & management strategy(production innovation and quality management / market research and sales promotion / Technical Management and Technology commercialization).’ (1=Very Unlikely, 7=Very Likely) and 2) Evaluation of Outcomes (ei) used ‘High management performance is expected from the use of consultant.’ (1= Very Unlikely, 7= Very Likely) as the questionnaire item to calculate the Attitude toward the Behavior of Receiving Consultation (AB). Next, 1) Belief toward Consent of Referent for Behavior of Receiving Consultation (NB) used ‘My referent supports my decision to choose the consultant with higher education (holding consulting license, with much consulting experience, with much experience in similar project, and costing higher consulting fee).’ (1= Very Unlikely, 7= Very Likely), and 2) Intention to Follow Referent (MC) used ‘I generally follow my referent’s opinion.’ (1=

Very Unlikely, 7= Very Likely) as the questionnaire item to calculate the subjective norm (SN).

receiving consultation (bi) and the evaluation of the outcomes (ei). The result is shown in Table 4.

Step 1: Attitude toward Behavior of Receiving Consultation

The attitude toward the behavior of receiving consultation was calculated by multiplying the belief toward the outcome of behavior of

Table 4. Attitude toward Behavior of Receiving Consultation

| Item | Education | Consulting License | Consulting Experience | Experience in Similar Project | Consulting Fee |
|---|-----------|--------------------|-----------------------|-------------------------------|----------------|
| Belief toward Outcome of Behavior of Receiving Consultation (bi) | 4.536 | 4.698 | 5.488 | 5.638 | 4.380 |
| Evaluation of Outcomes of Behavior of Receiving Consultation (ei) | 5.086 | 5.086 | 5.086 | 5.086 | 5.086 |
| Attitude Toward Behavior of Receiving Consultation | 23.070 | 23.894 | 27.912 | 28.675 | 22.277 |

As shown in Table 4, the Attitude toward Behavior of Receiving Consultation was 23.070 for education, 23.894 for consulting license, 27.912 for consulting experience, 28.675 for experience in similar project, and 22.277 for consulting fee, indicating that there is strong attitude toward the behavior of receiving consultation from the consult with more experience in similar project and more consulting experience.

Step 2: Subjective Norm for Behavior of Receiving Consultation

Subjective Norm for Behavior of Receiving Consultation was calculated by multiplying Belief toward Consent of Referent for Behavior of Receiving Consultation (NB) with Intention to Follow Referent (MC). The result is shown in Table 5.

Table 5. Subjective Norm

| Item | Education | Consulting License | Consulting Experience | Experience in Similar Project | Consulting Fee |
|--|-----------|--------------------|-----------------------|-------------------------------|----------------|
| Belief toward Consent of Referent (NB) | 4.448 | 4.672 | 5.576 | 5.664 | 4.000 |
| Intention to Follow Referent (MC) | 4.864 | 4.864 | 4.864 | 4.864 | 4.864 |
| Subjective Norm | 21.635 | 22.725 | 27.122 | 27.550 | 19.456 |

As shown in Table 5 the subjective norm appeared as education: 21.635, consulting license: 22.725, consulting experience: 27.122, experience in similar project: 27.550, and consulting fee: 19.456, indicating that there is high subjective norm toward the behavior of receiving consultation from the consultant with more experience in similar project and more consulting experience.

Step 3: Intention to Receive Consultation by Reflecting Weighted Value

The Intention to Receive Consultation by

Reflecting Weighted Value using the extended FISHBEIN model is calculated by applying weighted values of respondents to the Attitude toward Behavior of Receiving Consultation and Subjective Norm for Behavior of Receiving Consultation. However, the weighted value was not directly measured in this study, but cross-applied the case of applying the same weighted value (0.5) and the case of applying different weight values (0.7 and 0.3). The result is shown in Table 6.

Table 6. Intention to Receive Consultation by Reflecting Weighted Value

| Item | Education | Consulting License | Consulting Experience | Experience in Similar Project | Consulting Fee |
|---|-----------|--------------------|-----------------------|-------------------------------|----------------|
| Attitude Toward Behavior of Receiving Consultation | 23.070 | 23.894 | 27.912 | 28.675 | 22.277 |
| Subjective Norm | 21.635 | 22.725 | 27.122 | 27.550 | 19.456 |
| Intention to Receive Consultation (Weighted Value: Attitude 0.5, Subjective Norm 0.5) | 22.353 | 23.309 | 27.517 | 28.112 | 20.866 |
| Intention to Receive Consultation (Weighted Value: Attitude 0.7, Subjective Norm 0.3) | 22.640 | 23.543 | 27.675 | 28.337 | 21.430 |
| Intention to Receive Consultation (Weighted Value: Attitude 0.3, Subjective Norm 0.7) | 22.066 | 23.075 | 27.359 | 27.887 | 20.302 |

| | | | | | |
|--|---|---|---|---|---|
| Rank among Intention to Receive Consultation | 4 | 3 | 2 | 1 | 5 |
|--|---|---|---|---|---|

As shown in Table 6, the results were education: 22.353, consulting license: 23.309, consulting experience: 27.517, experience in similar project: 28.112, consulting fee: 20.866 when the same weighted value (0.5) was applied to Attitude toward Behavior of Receiving Consultation and Subjective Norm, indicating that there is higher intention to receive consultation from the consultant with more experience in similar project and more consulting experience. When higher weighted value was applied to Attitude toward Behavior of Receiving Consultation than Subjective Norm (Weighted Value: 0.3), the results were education: 22.640, consulting license: 23.543, consulting experience: 27.675, experience in similar project: 28.337, consulting fee: 21.430. Also, when less weighted value (0.3) was applied to Attitude toward Behavior of Receiving Consultation than Subjective Norm (weighted value: 0.7), the results were education: 22.066, consulting license: 23.075, consulting experience: 27.359, experience in similar project: 27.887, consulting fee: 20.302.

4.3. Analysis Result

Figure 4 shows the intention to receive consultation in the extended FISHBEIN model calculated by varying the weighted value for the attitude toward the consulting receiving behavior and subjective norm.

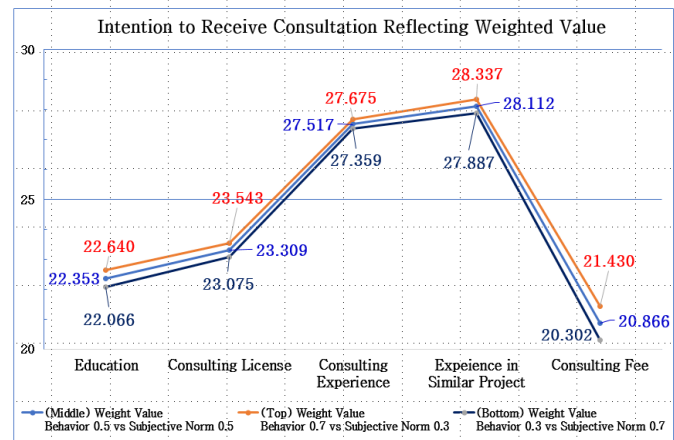


Fig. 4. Intention to Receive Consultation Reflecting Weighted Value

As shown in Figure 4, companies intended to receive consultation from consultants with more experience in similar projects and more consulting experience regardless of the weighted value.

5. Conclusion

5.1. Summary of Research Outcomes and Implications

Study I intended to examine how the companies receiving consultation perceive the relative importance of consultants' capabilities (education, consulting license, consulting experience, experience in similar project, and consulting fee) and whether they give higher value to the relative importance of the experience in similar project or consulting experience compared with other capabilities. The conjoint analysis was used as a research method for this. As a result, the relative importance of the consultant's attributes was 14.18% for education, 12.51% for consulting license, 28.20% for consulting experience, 29.59% for experience in similar project, and 15.52% for consulting fee, indicating that they give more value to experience in similar project and consulting experience when choosing a consultant.

Study II examined the influence of consultant preference factors of company receiving consultation on the intention to receive consultation and analyzed the relationship between them. The extended FISHBEIN model was used as a research method for this. As a result of the analysis, companies intend to receive consultation from consultants with more experience in similar project and more consulting experience regardless of the weighted value, confirming that there is a positive relationship between the relative importance of consultants and the intention to receive consultation.

The results of this study provide the following theoretical and practical implications. First, this study approached the consultant's capabilities from the perspective of consulting suppliers in the angle of the consultant preference factor in consulting users' perspective, the relative importance that companies receiving consultation perceive in relation to consultant's capabilities. Second, the consultant preference factor of companies receiving consultation and the intention to receive consultation showed a positive relationship, establishing coherence between the results of Study I and Study II. Third, the preference factors and the intention to receive consultation of the companies receiving consultation gave relative higher emphasis on the experience in similar project and consulting experience rather than education or consulting license. This suggests that companies receiving consultations place more emphasis on knowledge in the field that can be applied practically and immediately available rather than the theoretical knowledge of the consultants.

5.2. Limitations and Research Direction

This study has following limitations in spite

of these theoretical and practical implications. First, the generalization (external validity) of the research outcomes may have limitations as the companies in the specific region were chosen as the subject of the study. Second, the small ratio of decision makers among the respondents in this study can be another limitation as the decision maker decides whether or not to receive consultation. Third, this study did not consider the characteristics of the company receiving consultation which is an important factor affecting the intention to receive consultation. Fourth, the weighted value which was applied to the consulting receiving behavior and attitude and the subjective norm were given arbitrarily because the degree of influence upon the intention to receive consultation may vary depending on the weighted value.

In future studies, it is necessary to elevate the external validity of the research outcomes by expanding the scope of the survey subjects in terms of region and increasing the ratio of decision makers. Also, it is necessary to study the intention to receive consultation allowing for the nature of the companies receiving consultation, consulting receiving behavior and attitude, and the objectivity of the weighted value applied to the subjective norm.

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