June 2015

Consulting & Auditing

The complementary competencies of conflicting professionals logics

Prof. dr. M.J.W. van Twist

Dr. M. van der Steen

R.W.A. de Korte RA RE RO CIA

Dr. A. Nuijten RE CIA CISA

The Institute of
Internal Auditors
Netherlands

ESAA
Erasmus School of
Accounting & Assurance

Content

Foreword

Auditors aren't consultants, but in the professional practice, almost every auditor does some advisory work. Nobody really is one, but just about everyone does it. After all, besides *assurance* ("this is good, this is not"), there is also frequently a demand for *consulting activities* ("what is possible and what is required").

Consulting and Auditing nevertheless aren't an obvious combination. They are different disciplines, each with a rich tradition, with organised and honed rules and logical actions for proper professional practice.

This paper reports - in essay form - on a survey of the equally interesting as complicated relationship between auditing and consulting. To start with, for the purpose of the survey that forms the basis for this opinion, a *conceptual exploration* was conducted in order to map the scientific and practical research into this field. That formed the basis for the following *dialogue* in various sessions with auditors who in practice work in the twilight zone between auditing and consulting. The outcome is reflected in this essay, which attempts to give expression to the (developing) professionalism of the auditor who also does consultancy work.

The purpose of this essay is not to define rules, standards and guidelines for consultancy work such as those that sometimes aimed for in the auditing profession. Indeed, this opinion precisely also explores its limits in relation to consulting, based on the assumption that an important part of the advisory profession *cannot* easily be defined within such parameters and could even, to a certain extent, form an obstacle to proper professional practice.

Auditing and consulting are, at the same time, a vital but also impossible combination. They follow on from each other in the sense that it is not unusual for an auditor to analyse the state of affairs, but also to offer advice on how things can be improved. But they're also far apart with entirely different principles.

The question clearly is how to productively reconcile both forms of professionalism. So far, the answer to this question has mainly been sought by looking at consulting from the logic of the auditor. Then rules and standards that also apply to the audit profession are imposed on the consultancy profession. In itself, this can make the tension between both professional logics manageable but, at the same time, a lot of professional insight is also lost in this way.

By not only working towards a unilateral integration of the one profession into the other - i.e. declaring the audit perspective applicable to consulting - but working more from an idea of *two-way traffic*, it becomes possible to work on broadly educated and trained professionals, who gain practical perspectives from a balanced knowledge of and familiarity with both independent disciplines.

An active learning network could then be built around the work of these professionals, in which experiences and practices of advising by auditors are gathered, documented and made accessible to others. This can lead to a practical exploration of how the conflicting logics between both professional domains can be better utilised.

1 Introduction: complementary competencies, conflicting types of logic

Background

In recent years, the internal audit function has acquired an autonomous position in the governance model of many organisations. This has been accompanied by higher expectations towards auditors, as for example evident from the demand for advice from internal auditors. Clients not only want to learn the internal auditor's opinion, but also want to get advice on what could be changed and improved. The satisfaction with the work of internal auditors triggers new demands: auditors have the knowledge, insight and skills to generate value for the organisation that may extend beyond providing additional assurance. While this is an extension of the regular work that under the international definition of internal auditing from 2000 is considered *assurance*, some of these activities fall outside this definition. It is not unusual for the advisory role to extend beyond the natural advising activities in the classic sense that logically ensue from auditing, which examines the facts; advising then turns into consulting, which not only establishes the facts but also looks ahead, not only providing assurance but also outlining possible future options, and not only identifying the situation as it is now but also showing how it could be changed and improved. This is of value to the management of the client's organisation, but involves a different process than is embedded in the traditional methods, techniques and basic principles of the audit profession. Sometimes it happens formally, by means of an engagement description or by defining the audit question and the audit scope. Often also informally: 'could you share some ideas on this?' or 'what else did you see?'. Auditors visit management, present their findings, receive praise for their thorough analysis, but then additional questions arise. Or auditors know, based on their experience with other organisations, that possible solutions are not utilised and that the organisation could improve through a few relatively simple changes. Sometimes their hands are itching. So consulting - on major and minor matters, formally and informally, as part of a process or in a conversation - has become part of the practice of the audit profession. That is not because auditors have suddenly all become consultants, but because of the gradual expansion of additional advisory services and the constant dialogue between management and the auditor, as a result of which the professional practice of auditors is constantly changing.

Complementary or confrontational; supplementary or conflicting?

The question is what the implications are of this trend. In educational meetings and workshops with fellow auditors, the debates about this issue always follow roughly the same pattern. We first ask the internal auditors if they see themselves as consultants, which none of them do. They tell us that auditors are certainly not consultants; their profession is very different. They all agree on that. We then ask the internal auditors who among them provides no consulting *whatsoever*. Again, no hands are raised; most auditors in fact do provide consult. So auditors are not consultants, but elements of consulting are a part of every-one's professional practice. No one *is* a consultant, but everyone *does* some consulting as part of their audit work. There are no auditors that explicitly call themselves "consultant", but almost all auditors provide advice at some point in some way or other. Clients ask for it and many auditors enjoy sharing their insights by consulting and thereby generating additional value for the organisation. In a way, the increasing demand of clients for advice from internal auditors is the price of their success. In addition to *assurance* ("this is the current situation"), they ask for *consulting* activities ("what can be done about it and how should we do it").

The auditor understands the organisation and the issues facing management, so why not share a few more ideas with the client? At first glance, then, consulting is only a complementary competency, a service provided in addition to or alongside the assurance audit profession.

However, at a closer look things are not that simple; at least that is what we usually found when we took our debates to the next level. Hidden behind the seemingly complementary competency is a larger issue. Consulting is far more than merely an accompanying additional activity. Even though all the auditors in our meetings consistently said that they were cautious in providing consult, they all indicated that consulting almost by definition involved entering an area where the laws and regulations applying to the audit profession do not apply to the same extent. Even though auditors provide consulting, they are also aware that it creates a conflict with their regular professional practice. This gives rise to a practical dilemma, which a large group of internal auditors say they are struggling with.

The practical dilemma in combining auditing and consulting often crops up in a simple and very pragmatic way, in small cases that in their own way are familiar to every auditor. Take the case of an auditor who gets caught in his own advice: *you said so yourself*, which leaves little room for a critical report or a truly autonomous position. Or an auditor whose work is abused by the client: *see, we are on the right track, even the auditor is sharing ideas with us.* The auditor then becomes part of the narrative of the client, puts himself back on track making the auditor part of the narrative.

Another familiar case is that of an auditor confronted with *an advice that backfires*. That can happen of course, but what does it do to the auditor's reputation and autonomy, not only on this issue but also in future matters? Or the auditor who *really doesn't know what to do:* some problems are easy to detect but difficult to solve. It is easy for a client to ask *what would you do?* But answering the question is not always that simple. How does the inability to make a recommendation affect the auditor's authority? And what if the recommendations of the auditor tackle the problem at hand, but at the expense of collateral damage elsewhere? The auditor has a lot of knowledge, but is usually only aware of part of the overall problem. Well-intended advice can backfire elsewhere, challenging the auditor's authority. In each of these examples, the auditor becomes an active party to the issue and is placed in a position that in the maelstrom of the organisation can easily become a burden. The participants in our meetings not only recognised these issues, in many cases they had been confronted with them in their own practice. Activities intended as an enrichment of their role create the risk of a *confusion of roles, distortion of roles and weakening of roles*. Uncertainty about what the auditor does, and the introduction of inappropriate elements in a strictly defined professional field, together compromise the position, authority and relevance of the profession. What seems complementary and crops up in small practical issues, upon closer view is a source of conflict, triggering confrontations on matters of principle. While auditing and consulting are complementary, there are also tensions between them.

Consulting and auditing: why combining them is difficult

It is hardly surprising that when you combine two different professional sets of activities, challenges and tensions emerge. Few things are accomplished without a hitch. Still, in practice there is usually a way to sort out the issues. But with auditing and consulting matters seem more complicated. The conflict comes to the surface in practical matters, but originates from more fundamental discrepancies between the underlying professional domains of auditing and consulting. More precisely, the tension in the relationship between auditing and consulting originates from two different sources: (1) the question of what constitutes good advice and good consulting, and (2) the question of how consulting should be integrated in the constituent protocols that define the internal audit profession. Below, we will briefly discuss both these sources.

Looking at the first source of tension, the issue of the quality of advice, it is difficult to give a uniform definition of 'good advice'. If we focus on the advice itself as a product, we can define all sorts of criteria for what constitutes good advice. However, consulting is about more than the advice as such, and mainly about how the advice affects the relationship. Whether the advice is good strongly depends on what the user can do with it and how it impacts the system it is aimed at. While some of this depends directly on the quality of the advice, it primarily depends on many other factors that have little to do with the advice itself but which are all part of consulting. Good advice goes beyond writing a good report that presents the advice clearly and precisely. It also requires being able to present the advice in a way that others can work with and that is seen as authoritative, creating trust in the reporting auditor, and with recommendations that are seen as sufficiently challenging but also realistic. Anyone can *give* advice, but consulting also requires that others *accept* and *take up* the advice. "Good" is not just a characteristic of the advice itself, but also a judgement of others about it. With consulting, "good" is not so much an objective but merely an interactive judgement.

Moreover, the activity of consulting actually goes beyond the activities described in the assurance engagement. It is not just a matter of giving more or better assurance (which is complicated enough in itself), but involves something else as well: giving sound and well-considered advice, based on the auditor's expertise and on the findings of the audit (and possibly even separate of those findings), on advisable and feasible steps for the future. This brings us to the second source of complexity: the question of how consulting can be incorporated in the constituent protocols of the profession, given that those protocols do not really allow for consulting as a 'complementary activity'. The origin of the profession lies in fact-finding and establishing compliance with the applicable standards, in order to provide additional assurance. That concerns the *current* situation, not the future. When auditors cross over into consulting, focusing on the *future*, although based on those facts and in light of the standards, this puts a number of the basic values of the audit profession under pressure due to the *conflicting types of logic* of the audit and consulting professions. Facts and standards are exchanged for possibilities and recommendations. Those are not only different words, but also very different phenomena.

Conflicting and disparate characteristics

The confrontation between auditing and consulting brings to the surface a more deeply ingrained dilemma in the performance of the audit profession. The combination of auditing and consulting is not unproblematic, no matter how frequently it occurs in the professional practice. Where auditing mainly implies a *retrospective* examination, consulting implies a *forward-looking* involvement by the auditor, sharing ideas about possible good options and accepting responsibility that extends beyond *establishing the facts*. That involves making statements about facts before they have emerged, or suggesting opportunities for improvement of which the outcomes in light of the applicable norms are not known beforehand. When auditors give advice, it is obviously still supported by facts. It is based on analysis of the past and present, never just off the bat. Nonetheless, when auditors - more or less consciously - cross over into consulting, they leave the solid ground they are most familiar with. When auditors provide consulting, it is always still done on the basis of the audit, but the audit is no longer *the end point*.

As a result, the development of the consulting role in the audit profession obviously triggers tensions in the profession and raises profound questions about the professionalism of auditors. Many auditors are looking for feasible solutions for the tensions in their professional triggered by the combination of auditing and consulting, although these solutions then often create their own set of dilemmas. This *exploratory* conceptual paper discusses this search for solutions and the associated dilemmas.

In order to define the topic of our paper, the types of logic underlying assurance and consulting activities are sharply contrasted, as shown below in table 1 (these are pure types; in practice there is obviously a greater variety). This raises the following discussion: How do auditors deal with the *conflicting types of logic* involved in both types of activities, knowing that they have to be performed by a single function (that of the internal auditor) and therefore in practice have to be joined or combined in some way or other in the practices of their positioning, professionalism and performance.

Table 1: The conflicting types of logic of assurance and consulting activities

	Assurance activities	Consulting activities
Ambition	Providing additional assurance about the situation as it (until recently) was and now (still) is.	Give insight into the (alternative, better, other) situation that could be reached in future.
Activity	establishing the finding; making judgements based on a confrontation of the facts with a fixed and validated framework of criteria.	Interpreting the facts; identifying and analysing key developments, and making recommendations about them based on a framework of reference.
Interaction	One-way relationship; providing additional assurance to the client, irrespective of what the client does with it.	Two-way relationship; communicating advice, which requires not only giving advice, but that the other party is willing to listen to it; without interaction, consulting is impossible.
Values	Independence is safeguarded by procedures, the work process and the audit itself (factual, repeatable).	Independence comes about because of how consultants take up their role in the relationship between client and the consultant.
Positioning	Position is a given due to rules in the organisation that position the auditor towards the client.	Position has to be earned on the basis of the quality of the consulting and in the relationship with the executive board and managers.

Assuming these ideal-types, assurance and consulting each have their own logic. Providing assurance is ultimately a *one-way* activity. The auditor provides additional assurance; management then acts on it; or not. Whether the board acts or does not act in response to the provided assurance in no way affects the role of the auditor as the provider of the assurance. While it is nice to have an impact and follow-up, it is not a necessary component of a good assurance audit; auditors can in principle stay on the side line knowing they are right. For consulting activities (or the consulting aspect of auditing) this is certainly not the case. Consulting requires a *multi-directional* approach. Although consultants may not be formally accountable for the feasibility of their advice, it is ultimately the measure of its quality: is the advice feasible in practice, does the consulting involve a productive interaction between consultant and client? This is a different kind of measure, making the interaction with the organisation's management a more fundamental component of the audit profession. Accordingly, auditors want to have a better grasp of the consulting aspects of their profession.

With consulting activities, auditors have to work much harder to earn their position than when providing assurance, when it is more or less a given under the rules of the organisation. This creates a very different position at the outset. While the factual quality of the advice is an important element in consulting, auditors have to earn their authority mainly through their contacts, their relationship, with the client. The position of the auditor based on a charter or other formal grounds is not important; while providing assurance auditors have to earn their position in the interaction and relationship with the client.

Furthermore, the contrast been assurance and consulting is not that the one is independent and objective while the other is not. Consulting may appear to compromise the independence and objectivity of the auditor; the auditor surrenders part of this to consult. This perception is understandable in light of the logic of assurance, where independence is safeguarded by procedures, the work-process, and the audit itself. Everything is aimed at creating and monitoring the segregation between the assurance auditor and the client, between the auditor performing the audit and the auditee. Consulting means that this line is blurred, but something else is put into place instead. There are safeguards, but in a different way. With consulting, independence is less encapsulated in compliance with formal procedures and rules, and depends more on how consultants position themselves and take up their role. Here, independence is mainly relational; when acting as a consultant, the auditor has to succeed in aligning his approach to the client and finding an audience. The auditor can then draw conclusions and make recommendations on follow-up steps based on his autonomous position and professionalism.

Crossing over from assurance into consulting is risky. Not only for each report and each advice, but also in terms of the more extensive and far-reaching professionalisation issues it creates in the longer term, and which extend beyond individual audit activities. Classic questions include: Won't the auditor end up auditing what he consulted on? What if the next advice takes a very different direction? But it also raises other and new questions: Is it really beneficial to the management of the organisation to have an auditor or audit function that is responsive to the demand for consulting? Can the logic of assurance be reconciled with the logic of consulting? Are they not types of professionalism and distinct professional fields that are fundamentally incommensurable? The further auditors move away from their natural basic role of establishing facts and compliance with agreed criteria, the more they become part of the dynamics of the organisation. Suddenly, consistency in consulting, the convictions of auditors as interpreted from reading their reports, and relationships become relevant. Whether auditors like it or not, establishing the facts is turned into an unprecedented game where power, influence and imagery are vital. What started out as an *enrichment of their role* can easily degenerate into a *confusion of roles* or even *distortion of roles* and *weakening of roles* in relation to their original position.

## Conflicting types of logic in the current professional practice

If these two professional fields are so different and conflicting, then why are people so keen to combine them? This is a question we have often asked ourselves, including at the various meetings that were part of this exploration. The answer was often self-evident. This is not merely an intellectual debate, but a practical reality that we have to deal with. Auditing and consulting are already being combined in professional practice of internal auditors. So the question is how we can ensure that this is done in a way that is properly safeguarded and productive, and what the possible criteria are for explicitly rejecting this combination: when is it permissible and when not? This debate does not start from a blank slate. In our discussions with practioners, we have encountered many different opinions on this matter, which are summarised in figure 1.

The opinions are very diverse and cover a broad range. Some auditors see consulting as merely an interesting addition to their profession, reinforcing their position and adding a new dimension to their current work.

It is supplementary, an extra, as shown by the two slightly overlapping circles depicting version A. Here, consulting supplements the audit, with the assurance audit remaining the key component of the audit profession. Other auditors see consulting not as something *external* to, but as part of the audit profession; it is one of dimensions of internal auditing, as depicted for version B. The difference with version A is that consulting is not seen as overlapping with another professional field, but as just as integral to the profession as all its other components. The take on consulting in version C is slightly different; here, auditors provide consulting as a follow-up to their assurance audits, as an activity that is outside of their professional expertise, but without really constituting a separate consulting profession. Consulting is more of an additional activity rather than a supplementary professional expertise. While it differs from their own profession, it is not a separate professional field.

Others take a different view and regard them as separate worlds; the assurance audit and consulting should not be combined, as they are based on different basic values and principles. They can be combined, but then you lose part of the value of both. So it is better to keep them separate. And then there are those who go a step further and regard them as *clashing worlds* that are not complementary but conflicting. Consulting should not be integrated into the description of the profession, but kept out of it. The boundaries between consulting and auditing should not only be defined, but also monitored and safeguarded. Version D is based on the opposite approach. Here, auditing and consulting are regarded as separate professional fields, each with their own professional logic, that overlap from time to time. They are equally important professional fields that overlap in the professional practice of the internal auditor. The internal auditor needs to accept this and act upon it. Version E starts out from the same assumption, but takes a very different direction. It also regards them as two separate professional fields, but holds that the auditor should not integrate them, but explicitly keep them separate. Auditing and consulting are explicitly different, and should not be mixed in the professional practice of the internal auditor. Under version E, the two would be deliberately separated by strict barriers embedded in explicit rules.

Figure 1: Practical opinions about the relationship between assurance and consulting activities
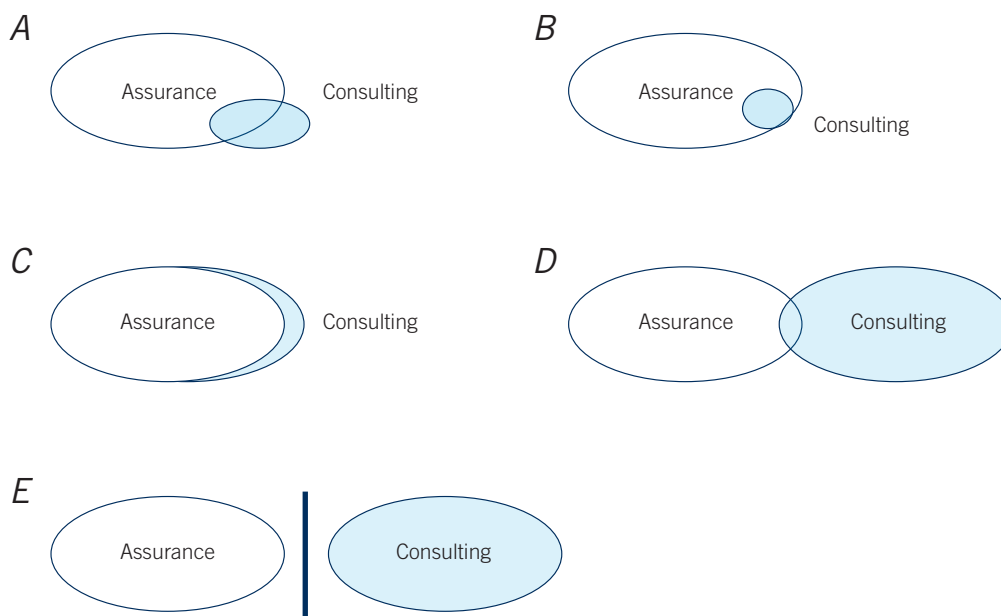
Managing the tension: regulate or not?

The tensions arising from auditors providing consulting are widely acknowledged in the profession. It is also a topic in the debates about the professional field itself and how the professional autonomy should be organised. Recent incidents and scandals have brought to the fore the dilemma about the consulting role. The professional auditor is expected to establish the facts in a situation where clear criteria are lacking, where dilemmas occur, and where the information situation is not properly set up. All the same, clients expect auditors to be actively involved in addressing the question of what could be changed and what should be improved. Clients, regulators and external stakeholders are not satisfied with auditors only saying afterwards that they had warned them, or auditors establishing that the organisation is going downhill. There is momentum for auditors to broaden their profession and be closer to the pulse of the organisation and management. According to some, this is also the next logical step for the profession, demanding not only practical implementation but also a focus on the formal framework and procedures. That is to say, this next step should be truly integrated in the profession. Others feel that this would divert the audit profession from its core task, and that developing the profession actually requires a stronger resistance against the growing pressure for the profession to come out of its fact-finding shell and shift towards consulting. They believe that broadening and deepening would not strengthen the profession. Instead, it would water down and weaken its professionalism. In their view, shifting towards consulting would spell the end of the profession, whereas others believe that it would rescue it. What could return the profession to the heart of the strategic decision-making could equally push it further away from it.

As such, the debate about the consulting role of the internal auditor and the balance between auditing and consulting is certainly not simply academic. The ongoing debate within and outside of the IIA about the importance of consulting to internal auditing since the turn of this century is indicative of the practical relevance of this issue, as it has resulted in an explicit change to the definition of profession:

"Internal auditing is an independent, objective assurance and consulting activity designed to add value and improve an organization's operations. It helps an organization accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control, and governance processes."

In this definition, the term 'consulting' should be construed in a broad sense; it can refer to consulting in the limited sense of the word (in other words: giving advice) but also includes a much broader category of activities, including mirroring, coaching, training, mapping and contributing ideas about organisational design proposals. As such, it covers the entire spectrum and stops just short of the internal auditor implementing the advice.

Renewing this definition has been an important step for the IIA. It broadens the formal basis of the profession - its definition - in a field that attaches great importance to precise definitions. The definition is therefore not only *descriptive* but also *generative*; based on the new precision brought to the definition and the official inclusion of consulting, the practice will further develop in that direction. The impact of the definition will be felt not only in the practical performance of internal auditing, but also in its formal training, professional codes, and accumulating experiences. While the profession will not change because of a change of definition, the change of definition will impact the professional practice through the mechanisms of professionalisation and institutionalisation. This will institutionalise the inherent tension between auditing and consulting, which will inevitably generate discussions and debate in the coming years. That does not mean the dilemma will go away. To the contrary, it will only be heightened. In the coming years, it will increasingly crop up and we will have to find a new balance, through practical experience, reflection and debate. This paper seeks to contribute to this by identifying the key issues and aspects that will come to the

fore in the coming years, and by describing the options available to address them. This should contribute to and strengthen the practice and debate about the profession. Although it may heighten the dilemma, it can also help to speed up the process of seeking and finding a new balance.

Ambition of this exploration: looking at consulting from perspective of audit profession and vice versa

While internal auditing and consulting are two distinct professional fields, they increasingly interact in our professional practice. The relationships between both can be viewed, and in practice are viewed, in different ways. Different internal auditors take a different view of the relationship and handle it in different ways, as we showed in figure 1. In this exploratory paper, we seek to identify the tensions and dilemmas of auditors who act as consultants, and to outline possible ways to address those in professional practices that currently apply. In this way, our exploration will contribute to the search for professional answers to the dilemma. As shown in figure 2, our exploration will follow two directions. First, we will look at the consulting practice from the professional perspective of internal auditing and explore the tensions and dilemmas that emerge. Secondly, we will also take the opposite route and look at the internal auditing practice from the perspective of the professional logic of consulting. Consulting too is a discipline with its own professional values, principles and ways of working, which have crystallised into their current form over years. We want to look at the same issue from both perspectives, to see the conflicting but also possibly complementing aspects of the professional logics of the internal auditor and the consultant.

Figure 2: Conflicting types of logic seen from two perspectives.
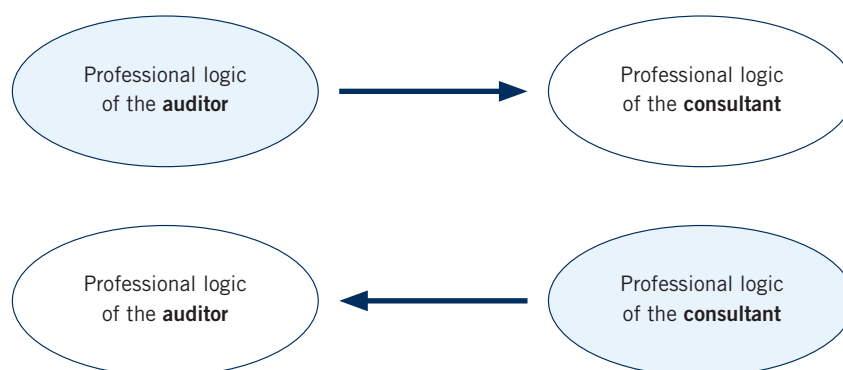
A lot of has been done already to address this issue. The regulation of the *assurance role* has been implemented in detail in the internal audit profession, including through the International Framework for Assurance Engagements (IFAC). Although the subject matter of the *consulting role* of the internal auditor has been described in various reports of the relevant professional associations, no regulation has been introduced yet. Given the nature/logic of the consulting profession, it is of course debatable whether and to what extent it is necessary and logical to regulate the consulting role. In this paper, we will show along what lines the regulation of the consulting role could take place, and we will also identify components of the consulting profession that require a degree of control and limitation based more on informal codes of conduct, routines and professional attitude.

Gaining insight into the interpretation of consulting in the audit profession is vital to the further development of the profession. Our starting point is that this should be based on the observation that in the complete

absence of any regulation, there are no explicit or implicit quality standards that auditors have to comply with when providing consulting. This lack of clear quality standards puts the relevance of the entire profession into jeopardy. After all, if the quality standards are unclear, it is also unclear what auditors stand for and what they do. The lack of regulation may lead to an erosion of the institutional position of auditors. How can one review if due care has been taken in providing consulting in the absence of any formal standards for good consulting? While auditing is characterised by meticulous safeguarding of the various steps, applying quality standards is very difficult for consulting. That is not a big problem as long as auditing and consulting are separated by clear boundaries, but as soon as they mix or one is integrated in the other, it immediately becomes an acute problem. Issues around protocols and regulations for the profession - including for consulting services - are therefore anything but a theoretical dilemma. It is a real issue that will increasingly come to the fore in practice. We will therefore include this issue in our exploration, and we will look at it from both perspectives shown in figure 2.

An exploration at the request of the IIA Netherlands: accounting for our approach

This exploratory paper will obviously not resolve the tension between auditing and consulting as complementary competencies, which is ultimately based on their conflicting types of logic. Our paper is not aimed at resolving issues and *testing theory* but seeks to explore and *generate theory*. Furthermore, the primary aim of this paper, prepared at the request of the IIA Netherlands, is not to define standards and guidelines, as is sometimes advocated within the profession. To the contrary, this paper will in fact explore the limits of regulating in relation to consulting. This is based on the assumption that a key component of the profession cannot be readily encapsulated in standards, and that standards and overly strict guidelines will to some extent impede the proper performance of the profession. We will therefore explore the nature of the consulting profession in the context of auditing, and how the nature of this profession can be safeguarded by professional checks and balances. That could be done through standards and formal procedural requirements, or all kinds of other resources and means. This paper prepared at the request of the IIA Netherlands aims to improve the quality of our profession, just as the practitioners who search for frameworks, criteria, rules and basic conditions, but we believe that this calls for a broader repertoire. Not because we advocate a broad repertoire as such, but because it best matches the characteristics of the challenge we face.

The exploratory nature of this paper is reflected in the selection of our main line of argument. We have opted not to use a predetermined and validated model but to base our approach on empirical inquiry, which through acute conceptualisation will hopefully produce a practical theory (with a strong focus on the sometimes complex considerations and urgent dilemmas) that resonates with the academic world as well as the professional practice. Our study has been carried out in several steps.

The first step was a *conceptual exploration* to map the abstract and practice-based research in this field. This first phase included exploring the relevant scientific and professional literature in order to conceptualise our research topic with greater precision. This reflected the necessity of developing a language to describe and understand: a typology, taxonomy, a theory clarifying the relationship between auditing and consulting. This eased the transition to the professional practice and made it more meaningful; it enabled us to have more thorough and exciting discussions with groups and individuals.

Based on the conceptual exploration, we then had *discussions* with auditors whose professional practice lies at the interface of auditing and consulting. We talked to auditors (individually and in groups) about their experiences, and also explored the concerns of auditors in this area, in terms of examples, considerations and issues they contributed, in a manner that was as open as possible. During 2014, three meetings were

held where we further explored these issues and further tested the insights contained in this paper: an in-depth lecture organised by the Erasmus School of Accounting & Assurance (ESAA), a meeting with the Auditdienst Rijk, the audit department of the Dutch government, and a roundtable meeting for internal audit professionals and managers of audit departments.

Together, these research activities have culminated in this *paper*, which, based on a confrontation between theory and empiricism, between paper and practice, develops a theoretical argument that expresses the developing professionalism of the internal auditor, and which we hope will in turn invite further discussions and debate.

2 Consulting, seen from the professional logic of auditing

Origin and development of the internal audit function

The audit function in organisations arose from the wish to obtain additional assurance from the executive directors or managers on the effectiveness and control with respect to the operations. Management is primarily responsible for designing adequate risk management, control and governance processes. Internal auditing arose from executive's need to obtain additional assurance on the quality of these processes from an objective and independent position. In this way, the internal audit function contributes to the realisation of the organisation's objectives and has since become embedded in the governance model of many organisations.

The internal audit function has seen further development, but in essence focuses on testing the controls on operations in the broadest sense of the word by (a) performing audits, (b) providing reports and consulting about the audits to the responsible management and the audit committee, and (c) rendering itself accountable to the executive directors. To this end, the internal auditor performs various types of audits so as to be able to express an opinion on the extent to which the risk management, control and governance processes are adequate to realise the organisation's objectives. Internal auditors report the outcomes of their audits to the responsible management, which may include recommendations for improvement regarding identified gaps. At that point, auditing crosses over into consulting, and the separate types of logic of assurance and consulting touch.

An audit is an *examination* of facts; it compares the subject of the audit to a predetermined expectation, usually embedded in a governing standard. The outcome of the comparison is a description of similarities and differences: what complies with the criterion and what doesn't? This adds up to a conclusion that indicates to what extent the observed reality complies with the criterion and where there are deviations. Often a clear scoring system is agreed in advance for the conclusions, such as traffic light colours, smileys expressing different degrees of happiness, or a breakdown into 'good', 'adequate' and 'inadequate'. As such, the audit is in essence an examination of the situation compared to an internal or external standard; a confrontation that forms the basis for an *opinion*. Hence, the added value of the audit is that it provides additional assurance to the users of the outcomes of the audit (executive directors, managers, and sometimes external parties).

In addition, the outcomes of an audit can sometimes also be used for *learning processes* within the organisation. Learning is not the primary objective of an audit, the primary objective is to form an opinion, but it is certainly an important secondary outcome. Nor is acting on the conclusions of the audit an explicit component of the audit process. Even if the executive directors or managers fail to act upon the outcomes of the audit, the audit as such may have been good. The external impact, follow-up, actions in response to an audit report are interesting as an outcome (follow-up), but are in themselves - at least according to the classic view - not indicative of the quality and effectiveness of the audit function in an organisation.

A strict definition of auditing, according to the classic conceptualisation on which the profession is based, leaves little room for elements of a more consulting nature. But such a strict definition of auditing that draws a line at the conclusions, leaving little room for looking beyond the confrontation between facts and

standards, is also difficult. Accordingly, in the IIA context, for example, the term 'consulting' is used for activities that extend beyond providing assurance, such as giving advice as well as training, coaching and mirroring. These are activities that partly arise from the outcomes of the audit in the narrow sense of the word, as well as activities that involve looking and reasoning beyond the audit. This has created room for consulting in the audit profession, but at the same time inevitably and undeniably puts that activity in the context - or, as some would argue, the shadow - of providing assurance.

For the auditor, the essence of the audit profession - very understandably - marks off the playing field for consulting. Consulting activities performed as part of the audit profession should not harm or influence the audit function, which effectively means that the assurance role always has a prominent bearing on any type of consulting by internal auditors. Especially since consulting can easily lead to influencing which, based on the strict definition of auditing, readily represents a risk; this could include creating 'the impression of dependence' on the auditee (to whom the auditor previously provided consulting) and the perception of limitations in the objectiveness of the opinion expressed by the auditor. The concept used for this in audit profession is that of 'the impression of dependence' where due to the link between the auditing and consulting role, consulting activities compromise the unbiased nature and the value of the audit. This is not necessarily limited to an 'actual' or 'observed' collision; even the suspicion of a collision can be harmful.

Risk of collision: objectivity, independence, impartiality

When internal auditors combine assurance and consulting, an important and recurring question in the audit profession is whether it is still possible to safeguard independence and objectivity. This tension comes to the fore in at least two ways:

- auditors may have to review the outcome of their own consulting;
- in the consulting role, auditors cannot provide the procedural and methodological safe-guards regarding their independence and objectivity that they can provide in an assurance audit.

Therefore, according to the IIA, the key risk arises not so much from the activities as such, but from the mixing of both activities. This can be an actual or perceived mixing of activities. Sometimes there will indeed be a mixing of activities, as in the case of an auditor who has to review the change process introduced on the basis of his own advice. Often, it will involve a mixing of expectations, as in the case of an auditor who provides consulting, which the client then assesses based on the criteria for assurance. Or in the case of an auditor who provides consulting within the limitations appropriate to the assurance role, but then in terms of his advice provides a product that in the eyes of the client is somewhat disappointing. In accordance with the rules, but not according to expectations. Both situations pose a risk to the reputation and authority of the auditor.

The IIA requires that the internal audit function should be independent of the subject of the audit and that internal auditors should be *objective* - that is to say, unbiased - in performing their work. Objectivity is defined as one of the principles that internal auditors are expected to apply and uphold. Internal auditors are expected to exhibit the highest possible level of professional objectivity in "gathering, evaluating and communicating information about the examined activities or processes". The IIA provides the following interpretation and accompanying basic conditions for independence and objectivity:

- *Independence:* being free of limitations that threaten the ability of the internal audit function or of the head of the internal audit function to impartially carry out the responsibilities of the internal audit function.

- *Objectivity/being unbiased:* an unbiased mental attitude that allows internal auditors to perform their engagement in such a manner that they believe in the outcomes of their work and that no compromises are made on quality.

Upon closer view, independence and objectivity (or more precisely: being unbiased) are not so much (or at least not solely) a matter of *position*, but (primarily) of *actions*. There are always hierarchical and functional reporting lines, but how auditors deal with them also partly depends on their own choices and style, how they take up their role, and how much autonomy they feel they have. It is firstly a matter of auditors being in the position to exercise independent judgement, and then primarily about how they take up and use that autonomy. Do they, knowing what management's interests and preferences are, manage to judge the facts in a manner that is independent of those interests and preferences? With assurance, this is a primary requirement, a basic principle of the audit aimed at providing assurance. With consulting, this is more difficult, as the quality standard of 'appropriateness' has to be considered, which includes the implication that management's preferences have to be taken into account to some extent, in terms of how the framework of standards is applied and how the facts that have been established are interpreted. Not in order to tailor the advice to those preferences, but as an argument in ensuring that the advice truly 'reaches' the client.

This also highlights that the first type of collision - providing consulting about one's own auditing, and vice versa - is in effect a much less complicated problem. It can be easily resolved by putting in place formal and visible barriers. Arrangements can be made about it, by means of reporting lines of reporting limitations, for example, or through personal links and physical segregation. Or by internal auditors explicating the risk, by clearly stating that the consulting relates to an audit they performed. Collision relates to a mixing of expectations that is much harder to control through organisational protocols and other 'physical' interventions in the work method. It is more about suspicions, imagery, and the manifestation of preferences and styles that may also be implicit to the consultant. Consultants rarely consciously tailor their advice to the preferences of the client, but they may do so implicitly. If a client then unintentionally and unwittingly assesses the consultant as an assurance auditor, this creates an awkward situation. What can be expected of internal auditors and their consulting? What procedures apply and how does the consulting on one matter relate to an assurance audit performed later on by the same auditor or audit department?

Looking at consulting from the perspective of auditing

There have been attempts by professional associations such as the Dutch professional organisation of IT Auditors (NOREA) and the IIA to define and regulate the relationship between auditing and consulting. This represents a significant commitment by these organisations, as it involves trying to match and add the professional consulting practice to the professional logic and methodological format used by the audit profession (including IT auditors). This means that while auditing and consulting remain very different activities, safeguards are provided from within the professional practice based on its own standards, frameworks and systems - using a method that resonates with the audit profession (including IT auditors) and with which extensive experience has been gained. The aim is to control the differences and tensions between both activities by operational disciplining and by defining the activities.

Due to the characteristics of consulting, often referred to as 'advisory services' in the audit profession, it is difficult to define exact *validation criteria*. Whereas an audit is 'valid' if a number of defined process steps have been completed and certain substantive and methodological criteria have been met, for consulting this is more difficult to determine. It is unclear whether the advice is good or not, whether the activities are valid, and whether there is a sound combination of analysis and the intuition of the consultant on which the advice is based. Even if the process steps have been diligently followed, the advice itself may be bad;

equally, good advice need to necessarily be the result of exactly following the agreed steps. This makes it difficult to encapsulate its quality, let alone to objectify it. Therefore, as a product, it differs insignificantly from providing assurance.

Looking at it from the perspective of the audit profession, the question is whether and if so, how, we can formulate a clear definition of 'good consulting', with professional instruments and codes to ensure an adequate professional performance, so as to provide comfort regarding the quality and validity of consulting. Below, we describe the image of consulting as it arises from the professional logic of the audit profession.

Seen from the logic of the audit profession, there are several aspects involved in providing good consulting. Good consulting has a sound basis (*input*), is the result of a diligently completed consulting process (*throughput*), and takes into account the appropriateness, feasibility and effectiveness of the recommendations (*output*) During the process, the role and task of consultants is to always consider to what extent they will be able to meet future requirements. They have to consider not only whether the process is valid now, but also whether this process will ultimately allow them to provide feasible and appropriate advice to the organisation. An interesting additional criterion that keeps cropping up in the discussion about consulting is that the advice should be future-proof and sustainable. Advice should not only be sound, but it should also be sustainable in the longer term, and not apply only to the present. The advice should be flexible enough to respond to the development of the organisation, rather than becoming obsolete as soon as one of the circumstances changes.

As with auditing, 'fitness for use' is a key criterion for good consulting. Looking at consulting from the logic of the audit profession, usefulness is an important point. It should be possible to apply the advice to the concrete processes of the organisation, and it should to some extent be acceptable to the organisation. Although advice will often generate some friction, and acuity is acceptable and even necessary, the gap between what is currently possible and what the advice aims for should not be too wide. It should be possible in operational and practical terms to apply the advice to the organisation's current activities and capabilities. Accordingly, good advice has to fit in with management's 'mental' frames, the political situation, and the limits of the capabilities as seen by the managers in the organisation. On paper, organisations can realise all kinds of changes, but in practice they will define the limits of what is feasible much more narrowly. Likewise, having the technological capability for change does not mean a sufficiently solid political coalition can be found in the organisation to achieve it. That makes appropriateness a key criterion for good consulting, and one that is very much emphasised in studies into consulting services provided by internal auditors.

Providing consulting to the organisation's executive directors or managers also means that the advice will land up in a political game between stakeholders and between vested interests. This is also an inherent characteristic of consulting services as seen from the professional logic of internal auditing. In that context, the need for sufficient *efforts to facilitate acceptance* is also mentioned; the consultant should take sufficient steps to motivate the organisation to use the advice. This includes the presentation of the report, as well as making the organisation 'receptive' to the advice and carefully introducing certain insights to stakeholders in advance. Generally, the adage that good advice sells itself is only part of the story; presentation, linking up with the existing agendas, and manoeuvring within the prevailing coalitions of powers, interests and imagery are at least as important. Providing good consulting requires taking explicit steps to facilitate acceptance and being clear about that.

Table 2: Consulting, as seen from the professional logic of auditing.

	Consulting, as seen from the professional logic of auditing
Objective	Consulting differs from providing assurance. It is not about assurance but about conceivable and/or desirable possibilities. As such, it is not even close to being an extension of additional assurance, and the rules and standards associated with the latter do not apply. The client (and the user) has to be constantly informed of this: when formulating the engagement, when selecting the consultant, and when assessing and interpreting the outcome.
Engagement	Consulting should preferably be based on a clearly documented process, with clear definitions of the client, the party performing the engagement and the user, and clearly scoped activities. That way, you can always refer back to the original process and it is clear what the consultant is and will be doing. It also ensures clarity in the event that problems arise during the consulting process.
Consulting question	A consulting question is suitable if the subject is immediately related to the consultant's professional expertise. In addition, the consulting question should be adequate, in the sense that it is possible for the party performing the engagement to gather sufficient information. As the consulting question is the linchpin in the relationship between the client and consultant, it should be formulated and checked with the greatest possible care before the consultant accepts the engagement.
Examination	Consulting requires thorough examination, which involves gathering adequate information in order to visibly substantiate the advice. The outcomes are properly documented by the consultant.
Documentation	The advice is documented in a way that is permanently accessible to users. The type of documentation used should meet the user expectations, as agreed in the formal engagement.
Implementation and follow-up	The implementation of the advice is not part of the consulting. Because of the risk of collision, the auditor who provided the consulting cannot be engaged to implement the advice.

To regulate or not to regulate?

The necessity and desirability of greater and stricter regulation of consulting services is the subject of a long-running debate in the profession. Seen from the professional logic of auditing, there is a lot to be said for doing so, as regulation is the basis of the audit profession. However, the question is whether it can be done. Is it possible to introduce rules that adequately cover the profession and do not impede the possibility of a consulting practice? A number of arguments regularly recur in this debate. These arguments are listed in the table below, which is largely based on previous research by NOREA's working group on consulting services (2012). We have also included possible retorts to these arguments from the perspective of the consulting profession. This makes visible the dilemma of acknowledging that consulting services are different, but also that they should be integrated in the current professional practice of assurance provided in the context of auditing. To keep the framework for providing assurance in the context of auditing sufficiently

closed off, consulting services will have to be regulated to some extent, although that will be difficult given the nature of the profession. While the argument for regulation is partly made by consultants, it is mainly based on considerations in the audit profession relating to its assurance role.

Table 3: Arguments in favour of and against regulating the profession

Arguments in **favour of** regulating consulting services:	Arguments **against** regulating consulting services:
When drafting a guideline for consulting services, it would be logical to base it on the standards for assurance engagements. Consulting services can then be modelled on the rules applying to assurance engagements. That is understandable, as the activities appear to resemble each other: there is a client, a party performing the engagement, a contract, a methodology, a report, et cetera. And experience has been gained with the existing rules.	However, the question is whether underneath the superficial resemblance the similarities exist to the same extent. That question applies in particular to the methodology: it is definitely the basis of the assurance audit, but little more than a tool when providing consulting services. Not because consultants are sloppy in terms of methodology, but because good advice is supported by other methods and forms of analysis.
A guideline for consulting services would enable clients to better assess the performance of the party providing the consulting, and refer to those rules in the event of quality issues. That provides guidance to the client and the consulting auditor, contributing to the development of the profession. That is true as long as clients stick to the rules. That is to say, as long as they let the rules and regulations be leading in their opinion about the advice they receive.	But that is not a given. Unlike assurance audits, consulting services are a more interactive product, they develop and gain meaning through the interaction between client and consultant. Rules can play a part in this interaction, but in many cases when it really matters that role will be modest. So it remains to be seen how 'real' the guidance provided by the rules will be.
A guideline offers structure so that less experienced colleagues will also be able to perform a consulting engagement on their own. A guideline literally standardises the profession, enabling better training and making the profession more reproducible.	That is certainly an advantage, but it only applies to a limited part of the consulting. Interactive elements are difficult to encapsulate in a guideline; the client has to have a certain confidence in the consultant, and this often has to be earned gradually. It can be provided for in the standard, but that does not mean that it actually occurs. The standard makes part of the consulting profession transferable, providing stability to new, younger colleagues; but if they restrict themselves to the standard, they will never achieve the same level of professional performance.

Consulting in the shadow of assurance

Applying the professional logic of the assurance audit to consulting services means that consulting practices should be *integrated* in the current rules and professional requirements. Consulting services would then be modelled on the assurance audit, acknowledging that the activities differ but looking for ways to integrate the differences in the audit rules and protocol. The consulting practice is *integrated* in the logic of the assurance audit. That covers a number of risks from the perspective of auditing. It makes consulting services more reproducible and measurable, enabling subsequent quality assessment. If clients are unhappy with the services, they can refer to the agreed standards, which also provide stability to the consultant. The key aspect is that it would plug the gap with respect to methodology. Consulting services would then be part of the work of the auditor and subject to the same methodological requirements. So they would cease to be a sub-activity in the audit profession with an undefined or only partly defined methodology.

However, this solution could be the source of a new problem. If consulting services are defined from the perspective of auditing's assurance function, the resulting approach will be only partly appropriate to the nature of consulting. Consulting services are then seen entirely in the light of the auditor's assurance role, and it is questionable whether that is entirely appropriate. Does that not leave out certain defining elements of real life consulting? In the remainder of this paper, we will further reflect on this, looking at consulting not from the perspective of the internal auditing profession but approaching it as a discipline in its own right with a different professional logic. That means that we will look at this confrontation of different types of professional logic from an opposite perspective. We will look at what makes the consulting profession unique, based on which we will deduce how the unique nature of consulting affects the combination of auditing and consulting.

3 The professional logic of consulting, in the context of auditing

The unique nature of consulting

So far, we have outlined the dilemmas surrounding the audit profession in a way that reflects how they described and experienced by auditors. Interestingly, the audit profession has also formulated solutions to remove the tension and control the associated risks. Part of this struggle is the question what method is appropriate to ensure control: embedding it in codes and rules, or to a far greater extent leaving it up to the professional proficiency of the consultants? Rules have a strong disciplining impact, but their disadvantage is that they are difficult to integrate in the professional practice of consulting. Furthermore, the main starting point for regulation is formed by the rules for the assurance audit. This creates a strong intentional or unintentional bias towards the original principles of additional assurance in the thinking about and ordering of consulting services. The thinking about consulting is therefore dominated by a conceptual framework that it only partly applicable to it. To counter this, in this section we will look at consulting as a profession in its own right with a different professional logic, starting from the premise that it is a profession with its own strongly developed codes, principles and professional attitudes. We will first discuss the unique nature of the consulting profession, and then in the final section of our paper mention a number of themes that could lead to a more balanced position in the dilemma of combining auditing and consulting.

The deliverables of consulting are nearly always of an intellectual nature: an analysis, concept, plan or text. However, consulting is certainly not exclusively an intellectual or merely theoretical activity. Consulting means intervening in an *actual practice*. It involves not only thought but also action and driving processes towards the intended direction. So consulting always means *influencing* and attempting to change the thinking and behaviour of people or the organisation. As such, consulting involves more than expertise and knowledge alone: it is also about intuition, (personal) wisdom, creativity and artistic and imaginative capabilities. Those aspects are not separate from but mixed in with the analysis and sound research, forming a complex combination.

Operating from a secondary position

Consultants have a secondary position; this is interesting and intriguing. Their role is always based on to the input of someone else, and they usually operate from a position in the background. To be a consultant, you have to be in the position to exercise influence on someone who has the actual powers and responsibilities and who has to make decisions or take action. Consulting is not a primary role; the rationale for the consulting role exists only in light of the profiled other party, and ultimately hinges on that other party and on the environment they are in. The position of consultants cannot be considered outside of this context. Consulting is generally focused on assisting the other party, given the specific situation they are in, by providing complementary and compensatory services, and by to some extent correcting the other party where necessary. That may sometimes involve pushing them into action, whereas at other times the consultant will have to prevent ill-considered actions by the other party. Consulting may involve sharing ideas with the other party, but sometimes it also requires expressing criticism. Consulting may require developing arguments that help the other party to justify their decision, but at other times it will be necessary to clearly highlight the risks involved. When consultants operate in the circles around the executive directors and managers of

the organisation, they play several different roles: expert in the subject matter, process orchestrator, prompter to those in power, devil's advocate, spin doctor, etcetera. That is precisely what makes it so difficult to pinpoint the essence of the position and the profession. Consulting differs from one director or manager to the next. To some extent, it essentially lacks an essence. Or to be more precise, its essence is that it lacks an essence.

A profession without a fixed essence

No wonder that consulting is sometimes referred to as being *not quite a profession*. It is, but then again it isn't. It is a profession, but one that lacks a clear definition. And it is never entirely clear where you can learn the profession and who the actual teachers are. It is a profession that lacks professional uniformity and an own professional discourse. Characteristically, activities designated as a profession involve people being in a similar position, doing the same work, and jointly launching initiatives to further develop their profession. They meet up, set up professional organisations, want to learn from each other, and start to record what is appropriate and inappropriate in their professional practice, also in order to eventually be able, if possible, to exclude others who can then be characterised as moonlighters. Professionalisation is characterised by the attempt to record how you become a (good) consultant, what a (good) consultant is expected to do and not do, and therefore also how you can continue to be (good) consultant. This translates into all kinds of institutionally embedded forms of thought and actions, encapsulated in manuals, diplomas, certificates, titles, concepts, models, methods, practices, categories, standards, repertoires, professional codes, awards, rules and norms. Compared to this typical development of a profession, the professionalisation of the consulting profession, if we can even speak of it as a clearly defined profession, has not been very successful yet. There have of course been various initiatives by professional associations such as the Dutch Organisation of Management Consultants (OOA) to document the competencies of consultants and draw op protocols for the associated professional qualifications, but they have not been very successful.

That said, there is a big difference between being 'not quite' a profession and not being a profession at all. Although the profession may lack a strict definition, some are clearly good at it while others are not. And it is equally clear that to be good at consulting, you need to have an extraordinary combination of qualities. Moreover, characterising the position of consultants as secondary does not signify that the profession is an empty vessel. Consultants may 'merely' occupy a secondary position, always perceiving their professionalism through the relationship with the profiled other party (situational), but there are nonetheless constantly patterns in this inevitably mirrored reality. Reproducing what exactly the consultant does is difficult, but that does not mean he does not do anything. To the contrary, the actions of a good consultant often produce a major change that - in retrospect - is clearly visible in the process. The what, how and why are perhaps difficult to express and even harder to reproduce. But it is there nonetheless, and it regularly recurs with good consultants.

Autonomous while dependent

Consulting always takes place in and based on the context of the organisation. The way in which consultants do their work depends on what is happening in the organisation. But to view consultants as only standing in the *shadow* of others, without having an autonomous significance or own directive role, would be to devalue their role. This contextuality is the basis of the work of consultants. The context presents the consultant with certain limitations, but also provides leverage. By making clever use of that leverage, consultants can often remove the limitations. The point is that the starting point for the consultant is one of dependence, from which he starts to act autonomously to get the organisation moving and perform his

engagement. Consultants share ideas, but also express their disagreement; they help, but sometimes do so by organising opposition; they want to advance and progress, but to do this they also occasionally entice the other party to take pause and look back. Their quality is not that they can do all this, or can pull all these roles out of their bag, but that they do it at the right time, with the right dose and the right accentuation. The decisive factor is not that consultants can do all this, but that they make the right move at the right time.

So consulting is always a game between intimacy and distance. Consultants operate from a strong commitment, but also from a professional distance. While they are part of the organisation and often physically close to the client, they always work from their own autonomous position. They are 'in' the meeting or staff gathering, but as an outsider they have their own observations. The essence of consulting should not be sought in the characteristics of the activity itself, but in the relationship to the other party in the situation they are in. Therefore, consulting is largely *contextual* and *situational*, which means that it also largely revolves around the individual style, competencies and patterns of individual consultants. That makes it an interesting mix of very personal and hence unique elements of the consultant as an individual, which have an impact along with the uniqueness of the situation and context in which the consultant operates. Here, situationality and contextuality do not imply blending in with the complexion of the situation, but adjusting your own style to what is happening around you. Not in order to keep it at that, but in order to gain traction for change.

Consultants always bring along their personality

In consulting, the *personality* of the consultant makes a big difference. Where many professions strive to 'depersonalise' their discipline (by carefully describing procedures and work methods, for example), in consulting personality is still decisive. The process by which a person has developed their career, and the events and experiences outside their work, affect how they perform their work and should therefore also be a topic of reflection, as they are the basis for an effective intervention. Consultants are the tied the history of their own development, their personal biography is an important part of how they perform professionally. The consulting style they now have, the interventions they deploy and their circumspection towards clients can all be traced back to a few significant experiences earlier in their career. A process that derailed, a session that was difficult, a client who managed to put the finger on the sore spot. Consultants learn by doing, and as their careers differ greatly and have different formative moments, they all learn the profession in slightly different ways. During this process, they develop techniques, qualities and abilities, but also fears, pathologies and ingrained patterns. Consultants are their own tool; their key commodity is *not* the models in their bag, but how they personally apply them as a consultants. The consultants' audience does not so much believe in the model, but trusts the consultant; or they don't. In both cases, the consultant brings along his own personality, and that is by definition the first intervention. It matters who you are, what your body language is, how you formulate, and what language you speak.

Professionalism in reading difficult situations

Consulting is a profession that can be performed in many different ways. It can be performed from a strong commitment to the other party, but equally from a wide and convincing distance. But to have an impact on actions, consultants must be able to always read the situation of the other party, in other words: they have to see it and understand it. They need to understand not only the current state of affairs, but also the underlying contributing patterns, and they need to be capable of bringing empathy to the situation. Consulting requires the ability to adopt *the perspective of the other*; to follow it, and to see what the world looks

like from that perspective. Connecting, being attentive, being in touch, acknowledging what is important to others and what they want to achieve. Being there for the other, without taking over their burdens and responsibility. Understanding what motivates them, and being capable of bringing empathy to the situation; not to condone things (it they are wrong or unproductive), but to comprehend how and why the organisation ended up in this situation. Consulting services are usually contracted after something went wrong, perhaps horribly so. It is then very easy to establish the deficiencies and hold those responsible to account; as an intervention, it will have an impact and possibly even a positive one. However, the consequences often have more deep-seated causes that only become visible by sincerely placing oneself in the perspective and role of the other party. Not by acting chameleon-like, but by having empathy. Having empathy is different from merely acting as the party that performs the engagement. It is not a matter of 'doing what you are told', but 'understanding what is going on'. The paradox is that the consultant is brought in as an outsider to gain a deep understanding of what is going on in the organisation based on his independent position. That requires distance and objectivity in order to read and interpret the difficult situation from very a close range within the organisation. An essential characteristic of being an outsider is the ability to quickly develop an understanding for what happens inside.

Beyond the primacy of explanatory knowledge

For the work of consultants merely providing explanatory knowledge is inadequate; explanation alone is not enough. Explanations can be the starting point of consulting, but are not the essence of the profession. If consultants identify causes that explain a great deal but cannot be changed, or only at high costs, that advice is no good to anyone. Explanations can be found for why an economy shrinks or an organisation is in decay, but that does not solve the problem; consulting is about the next step of providing advice on a way out of the problem. While the advice should build on the explanations, it should not simply be the opposite of the explanations, and should also take into account circumstances outside of the explanations. After all, the explanations of what is wrong now are retrospective by nature, whereas consulting is mainly concerned with the future. Will the explanations still be appropriate then? Therefore, to be useful in practice, consulting will have to consider the extent to which variables can be manipulated so as to move the system as a whole in the right direction. Sometimes that will require settling for the *treatment of symptoms*, since that is all that can be done, given scope for intervention. That is the least favourable option from the perspective of the explanation, but sometimes in consulting it turns out to be effective that way. Consulting is about improvement; creating change in a future that is yet to unfold. The current situation offers only a limited basis for explanation. For that very reason, in addition to analytical skills, consultants need to rely on their *design-oriented* qualities; the ability to see potential and to estimate how interventions in social systems will lead to movement and change. The question is not only whether a certain solution is technologically feasible, but how it will affect the actions of the most relevant actors in the organisation. That calls for competencies such as creativity, imagination and associative ability - usually not the first terms to be mentioned in a job application process, nor included in the competencies prioritised by NOREA, for example, in its study into consulting. That is understandable, but also part of the problem. These are not merely supplementary skills, but the keys to effective consulting.

Bias favouring multiple interests

Consultants work through a relationship with another party for whom they perform their work. They occupy a secondary position that can only develop in a meaningful way by connecting with someone else. Consultants operate in a system where they are contracted by a client; a system to which they permanently relate. This system is not only the locus of their work, but also the basis of their work. Without a system of being

contracted by a client, there would be no consultants. After all, consulting is a profession and a practice that comes about through interactions with that other party. Researching is something that you can do on your own; the interaction with the auditee is explicitly restricted and regulated. With consulting, that is impossible, and also undesirable. Consulting is primarily about the ability to relate to the other party and put yourself in their shoes: commitment, passion, sympathy. Listening at the level of subject matter (knowing), but also at the level of the emotion (feeling) and ambition (wanting) involved. Not only as a way to ensure that your own analysis gets a better reception - which is often easier if you have some sense of the concerns and wants of the other party - but also as a way to arrive at an analysis and advice. It involves putting yourself in someone else's shoes, as well as understanding and to some extent taking up their interests. Being independent and unbiased are 'hooray concepts' to which no one really objects. No one wants to be dependent and biased, least of all as a consultant. And yet these concepts have to be re-conceived when it comes to the role of consultants. For consultants, it is more a question of adopting a bias in favour of multiple interests; understanding the multitude of interests and relating to it. Not advocating one interest at the expense of the others, but gaining insight into the interplay of interests and forging coalitions from it that represent the multiplicity. That is not the same thing as searching for a dull compromise. It is more about acknowledging that ultimately every advice will be received in the diversity of the organisation, and that the actors in the organisation will have to work with it in some way or other. So even a radical decision will have to be accompanied by a strategy to act upon it. To what extent this is the basis of the consulting or only a key consideration depends on the consulting style. But it is always there, and that is a fact that every consultant has to consider.

A world that watches and talks back

Consulting takes place in a context that does not passively accept the conclusion, but has an opinion about it, wants to discuss it, to debate it, and which has its own opinions about the outcome. Moreover, this context will not wait until the consultant reaches the reporting phase and is ready to present the findings. The client and the system around it have their own process and dynamics. While consultants try to create order in this system and try to be independent, they also have to be flexible and they have to respond to the dynamics. Consultants do not lock themselves off, popping over now and again for data gathering; they have to somehow get into touch with the dynamics of the organisation. Clients may be in a rush, be pushy, declare certain domains off limits, give orders, call in third parties - other consultants, for example - and they may fight back. So this system of clients contracting consultants is not just an onlooker to the work of the consultant; it is also always a participant and a party to it. That turbulence can be an argument for creating even stricter distinctions and definitions in the process - "not in this phase", "this is my domain" - but good consulting is also about the ability to respond flexibly to the dynamics and even use them to your advantage. Using the momentum, tapping into the undercurrent, using the political game to improve your own advice.

Reflection in action, reflection on action

Methodical action is developed in a practice that strongly influences your ideas of what is effective and what isn't. Acting and researching go hand in hand, as researching is set up in a cyclical and iterative way, as a dialogue with the practice; that is to say, it's interactive. It is good to safeguard that research practice by means of methods and clearly defined steps. That increases the reproducibility and enables consultants to render themselves accountable for their work. It also ensures that the research work is recognisable to the client and makes it easier to communicate about it. However, all those defined methods and techniques are relative; they are implemented in a process that is essentially interactive and where the methods and tech-

niques are not the primary vehicle for the process, and sometimes are merely a trigger. The research is not the quick scan, but the quick scan creates the investigative context in which the consultant gains access to the inside of the organisation. The interview is not the instrument, but creates the time, place and trigger for a discussion between the consultant and a key figure in the organisation to learn about the organisation. As a result, the interviewee has a view of and about the consultant. The consultant asks questions and records answers, but he also leaves an impression. He may intimate where things are headed, or check up on initial ideas and impressions, always from the knowledge that his very presence is an intervention, so never naively, but consciously and strategically. When examining, the consultant works in circles, trying to achieve greater depth and acuity through repetition, in a process of constantly testing and getting more in-depth. It involves a constant alternation between reflection and action. The defined methods, steps and phases set the stage for that - and more - but they are not the process itself. They create the context, trigger and room for the circling, searching, testing, examining and refining that ultimately enables the consultant to move towards a productive outcome. It is about what happens in a certain context - an interview, for example - but also about how we look at the research as a whole. The moment when the consultant first brings out advice and the actual consulting starts is not during the reporting phase; it already occurs during the research, or in the context of phases or components that on paper have a different purpose.

The game for and with power

Consulting is more explicitly part of a subtle or unsubtle power game in which the subject matter of the consulting gains meaning. The game is about "public power", aimed at maximising profit. But it's also about much more implicit processes, where established parties sometimes want to settle old accounts, or try to capitalise on mutual relationships or patterns in relationships that have developed historically, or where novices in the political game have to find their way among the established parties and individuals. The action context does not just have an element of politics; it is in elementarily terms political. Relations always and by definition have political elements that transcend the brute and often demonstrable power politics. Action contexts are full of defensive routines, anger, fear, rage, shame, conflict avoidance, projection, pain and other emotions or scars that manifest themselves in the interaction. Hidden agendas, ingrained patterns and deadlocked processes, with a tension between what parties say, what they mean and what they do. For consultants, operating in that context while retaining their individuality is one of the most difficult elements of their profession. They cannot ignore the context, but focusing on it distracts from what really matters in a consulting process. Parking it is difficult, because it's always about underlying processes that constantly crop up everywhere. Relegating it to the margins it is also problematic. Even from the margins, it will constantly cast its shadow on the playing field. This is the complex context in which the consultant has to operate, developing advice which, while not being guided by the power structure, does appropriately accommodate the power relations that inevitably exist in the organisation, as part of the process of enabling the practical implementation of the advice.

Empty-handed and silent

Many studies and manuals on consulting stress the importance of techniques: consultants have a good grasp of models, concepts and approaches. They must not be empty-handed. Although consultants know that the models do not correspond with the reality and they use them as a vehicle for a discussion that is about something else - the interview as the context for interaction instead of data gathering - the thought of being without a model or instrument fills most of them with horror. Consultants do not know the answer beforehand - in fact, that is a key criterion for the quality of consultants - but they more or less know the steps that will lead to the answer. They should not have their advice ready yet, but both clients and consul-

tants themselves feel comfortable knowing that they have something in the way of methods in their bag that will lead to the answer. However, there is also a certain value in having a bag without any instruments or sessions without a programme. Emptiness is also potential, a void to be filled that seems to call for action. The instrument orders the interaction, but it also takes up a lot of room, taking away a lot of room in the interaction. Every consultant has been in an interview where the interviewee revealed key information not in reply to a question from the consultant, but to fill a silence, often felt to be awkward, that fell after their initial answer. If the interviewer starts talking, for example to ask the next question, the silence is filled and the moment passes. If the interviewer keeps silent, the interviewee will keep talking. And what they tell you are not the less significant details, but the real story and the true message. "What this is really about…". Or: "You should know that…". The story is not a response to the perfect question, but to the ability to stay silent, to let a silence fall, leaving room for something to develop. The question is whether the consultant can accept the silence and resist the urge to fill it with methodology (the interview protocol) and skills (answering open or closed questions). The quality of an interview and the resulting data depends just as much on the room the consultant leaves during the interview as on how he fills it with questions. Many consultants are not afraid to do this in a one-to-one interview, where they have a clear grasp of the context, the interaction is limited to two people, and the fall back option is obvious; if it doesn't work, the consultant can just go the next questions and pretend that the silence fell because he was lost in thought or making notes. But could the consultant also let a silence fall during a group session? Just start without a programme, sit down and wait. Not by having people answer the question, but by letting the answers come from the group. The risk is that the group dynamic will turn against the consultant or that the consulting process is terminated on the spot. But experience shows this rarely occurs; more often the 'system' - the people who have been given room to act - is spurred into action, and what was always left unsaid is finally brought to the table. The system starts to repair and examine itself, instead of waiting for a diagnosis and repair by the consultant. Consultants often complain about the lack of initiative from the client and the organisation, but that is partly due to the fact that consultants leave no room for silence - and personal initiative.

Unique but not alone:
tracing back our steps from consulting to auditors

As we have seen, consulting is a profession in its own right. Summarising, there are four characteristics that are unique to the consulting profession.

1. **Consulting is a profession occupying a secondary position**
   The position of auditors is based on routines embedded in the organisation and standardised norms and rules - elements outside of the concrete performance of the profession - but for consultants, the opposite is true. Consultants have to find and earn their position in the concrete performance of their profession. They cannot rely on a formal role or position other than the engagement and the support of the client. That brings into sharp focus the secondary position of consultants: they only have the position as long as others allow it. And often a good fit between the consultant, the situation and the context is required. Consulting is not a standardised profession, where the same approach always applies regardless of the situation, but a profession that has to adjust to what is needed on the ground. Sometimes that means aligning the consulting with what is going on, or providing consulting that is very different from the dominant repertoire. Consultants often balance organisations by emphasising the opposite of what is already present in the organisation: management focuses on structure and procedures, whereas the consultant's invention is based on culture and informal routines. Management focuses on power and position, whereas the consultant points to the importance of authority and relationships. A good consultant knows what is needed, but the details of that will depend on the state of affairs in the organisation and the nature of the engagement. Without knowing that context, it is impossible to say what makes up

good consulting. A secondary position is not the same as being 'dependent'. The challenge for consultants is to operate autonomously from that secondary position, especially since they cannot adequately rely on standardised protocols to render themselves accountable for their approach.

2. Consulting is a personal profession

The absence of standardised norms means that consultants have to make their own choices on what the organisation needs. Those choices are made by cognitively weighing up factors and analysing the organisation, but they cannot be isolated from the consultant's personal repertoire. Personality is more important in consulting than it is in the audit profession. The quality of consulting depends on the consultant's competencies and ability to provide cognitively strong consulting, maintain a good relationship and have an impact. Whether consultants are given room depends in large part on the consultants themselves; good consultants are better able to create room for their work, build trust with the management and organisation, and operate from a position of authority in the absence of real power. That means that there can be all kinds of descriptions and arrangements on terminology, but they will always be overshadowed by the person using them. Consequently, the relationship between the consultant and the consulting differs fundamentally from that between the auditor and the audit. Whereas the audit profession wants to separate the person (auditor) from the product (audit), they are inherently mixed when it comes to consulting.

3. Consulting is an improvising profession

An audit is aimed at rolling out and following a *pre-agreed* and *externally* prepared and validated method: the auditor does what he came for and completes the steps that have been planned in advance. The essence of the profession is not to deviate from the protocols, as that would impair the quality of the audit. The auditor can make adjustments along the way, but only according to a formal procedure. That means that they have to visibly step out of the protocol, explicitly adjust it, and then follow through with the new protocol. For consulting, the opposite is true. Here, the core competency is improvisation: during the process, the consultant gradually discovers what he is searching for. The consultant starts out with a plan, but it's designed to enable exploration along the way. Sometimes explicitly, by leaving open the later phases, but more often implicitly, by giving ambiguous names to the phases, thus leaving room for flexibility along the way. From that perspective, deviating from the set course, constantly exploring, not knowing where you're headed and uncertainty about the outcome are part of the process. Retrospectively, in the ultimate advice, this exploration is then often described as a purposeful, more or less pre-conceived process. But the reality is otherwise. Improvisation is not a sign of inadequate planning or unprepared action, but an explicit component of the consulting profession; it's part of the job.

4. Consulting is a political profession

Whereas auditors carry out their work from an autonomous position and deliberately stay clear of the political process of the organisation, consultants deliberately position themselves in the midst of it. Not as a player in the political process with interests of their own, but as someone who has become part of the political game. Whether an advice finds a reception and the consultant is given the room to do his work properly, depends on the political game in the organisation. While the consultant is independent, he has to operate in a political system with opposing interests and established powers and positions, and where parties have formed informal coalitions. The consultant will not let himself by guided by it, but he does have to deal with it. It is part of the profession, as it is necessary in order to properly operate and intervene in that context. It's different for auditors; they can rely on methods and standardised rules and can present their product in apolitical terms. What happens to that product it is a political issue, but that is not the auditor's responsibility. For the consultant, however, that final phase is a key part of the consulting. Therefore, compared to auditing, consulting is more of a political profession.

From uniqueness to similarities

As we have seen, consulting is a profession with many unique characteristics, extending beyond the familiar definitions of steps, phases and models that apply to many activities in the auditing discipline. It is more complex than that, although much that emerges from underneath its surface is of a surprising simplicity. Not everyone can make certain complex calculations, but letting an awkward silence fall and showing empathy for the other party seeking advice is a skill that is basically within everyone's grasp. And yet consulting is not a 'simple' profession that anyone with common sense and a social antenna can do off the bat. That is partly because it's a profession that is not only about the subject matter involved, although subject-matter expertise is still required. But the main difficulty is that it's not about potentially or in practice being able to let a silence fall, but being able to do it at the right time, and following it up with the right steps.

The profession is about tailoring, timing, a sense of proportion, combining, switching between subject matter, process and meaning. Consulting is a profession without an essence: it does not have a single core surrounded by other all kinds of other interesting but peripheral skills. The essence of the profession is to *combine* all those different skills, techniques and capabilities, resulting in different accentuations and combinations with each consultant. Not based on the consultant's own reasoning, but in a manner appropriate to how they fulfil their secondary position in a system where they are contracted by a client. And doing so in a way that retains their individuality, instead of constantly, chameleon-like, taking on the colour of the client. Those are the dilemmas that together make up the profession.

That brings us closer towards professionalisation and the question how that is to be structured and organised. The question we need to consider is how individual consultants develop methods in their performance of the profession, which should ultimately give rise to a *methodology* that encompasses more than just deploying a tool or instrument. Methodological development refers to the entirety of actions relating to subject matter, social context and interpretation that give shape to consulting. If we want to get a better understanding of the way in which auditors provide advisory services, we should look at this consulting activity not based on the methodology of the assurance audit, but based on the dilemmas of consulting. That partly involves paper-based research, going through the existing manuals and recording the work methods, but we believe that it is not the research phase that is most urgent now. Instead, it is much more interesting to use an empirical method to search for the actual approach, the method applied in practice, the actions of auditors when providing consulting. What do they do, what do they see, how do they perform their profession in practice? How do they balance out the dilemmas of consulting? From there, we can look for good of ways of embedding the profession. That will enable further development and ensure that the risk of collision can be partly controlled.

4 The consulting auditor: towards better utilising conflicting types of logic

Towards the next phase

As this paper has shown, the combination of auditing and consulting is not without problems. They are different disciplines, each with a rich tradition, their own set of organised and established rules, and their own logic of actions that are required to properly perform the profession. The combination of auditing and consulting is indispensable, yet at the same time at the fundamental level rather impossible. They are in line with each other, in the sense that it is not strange when an auditor not only establishes the situation, but also suggests how it could be improved. But they are also far apart, as they are based on very different principles. Given its origins and the objective of providing assurance, auditing operates from formalised control frameworks, models and methods formalised in protocols, objectified norms and work methods, and carefully recorded rules on how to perform the profession in practice. By contrast, the activity of consulting is much harder to encapsulate in a single framework. That does not mean that consulting is done 'off the bat'. The professionalism of consultants is not so much based on meeting external and standardised rules, but on the ability to work in the situation, based on the specific context, and learn from experience to realise a good outcome. Consulting is based on standards of a *different* type, but they are part of the established professional practice of consultants.

The question, of course, is where both types of professionalism could meet a productive common ground. The reason for asking this question is primarily pragmatic: there is already an overlap between the two in practice. There is a demand for it and it's a logical step from the perspective of supply. Many auditors feel that they have more to offer the organisation than merely providing assurance. And after a good audit, clients want to know what the follow-up should be and ask for assistance. That is the reality on the ground, and the question is how the profession could approach it.

So far, the solution for the conflicting types of logic has mainly been to look at consulting from the logic of the auditor. The model for the audit is projected on the consulting work and translated into protocols and standards strongly resembling the external and standardised rules already in place for regular audits. The uniqueness of the consulting profession is translated into standards that come from the audit profession, and in that translation, a key part of the proposition is inevitably lost. This approach certainly has its merits, as it provides a handle on the tension between both types of logic, but also it means losing something. The question is whether we can focus on the uniqueness of the consulting profession, and from that focus look at its embedding and the combination with the audit profession. What can auditors learn from consultants?

In this paper, we have broken down the uniqueness of the consulting profession into four categories, which show a strong contrast with the audit profession. Consulting is a profession *occupying a secondary position*, a *personal* profession, an *improvising* profession, and a *political* profession. The professional position of assurance auditors has an external basis and they come in to apply protocols and standards that are external to the organisation. They are outside of the local political game and apply externally validated and established standards and frameworks; a key element of their professionalism is to do this properly and to maintain their independence, however hard that might be. Their goal is not to be swayed by political processes, but to do what they came for; not to respond to the undercurrent in the organisation, but stay independent of it. If there is a setback along the way, they should not change the protocol but find a way

to properly follow through with it. As we have seen, the opposite is true for consulting. Consultants have to earn their position in the organisation, what needs to be done is based on what is already there, the methodology develops along the way, and they place themselves inside the organisation's political game. That is the domain where they do their work, and a good consultant manages to excel there. While that is a different way of working than prescribed from the professionalism of the auditor, it seems to offers many interesting lessons to auditors.

As we said at the outset, this is an *exploratory* paper. We don't have the ambition to draw a conclusion of whether and if so, how, the performance of consulting services by auditors should be regulated. In our view, however, that is not to admit defeat; we believe that it's a step forward not to use rules to (optically) 'resolve' the awkwardness that arises from this indispensable yet impossible combination, but rather to reflect on it every time it occurs.

To this end, we would first have to explore whether we can move from the one-directional integration of consulting into auditing - applying the perspective of auditing to consulting - to an integration that is more like *two-way traffic*. For example by creating a sharper contrast between consulting provided in the context of an assurance audit, and consulting that goes beyond that. With the first type of consulting, the professional logic of auditing can be emphasised, whereas with the second type it makes sense to give more room to the professional logic of the consultant. It would be interesting to see how this two-directional concept of the profession would affect the professional protocols, certification, education and methodology. For example, specific courses could be set up for consulting auditors, with a greater focus on the professional logic of consulting and combining this with the existing professionalism in assurance auditing, which is already well developed. We would then have professionals with a broad training who can provide solutions based on the knowledge of both disciplines. An actively learning network could then be built around the work of these professionals, in order to collect and document the experiences and practices of auditors providing consulting, and make them accessible to others. In this way, we could explore in practice how we can better utilise the conflicting types of logic of both professional domains.

Literatuur

- Argyris, C., & Schön, D., Organizational learning: A theory of action perspectives. London: Addison-Wesley, 1978.
- Block, P., Feilloos adviseren, Een praktische gids voor adviesvaardigheden. Schoonhoven, Academic Services, 2002.
- Bouwmeester, O., Advice as Argument, Economic Deliberation in Management Consulting and Academic Contract Research, dissertation, VU University Amsterdam, 2008.
- Driessen, A.J.G. en A. Molenkamp, Internal Auditing, Een managementkundige benadering, fourth revised edition, 2008.
- De Caluwè, L. de & Reitsma, E., Leren Adviseren. Het belang van echt vakmanschap, Mediawerf Amsterdam, 2010.
- IIA Netherlands, NIVRA, NOREA, De Internal Auditor in Nederland, Position Paper Update 2008.
- IIA Netherlands and NIVRA, Impact op governance, Interne en externe auditor; samen een nog sterkere bijdrage aan de governance, 2009.
- Institute of Internal Auditors (IIA), The Internal Auditors Role in Management Reporting on Internal Control, 1994.
- Institute of Internal Auditors Inc. (IIA), Standards for the Professional Practice of Internal Auditing, www.theiia.org, 2001.
- Institute of Internal Auditors (IIA) Research Foundation, Research Opportunities in Internal Auditing, 2003.
- Institute of Internal Auditors (IIA) UK & Ireland, The role of Internal Audit in Enterprise Risk Management Position Statement, 2004.
- Institute of Internal Auditors (IIA) Netherlands, Studierapport over de internal auditor in Nederland, 2004.
- Institute of Internal Auditors (IIA) Netherlands, Studierapport over de internal auditor in Nederland, 2008.
- Institute of Internal Auditors Netherlands, The Governance Challenge, A First Exploration for Internal Auditors, 2012.
- Katwijk, J. van, Kranenburg, M, Lange, C., de & Slijderink, H., BoKS, Body of Knowledge and Skills, Orde voor Organisatieadviseurs (OOA), 2002
- Kolb, D.A., Experiential Learning. Englewood Cliffs, NJ: Prentice Hall, 1984.
- Korte, R.W.A. de, E.I. van der Meulen and J.H.M. Otten, Management Control Auditing:
- Maister, D.H., C.H. Green, R.M. Galford: The Trusted Advisor, Free Press / Simon and Schuster, New York 2000.
- NOREA, de beroepsorganisatie van IT-auditors, Studie Adviesdiensten, werkgroep adviesdiensten, Amsterdam, 2012.
- Schein, E.H., Procesadvisering; over de ondersteunde rol van de adviseur en het opbouwen van samen-werking tussen adviseur en cliënt, Uitgeverij Nieuwerzijds, Amsterdam, third edition, December 2002.
- Schön, D.A., The reflective Practitioner; How Professionals Think in Action. United States: Basic Books, 1982.
- Twist, M.J.W. van, M. van der Steen, H. Bouwman & H. Bekkers. De internal auditor in het publieke domein: drijfveren en dilemma's, principes en paradoxen. The Hague: Boom Lemma, 2013.
- Tzioti, S.C., Let Me Give You a Piece of Advice, Empirical Papers about Advice Giving in Marketing, dissertation, Erasmus University Rotterdam, 2010.