Advisory Anxieties: Ethical Individualisation in the UK Consulting Industry

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Abstract  Theorists have long argued that a process of individualisation is inherent in conditions of late modernity. Whilst individualisation has been acknowledged in the business ethics literature, studies have often overlooked the processes by which individuals are given greater responsibility for ethical decision making and the personal and institutional effects of this responsibility. This article develops a notion of ‘ethical individualisation’ to help one understand and explore how and why ethical responsibility is being devolved to employees in the UK consulting industry. The article argues that an individualised ethics is incapable of preventing malpractice in the face of institutional conflicts of interest.

Keywords  Beck · Consulting · Identity · Ethics · Individualisation · Professional service firms

Introduction

Global risks such as climate change and nuclear weapons have changed the consequences and control of risk, with nation states having to reassess their mediation of the relationship between individuals and society (Beck 1992). The implications for the individual are not simply to be felt in the material consequences of a world without borders but also in the very identities people construct to cope with risk at an individualised level (Beck and Beck-Gernsheim 2002; Alvesson and Willmott 2002). A major theme in this analysis has been the shift of ethical responsibility from institutions, such as social or religious norms, to the individual, who must seek biographical, reflexive solutions to questions of risk and ethics. This process of individualisation, in loosening the ties between the individual and their religion, ethnicity or nationality, has, on the one hand, been represented as liberationist, ‘a process in which agency is set free from structure’ (Lash and Urry 1994, p. 5), and on the other, leading to ‘ontological insecurity’ (Giddens 1991, p. 113) through removal of ‘identity stabilisers’.

Yet, whilst the impact of the shifting role of the state, ethnicity and religion on the individual have been well documented in the literature on late-modernity, the role of corporations within the individualisation thesis is somewhat awkward. The analyses of social theorists, such as Beck, Giddens and Bauman have tended to focus either on the globalisation of organisations as another nail in the coffin of the nation-state (Giddens 1999) or on the role of corporations as ‘knowledge experts’, increasingly questioned by the lay public in their quest to understand and manage risk (Beck 1992). Developing this theme, others have linked the individualisation process to changing ethical norms in society (Elliott and Lemert 2006). On the other hand, organisational theorists have explored individualisation as both part of a performative agenda promoted by managers to exert enhanced control over employee work and self-identity (Ybema et al. 2009). A key theme in this literature has been the anxiety and insecurity that individuals experience in the absence of traditional identity stabilisers (Alvesson and Willmott 1992; Collinson 2003; Brown 2005). In recent years, much of this study has focused on the emergent ‘knowledge worker’ especially in professional service firms such as management consultancies (Alvesson 2001; Dent and Whitehead 2002; Whittle 2005, 2006).
Thus, whilst theorists have built some bridges between the organisational and social aspects of individualisation, analyses of the impact of individualisation on ethics in organisations has, with few exceptions (for example, Barclay and Smith 2003; Taskin and Devos 2005), remained relatively rare. Such an absence is lamentable. In recent years, as Beck (1992) suggests, the consequences of financial irregularities at companies such as Enron (Fusaro et al. 2002) and Lehman Brothers (Sorkin 2009) have made clear the global risks involved with global capitalism in late modernity, raising important questions of the role of the individual in enabling and mediating ethical practice (Goshall and Bartlett 1999). This article seeks to fill this gap by exploring how individualisation occurs in the consulting industry and the consequences of this for both the individual and ethical practice. In doing so, it aims at both applying and extending the study of Beck and Giddens by examining how the responsibility for ethics is increasingly individualised.

Drawing on qualitative research from a 2-year project, the article makes three substantive points with regard to individualisation and ethical practice. The first is that consultancies are increasingly devolving responsibility for ethical decision-making to the individual consultant. This process is defined in the article as ethical individualisation: the devolution of organisational responsibility for ethical practice to individual employees. The second is that this individualisation of ethical responsibility is inadequate in achieving ethical practice as many of the ethical problems in the industry result from conflicts of interest at the level of institutions, governance and structures, thus rendering an individual employee powerless in effecting change. Unless these organisational and social conflicts are tackled adequately, it is unlikely and unrealistic that individuals can, or will, act more ethically. The third point is that, contrary to those who suggest individualisation offers greater opportunities for ‘the power of the individual as the driver of value creation’ (Goshall and Bartlett 1999, p. 63) or ‘self-leadership’ (VanSandt and Neck 2003), the devolution of ethical responsibility forces a de-coupling of the employee from the social stabiliser of organisational direction, frequently leading what Giddens (1991, p. 113) terms ontological insecurity for the individuals involved, an instability experienced at the level of identity.

The article first introduces the key concepts in Beck’s individualisation thesis and expands the concept of ethical individualisation arguing that the consulting industry provides a promising test bed for these ideas. After outlining the methodology, the article describes how the individualisation of ethical responsibility is achieved within the consulting industry and describes the consequences of this for individuals involved. Next, the article argues that the process of individualising ethical responsibility in the consulting industry is insufficient to achieve ethical practice or to avoid the risks associated with globalised corporations. Finally, the implications for theory and practice are outlined with a view to developing the concept of ethical individualisation in future research.

### Individualisation in the Workplace: Ethical Implications

Individualisation, in Beck’s study, is conceptually different from that associated with neo-classical economics and neoliberal governance (individualism). Rather than the atomising reductionism associated with the latter, Beck’s conceptualisation concerns a reformatting of the relationship between society and individuals where individualisation is celebrated as representing a shift towards a ‘legally binding world society of individuals’ (Scott 1990, p. 4) where institutions ‘are no longer seen as managers of risk, but also as sources of risk’ (Beck 2009, p. 54). As organisations, experts and governments ‘dump their contradictions and conflicts at the feet of the individual’ (Beck 1992, p. 137), he or she has to find biographical solutions to handle risks. The burden for assessing and managing the risk is, therefore, placed firmly upon the shoulders of the individual.

Individualisation redefines the social relationships, and therefore, the very nature of identity and reflexivity for the self. The traditional relationships of the individual to class, religion and the state are replaced with a relationship between, and a heightened awareness of, the individual and the global (Giddens 1991). Thus, a reformulation of both rights and risks occurs through mass-media, internet communications, globalised tourism and transnational governance, which could not have existed 100 years ago. This results in a ‘cosmopolitanization that significantly transforms everyday reflexivity and identities. Issues of global concern are becoming part of the everyday local experiences and the ‘moral life-worlds’ of the people’ (Beck and Beck-Gernsheim 2002, p. 17). It is perhaps this focus on the global awareness of reflexive individuals that has caused organisations to remain relatively unexplored in Beck’s own writing. Instead, to better understand the impact of the organisation on individualisation (and vice versa), we need to turn to organisational theorists instead.

Within organisational studies, research on individualisation has fallen into two camps. The first argues that individualisation offers liberationist opportunities for the individual and the organisation. Goshall and Bartlett (1999), for example, argue that the ‘individualised organization’ offers the opportunity to free individuals from bureaucratic shackles whilst simultaneously boosting profits. The second camp, located in ‘critical management