

Analysis of Factors Influencing the Performance of Knowledge Workers in Management Consulting Enterprises

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Abstract: In the era of knowledge economy, knowledge-based employees in management consulting enterprises are receiving increasing attention and importance. They use their acquired knowledge to help the company's products and services add value. The knowledge capital of management consulting companies is dispersed in the minds of every knowledge-based employee. Therefore, how to manage and improve the performance of knowledge-based employees in management consulting enterprises is an important concern for many management teams. This article analyzes the factors affecting the performance of knowledge-based employees in management consulting enterprises.

Keywords: Management consulting enterprises; Knowledge workers; Senior consulting talent

Management consulting companies have gathered a large number of knowledge-based employees, namely senior consulting talents. These employees are typical representatives of knowledge-based employees, and studying their performance influencing factors has strong theoretical and practical significance.

1. Analysis of the performance status of knowledge-based employees in management consulting enterprises

1.1 The importance of knowledge-based employees

With the acceleration of the pace of the knowledge economy, enterprises are increasingly realizing the importance of knowledge-based employees, and the demand for knowledge-based employees is gradually increasing. Therefore, many enterprises attract knowledge-based employees to work in the enterprise through high salaries, and many companies compete to bid high prices during the recruitment stage, resulting in a general increase in the salary of knowledge-based employees, and there is also a certain amount of moisture. In addition, high cash incentives are also adopted in actual work, which is understandable. However, for knowledge-based employees, sometimes high cash incentives are not the best choice. If a company provides higher cash, employees may not be able to stay.

1.2 Motivation methods for knowledge-based employees

There is also a law of diminishing marginal benefits in currency, especially for knowledge-based employees who require multi-level incentives. The higher the employee's monetary income, the smaller their marginal utility, and the weaker their incentive power. Many companies only focus on offering high salaries and benefits, but fail to establish a comprehensive performance evaluation mechanism, resulting in ambiguity in measuring the performance of knowledge-based employees. Many companies have established an annual salary system for knowledge-based employees, dividing their compensation into basic salary and dividend income. There is no clear explanation or regulation for the dividend income part, and the final evaluation is only a formality.

In some management consulting companies, they adopt an annual salary system for knowledge-based employees, dividing their economic income into two parts: basic salary and risk income. However, in the assessment of risk income, many enterprises have not established a fair and effective assessment mechanism. Although there are also performance indicators and assessment systems, they are just a formality, and risk income is basically distributed to employees. This has caused many knowledge-based employees to "do more or less the same, do better or do worse the same", leading to some employees' "free riding" behavior. To some extent, it has also led to an increasing turnover rate of knowledge-based employees.

In management consulting companies, job promotion is also difficult to exist as a means of motivation. Job promotion is a very common way of motivation, but knowledge-based employees seem to be not interested or sensitive to job promotion. In general enterprises, the promotion path for knowledge-based employees is relatively narrow, only for technical leadership positions. The more traditional approach is to transfer them to management positions as administrative leaders after achieving success in their essential work, but the effect seems to be not ideal. Management work may not align with the career development goals of certain professional and technical personnel. The career goals of many knowledge-based employees are not to move towards management or leadership positions. If they are pushed to management positions due to their excellent technical work, the effect will not be particularly good. They themselves lack management experience, and on the other hand, they are detached from technical work, and their years of business have also been abandoned.

Management consulting companies are typical enterprises with constantly changing work environments. Although knowledge-based employees have offices in the company, they actually do not stay in the office for long. For example, if a company undertakes a consulting project, which is a resident project, employees may stay in the office for a certain period of time to serve the target, and then return to the hotel or home in the evening. For example, for consulting projects or open training courses that require business trips, the office locations of knowledge-based employees become airplanes, hotel rooms, and training rooms for target companies during their travels. The instability of the work environment cannot provide motivation for the work itself, which is a practical problem and also a characteristic of the industry.

1.3 The diversity of needs for knowledge-based employees

The needs of knowledge-based employees are diverse. In addition to salary requirements, there are also more diverse pursuits, such as challenging work, a sense of respect and recognition, and a sense of achievement in independently solving problems. However, according to the survey, many companies have not seen the diverse needs of knowledge-based employees, but treat them equally with ordinary employees, without adapting to local conditions and rights. In addition, there is a lack of good communication mechanisms with many companies, and both parties do not have a good understanding of each other's needs, resulting in a significant decline in the performance of knowledge-based employees. Many companies have not considered the career development of knowledge-based employees, let alone matching their career development with the achievement of organizational goals. They only care about how much performance employees can create for the organization and how much revenue they can generate, without paying attention to their own needs, without effectively motivating them according to their needs, and ignoring individual differences.

1.4 Performance evaluation methods for knowledge-based employees

In the management of enterprises, performance evaluation methods are not too difficult for positions where the main achievements of work can be quantitatively evaluated. However, knowledge-based employees cannot be evaluated using conventional performance evaluation methods because many of them may not see results as quickly as manufacturing a part or producing a product. For example, employees in knowledge intensive enterprises, such as the consulting enterprises analyzed in this article, whose work ultimately means completing a consulting project, but the preparation process may be very difficult and difficult to measure with quantitative indicators. This process may be the result of multiple brainstorming sessions or countless research analyses. What we see is the final result, but we cannot see a large amount of reports, data analysis, and information resource integration, which is also the difficulty in measuring its performance.

Knowledge workers in management consulting companies have strong autonomy and innovation. They generally have higher educational qualifications, unique analytical and logical thinking abilities, and strong language expression abilities, as well as a strong desire to learn. These employees hope to solve practical problems for the enterprise through their own consulting services, so that the enterprise can generate high performance and long-term development. Knowledge workers are using knowledge to generate value, but it is difficult to design performance indicators for this value.

It is suggested to link the performance of knowledge-based employees with project compensation. If they independently undertake consulting projects, a higher proportion of consulting fees should be drawn. If they are completed by a team, a team award should be given. At the end of the year, the amount of projects and training completed by consultants should be measured, and year-end bonuses and dividends should be given.

Knowledge workers have strong mobility, but they do not lack teamwork spirit. Many consulting and training projects rely on teams to complete. If knowledge is shared and exchanged among employees, it can greatly reduce dependence on a particular employee and reduce the losses caused to the company due to the departure of a consultant. Many consulting projects nowadays are very complex, and companies that require consulting services have very high requirements for projects. Strictly speaking, a project takes longer and longer from initiation to completion and is recognized by the company. It is impossible to complete a project solely by one person and must be completed through team collaboration. Team members have clear division of labor and each performs their own duties. For example, two consultants and four assistants can form a team to undertake a project. Therefore, when conducting small assessments, attention must be paid to designing assessment indicators for the team, so that the company can not only focus on individual performance when evaluating knowledge-based employees, but also make the performance evaluation of knowledge-based employees more comprehensive.

2. Analysis of General Factors Influencing the Performance of Knowledge Workers in Management Consulting Enterprises

Management consulting enterprises originated from the West and have only gained widespread recognition in China in recent years. These enterprises mainly provide comprehensive consulting and training services for enterprises, and can also be understood as outsourcing service providers for enterprises. Management consulting companies do not provide tangible goods, but rather provide a mental service to solve practical problems for the client. For example, if a company's performance is declining and the reason cannot be found, a management consulting company can be consulted for diagnosis and proposed solutions. Some companies hope to provide internal training for their employees, and management consulting companies can also provide internal training services. The employees of management consulting companies are divided into two categories: one is the general transactional employees that all types of companies have; The other type is consultants and experts in enterprise management, who are typical knowledge-based employees and the focus of this article.

2.1 The Performance Influencing Factors of Knowledge Workers

Work ability, work initiative, and work outcomes are factors that affect the performance of knowledge-based employees. The performance output of knowledge-based employees depends more on two aspects, one is their own abilities, and the other is their work initiative. Their abilities vary from person to person, and work initiative can be improved through the challenge and motivation of the work itself. So when measuring the performance of knowledge-based employees, we need to consider how to measure their work ability. Work ability is a relatively vague concept, but many parameters that affect work ability can still be set to obtain the final result. We can analyze the common aspects of work ability of knowledge-based employees, create a system of ability indicators, and give corresponding weights to each indicator. At the end of an assessment cycle, each indicator can be rated, multiplied by the score and the indicator, and the final total

score is the performance evaluation score of the employee's work ability.

2.2 The impact of work initiative of knowledge-based employees on performance

The work initiative of knowledge-based employees is also an important factor affecting performance, as their working hours are relatively flexible and their output is difficult to quantify. Enterprises also have relatively loose management of knowledge-based employees. If employees also demonstrate strong abilities and initiative, how can they know the results? The impact on their work needs to be evaluated through multiple aspects, such as a management consulting company undertaking a company's annual training program, which requires consultants to provide course settings and basic structure, and only after approval can teaching begin. In this way, performance can be measured at every stage from receiving an order to completing the service, such as whether the course design satisfies the customer and how effective the on-site teaching is.

2.3 The impact of monetary incentive models for knowledge-based employees on performance

Designing a compensation system for knowledge-based employees cannot be limited to traditional monetary incentive models. We have found that if knowledge-based employees are dissatisfied with their income, they often do not directly confront their leaders, but instead choose to reduce their workload, reduce their investment in work, and adopt a relatively negative approach. If they feel that the compensation is fair, they will work normally. If they feel that the benefits far outweigh their own, they may work harder. Therefore, it is very important to design a compensation system for knowledge-based employees, which means the proportion and combination of various parts in the compensation system for knowledge-based employees, in simple terms, the combination of economic and non economic compensation. Managers should recognize that knowledge workers may value other aspects more than their general monetary needs, such as flexible working hours, paid leave, regular training, and career development goals. An attractive job challenge opportunity may be more attractive than currency. Therefore, when designing the compensation for knowledge-based employees, enterprises should comprehensively consider various factors and combine monetary incentives and non economic compensation to enable knowledge-based employees to create higher performance.

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