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Study on the Effects of Follow-up Consulting Service on Perceived Reciprocity, Corporate Trust and Relational Embeddedness

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Abstract

The purpose of this study is to verify the importance of follow-up management and customer relationship that may significantly influence consulting success. This study aimed to examine follow-up consulting service and customer relationships after providing consulting service to SMEs with previous consulting experience. The hypotheses were established based on theoretical consideration and previous studies. To investigate the effects of follow-up consulting services on the client's perceived reciprocity, relational embeddedness, corporate trust, and long-term relationship orientation, this study set the research subject as SMEs in Korea with the experience of receiving consulting services. A total of 244 copies of the survey were used to conduct basic statistical research on respondents. The empirical analyses in this study were verified under the conditions satisfying the significance level of 0.05, 0.01, and 0.001, and the statistics were analyzed using SPSS 18.0 and Amos 18.0. As a result of testing the hypothesis with the structural equation model, it was confirmed that follow-up consulting service has significant effects on perceived reciprocity, as well as relational embeddedness, corporate trust, and long-term relationship orientation.

Keywords: Consultant, Corporate Trust, Follow-up Management, Long-Term Relationship Orientation, Perceived Reciprocity, Relational Embeddedness

1. Introduction

Despite the importance of follow-up consulting service, not many consulting firms and consultants make an adequate provision of the same. Most consulting firms provide the end result and terminate the contract without follow-up management, or provide follow-up service merely for form's sake. However, as proved by recent studies, follow-up consulting service is one of the key success factors determining consulting success. Moreover, such follow-up management is typically not included in the predetermined contract, and thus makes a favorable impression on the client, playing a significant role in building a positive relationship. As a result, follow-up management is an important variable in consulting success as well as customer relationship. Among previous studies on relationship marketing, Bitner et al[1] studied the behaviors of sales people providing direct services to customers, and argued that exceptional service, low interest, and free gifts may move the heart of the customers. These behaviors also turned out to enhance customer satisfaction, perceived service quality, preference, and sales performance[1].

In the consulting industry, where projects must be executed at a customer touch point, various efforts of the

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service provider might make the clients feel grateful or perceive the emotion that they have obtained value. Consultants can satisfy the clients through such benefits offered to them, and enhance loyalty by encouraging constant interaction.

As a result, through regular transactions between the consultant and client, the consulting firm can save marketing costs and improve business performance in the long run. Therefore, this study sets follow-up management as the variable that has high importance in the continuous use of consulting output as part of the consulting process, and that influences the relational quality with the client. Furthermore, this study will examine the significance of the client's perceived reciprocity through follow-up consulting service, and verify the relational embeddedness between the consultant and client and its effects on the consultant's corporate trust and long-term relationship orientation.

2. Theoretical Background

2.1 Follow-up Management

Kubr[2] defined follow-up management as a task performed by the consultant after the termination of the contract if it is related to the current consulting, and emphasized that effective follow-up management is one of the most necessary processes in order to discover and resolve new issues or opportunities before they emerge as problems[2.] Moreover, he argued that follow-up management is significantly effective in reviewing the progress of consulting, initiating necessary corrective measures, and identifying new issues.

The importance of follow-up consulting service was presented by Simon Alan and Kumar Vanya[3], Walker James[4], Jung et al[5], and Shin et al[3–6].

Previous studies show, in essence, that the purpose of follow-up management is to continuously maintain and manage the effect of managerial improvement by reasonably establishing and testing the feasibility of a new management system derived from the consulting project[6]. In reality, despite the fact that follow-up management is a significant variable in utilizing the output of consulting, there are not many studies on the topic. Walker James[4], Lundberg (1997), and Shin et al[6] are some of the researchers that actually present it to be one of the key variables in consulting success. In particular, many small and Medium-Sized Enterprises (SMEs) face challenges in continuous implementation after consulting because of limited human resources. Many researchers commonly argue that follow-up management may exert a significant influence in such a scenario.

However, most consulting service providers cannot offer additional service to their clients after the termination of the contract because of limited human resources and small size.

Studies on relationship marketing show that behaviors exhibited during the contract tend to be taken for granted by the clients, but additional activities after the contract might make the clients feel grateful or as if they obtained value. If a consulting firm can renew the contract or produce a word-of-mouth effect within the market by making the client actively utilize the output of consulting through follow-up management, thereby enhancing performance and imparting positivity to the customer relationship, the firm will be able to improve its business performance in the long run by saving marketing costs.

This study aims to verify the fact that follow-up management is an important variable in developing customer relationship. The research was conducted by defining follow-up management as "the follow-up management process carried out after the consulting service, and additional activities including the use of output after consulting and inspection of improvements". which includes the content obtained from previous studies.

2.2 Perceived Reciprocity

Reciprocity is feeling gratitude for the effort made by the other party, or perceiving the emotion that one is receiving benefits from the other party[7]. Reciprocity, which is based on the social exchange theory, is also defined as the exchange of output with equivalent value between two parties[8]. The concept of reciprocity is closely associated with trust in relationships. Many researchers state that high relationship satisfaction and trust between two parties indicate high reciprocity that accelerates social exchange and displays qualitative differences. Among previous studies, Morales[7] stated that efforts made by a firm may enhance the perceived quality of a product or service. If a firm invests in effort to improve quality, consumers experience gratitude toward the firm and even perceive reciprocity[7]. Furthermore, consumers have the tendency to reward the benefit provider for the benefit they received. Thus, if the salesperson makes an extra effort to provide benefits, consumers perceive reciprocity, and hence, display positive attitude toward the salesperson[7]. Despite the fact that consulting is an industry where maintaining the relationship between customer and service provider, i.e., consultant, is mutually important, there is not enough research on the relevant field. This study aims to examine previous studies that have been actively conducted in relationship marketing and verify whether there is a positive relationship between the consultant's effort and perceived reciprocity.

2.3 Relational Embeddedness

Granovetter[9] emphasized that all economic actions are structurally embedded in social network, emphasizing the economic benefits resulting from strong ties embedded in the network[9]. When the strength of ties, which is one of the characteristics of social network, turns out to be powerful, it can be said to be structurally embedded in social network, and economic agents ultimately exist as social members by interacting with others, consequently acting with social relations in mind[9]. In other words, humanistic flow of emotions and close ties are formed through the relationship with others established by social ties, which lead to embeddedness with the passage of time[10]. Such ties that are structurally connected to social network are referred to as embedded relationship, i.e., relational embeddedness. In summary of previous studies, relational embeddedness can be defined as "emotional and social ties as well as intimacy with other members of the society formed based on social network". Studies on relational embeddedness were conducted actively in fields, such as the industrial goods market or retail business, where customer relationships are important. However, the service industry has recently shown greater interest in relational embeddedness, and the scope of research has been expanding to hotels, franchise restaurants, travel agencies, banks, department stores, and beauty salons. In particular, it can be assumed that relational embeddedness will have immense significance in the consulting industry that displays high uncertainty. Armbruster[11] argued that the quality of network relationships with the client or decision maker is an important factor in determining the competitive advantage of the consulting firm[11]. Brown and Duguid[12] stated that one of the key insights from studies on embeddedness is that economic exchange is not always followed by efficiency[12]. The precise reason for this is that embeddedness is restricted by social relations[12].

This study applied the theory of relational embeddedness that has been actively studied in other fields in order to verify whether relational embeddedness is formed between the consultant and client in the consulting business as provided by previous studies, and whether it will produce positive effects through the relationship.

2.4 Corporate Trust

According to Moorman and Deshpande[14] customer trust is defined as an emotion created when the result perceived by the customers coincides with the elements expected in advance[13]. Mayer et al[15] defined trust as the intention of the person giving trust to willingly take responsibility for the behavior of the person receiving trust[15]. Therefore, trust is an important element in services marketing and plays a significant role in developing a long-term relationship[16]. Moreover, Morgan and Hunt[16] defined trust as the belief that the other's word or promise is reliable and that the other will fulfill his or her duty in a relationship of exchange; in other words, it is the expectation that both parties in trade want cooperation and will fulfill their responsibilities and duties[16].Among previous studies, Doney and Cannon[17] expanded their study on trust to a two-dimensional structure of employees and firm instead of a one-dimensional structure focused on trust in employees[17]. As the preceding factors of trust building, they presented the roles of influential elements of trust at the individual level, such as employee expertise, ability, likability, similarity, frequency of business contact, frequency of social contact, and length of relationship. The research findings showed that customer-employee trust is closely correlated to customer-corporate trust, indicating that employee trust affects corporate trust. Reynolds and Beatty[18] also argued that customer-employee relationship may lead to customer-firm relationship[18]. Moreover, Yim, Tse, and Chan[19] stated that affective relationship between customer and firm impacts corporate and employee trust or loyalty, and employee trust impacts corporate trust[19]. Several studies in the consulting industry have been conducted focusing on trust in consultants, but this study, based on previous studies, aimed to prove that trust building in a positive relationship between the consultant and client may have positive effects on the firm to which the consultant belongs.

2.5 Long-Term Relationship Orientation

Studies on relationship marketing attach significance to building not short term but long term and repetitive relationship with customers. This is to save marketing costs and prevent customer churn to competitors by developing sustained relationships. To this end, it is necessary to acknowledge customers as true partners, and ensure their satisfaction with the relationship through constant value offerings. Moreover, customer relationships are strengthened by continuously maintaining positive relations, and such strengthened relationships enable firms to secure stable profits through repurchases. This view can be explained by the concept of long-term relationship orientation. Previous studies on long-term relationship orientation include the one by Kelly and Thibaut[20], who defined the term by perceiving it and performance as being interdependent, expecting that not only the supplier's performance but also common performance of the trading agents will contribute to long-term benefits to the firm[20]. Noordewier et al[21] stated that long-term relationship orientation refers to not only the possibility of long-term interaction in the future but also the desire itself to maintain a long-term relationship with the other party[21]. This study defines long-term relationship orientation as "the intention of repeated long-term transactions as well as the perception that the result of interdependent activities between customers and salespeople is beneficial to the customers" which includes the meanings provided by previous studies.

3. Research Methodology

3.1 Research Model and Hypothesis

This chapter set the research model as shown in (Figure 1.) based on the findings of previous studies as provided in Chapter 2.

3.2 Research Hypothesis

Follow-up management has not been studied actively until today, but the importance of follow-up management in consulting success has already been proved by previous research findings. This study focuses on follow-up management and customer relationship.

The research is conducted based on previous studies arguing that the efforts of the service provider move the heart of customers or give them positive emotions, making them feel amicable toward the service provider.

Morales[7] and Park (2008) stated that corporate efforts may improve the perceived quality of products or services. If a firm makes an effort to improve quality, consumers feel gratitude toward the relevant firm, and even perceive reciprocity.

As demonstrated by previous studies, follow-up management in consulting projects is highly important. In addition, active implementation of follow-up management is displayed as the effort and enthusiasm of the consultant, making the client have positive sentiments toward the service. As such, if customers perceive reciprocity in the perspective of social network, there is a positive influence on the network effect between the consultant and client. This indicates that humanistic flow of emotions and close ties are formed through positive relationships with others, which lead to embeddedness that strengthens with the passage of time[10]. Once embeddedness is established with customers, they tend to reward the benefit provider for the benefit they received[7]. As stated by previous studies, this will build trust in the service provider and result in positive effects on developing continuous long-term relationships. Thus, this study established the following hypotheses.

H1. Follow-up consulting service will have significant effects on relational embeddedness.

H2. Follow-up consulting service will have significant effects on perceived reciprocity.

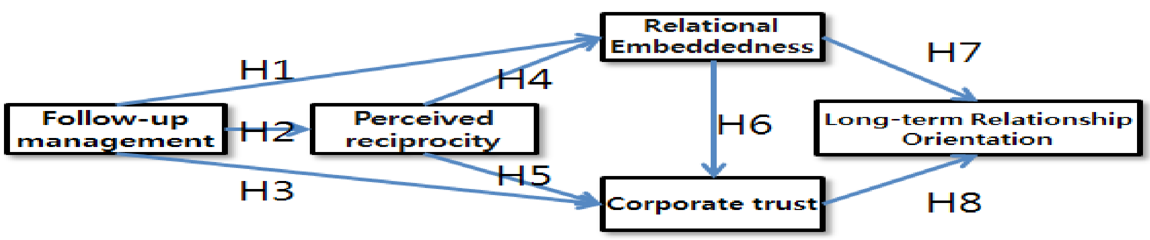

Figure 1. Research model.

H3. Follow-up consulting service will have significant effects on corporate trust.
H4. Perceived reciprocity will have significant effects on relational embeddedness.
H5. Perceived reciprocity will have significant effects on corporate trust.
H6. Relational embeddedness will have significant effects on corporate trust.
H7. Relational embeddedness will have significant effects on long-term relationship orientation.
H8. Corporate trust will have significant effects on long-term relationship orientation.

3.3 Operant Definition

To verify the research variables, the operant definitions of key variables can be summarized as shown in (Table 1).

Table 1. Summary of the variables' operant definitions and the questionnaire design

Division	Definition	No. of Questionnaires
Follow-up Management	Follow-up management process carried out additionally after consulting service, apart from additional activities, including leveraging of output after consulting and inspection of improvements.[4,5,6]	5
Perceived Reciprocity	Positivity of benefits perceived by the client regarding the efforts of the consultant[18,12].	3
Relational Embeddedness	Emotional, social bond and intimacy between the consultant and customer that is formed based on the background of social networks[10,21]	5
Corporate Trust	A belief that the consulting corporate can provide the client with various information and resources suitable for the purpose of inquiring their own consulting service, which has suitable capabilities, which can create suitable outcomes that the client require[15]s	4
Long-term Relationship Orientation	An emphasis, that the result of mutual dependent joint activities of the client and the sales person is perceived to be profitable for the client, and the degree of long-term repeated business[22].	3

3.4 Research Subject and Data Collection

To investigate the effects of follow-up consulting services on the client's perceived reciprocity, relational embeddedness, corporate trust, and long-term relationship orientation, this study set the research subject as SMEs in Korea with the experience of receiving consulting services. A total of 244 copies of the survey were used to conduct basic statistical research on respondents.

The empirical analyses in this study were verified under the conditions satisfying the significance level of 0.05, 0.01, and 0.001, and the statistics were analyzed using SPSS 18.0 and Amos 18.0.

4. Analysis and Research Results

4.1 Sample Characteristics

The most common type of firms that responded to the survey were corporations (N = 224, 92%), and other types of firms formed the remaining 8%. In terms of sales, there were firms under \$5 million in sales (N = 92, 37%), and over \$50 million (N = 28, 11.5%). The distribution of business type showed that the most common business was manufacturing (n = 171, 70.1%), followed by service (n = 54, 22.1%), and wholesale and retail, etc. (n = 19, 7.7%). As for the types of consulting, most firms received government support in projects (n = 172, 70.5%), while others worked with in-house support (n = 72, 29.5%).

4.2 Feasibility and Reliability Analyses

4.2.1 Factor Analysis

Table 2. shows the results of feasibility analysis on the independent variables, such as follow-up consulting

service, perceived reciprocity, relational embeddedness, and corporate trust, and on the dependent variables such as long-term relationship orientation. The value of KMO as a measure to represent whether the number of observed values and the number of variables are appropriate was 0.927, which is higher than the general level of 0.7. Bartlett's sphericity test, which determines whether the matrix of correlation coefficients is a unit matrix, showed the significance probability of 0.000, indicating that the KMO and Bartlett's sphericity test results are effective. This study set the standard to be higher than the Eigen value of 1.0 and factor loading of 0.4. Considering that items that can increase Cronbach's alpha, such as e4, e5, g4, g5, g6, k2, and l4, cannot secure discriminant validity when removing factors and items in which crossed factor loading exceeds 0.4 in the factor analysis, the test was conducted after removal. The results show that the cumulative percentage, which is the rotation sum of squared loadings that represent the total variance explained by the 5 factors, is 88.6%, and thus, exceeds the general level of 60%, indicating that the 5 factors adequately explain the total variance. Finally, as a result of rotated component matrix using a varimax rotation, it was found that each factor loading is bigger than the general level of 0.5, and the commonality of both exceeds the general level of 0.4, thus securing feasibility.

Table 2. Factor analysis results

	Follow-up management	Perceived reciprocity	Relational Embeddedness	Corporate trust	Long-term Relationship Orientation	Commonality
e1	.784					.860
e2	.844					.902
e3	.799					.848
j1		.811				.889
j2		.734				.852
j3		.831				.887
g1			.809			.863
g2			.755			.838
g3			.790			.836
k1				.721		.910
k3				.730		.914
k4				.734		.908
l1					.833	.934
l2					.804	.918
l3					.810	.933
Basic Characteristic Value	2.932	2.714	2.671	2.664	2.310	
% Dispersion	19.543	18.095	17.810	17.759	15.398	
% Accumulation	19.543	37.638	55.448	73.207	88.605	
KMO = .927, Bartlett Square of Approximate Value = 4003.533, p = .000						

4.2.2 Reliability Analysis

As a result of conducting a reliability analysis using Cronbach's alpha that measures the inter-item consistency to determine the reliability of the scale, it was found, as shown in Table 3, that follow-up management was 0.915, perceived reciprocity was 0.924, relational embeddedness was 0.905, corporate trust was 0.949, and long-term relationship orientation was 0.961.

4.2.3 Confirmatory Factor Analysis and Measurement Model Analysis

To secure goodness of fit of the data that is to be used in the structural equation model, this study conducted a confirmatory factor analysis and measurement model analysis, the results of which are as shown in Table 4. As a result of analyzing the structural equation model on the initial model, the indexes of the goodness of fit turned out to be exceeding the standard value, and thus the model

Table 3. Reliability analysis results

Scale	No. of Questionnaires	Cronbach's α if Item Deleted	Cronbach's α
Follow-up Management	e1	.890	.915
	e2	.849	
	e3	.896	
Perceived Reciprocity	j1	.885	.924
	j2	.893	
	j3	.892	
Relational Embeddedness	g1	.857	.905
	g2	.866	
	g3	.870	
Corporate Trust	k1	.921	.949
	k3	.924	
	k4	.933	
Long-term Relationship Orientation	l1	.944	.961
	l2	.946	
	l3	.937	

Table 4. Confirmatory factor analysis and measurement model analysis

Concept	Measuring Variables	Factors Loading Value	Standardized Factor, Loading Value	Standard Error	CR	SMC
Follow-up management	e1	1.000	0.882	-	-	0.778
	e2	0.947	0.918	0.046	20.464	0.843
	e3	0.884	0.864	0.048	18.404	0.747
Perceived reciprocity	j1	1.000	0.893	-	-	0.798
	j2	1.056	0.910	0.050	21.067	0.829
	j3	0.967	0.881	0.049	19.743	0.776
Relational Embeddedness	g1	1.000	0.875	-	-	0.765
	g2	1.086	0.886	0.059	18.495	0.784
	g3	0.999	0.858	0.057	17.538	0.736
Corporate trust	k1	1.000	0.939	-	-	0.881
	k3	1.004	0.931	0.037	27.459	0.867
	k4	1.050	0.918	0.040	26.199	0.843
Long-term Relationship Orientation	l1	1.000	0.941	-	-	0.886
	l2	1.098	0.940	0.037	29.366	0.883
	l3	1.104	0.955	0.035	31.312	0.912
Measurement model –Goodness of - fit		<Initial Model> Chi-Square = 574.534, df = 199 p = .000, CMIN/DF = 2.887, GFI = .822, AGFI = .774, CFI = .942, NFI = .915, TLI = .933, RMR = .024, RMSEA = .088 <Final Model> Chi-Square = 187.538, df = 80, p = .000, CMIN/DF = 2.344, GFI = .905, AGFI = .858, CFI = .973, NFI = .954, TLI = .965, RMR = .017, RMSEA = .074				

was corrected. In conclusion, as a result of analyzing the corrected model after removing follow-up management 4, 5, relational embeddedness 4, 5, 6, corporate trust 2, and long-term relationship orientation 4, it was confirmed that the measurement model was fit with CMIN/DF 2.344, GFI 0.905, AGFI 0.858, CFI 0.973, NFI 0.954, TLI 0.965, RMR 0.017, and RMSEA 0.074.

4.3 Hypothesis Verification

As a result of applying the measurement model to the research model and testing it with the structural equation model, it was found that the goodness of fit is equivalent to the result shown in Table 5, thus proving that the research model is fit.

Table 5. Goodness-of-fit of study model

	Reference Value	Initial Model	Final
Chi-Square	>.05	581.448	112.937
df	-	201	71
P	< 0.05	.000	.001
CMIN/DF	1< x2 /df < 2(Good) , < 3(Usually)	2.893	1.591
RMR	< 0.05	.026	.020
GFI	> 0.9	.822	.943
AGFI	> 0.9	.775	.904
RMSEA	<.05 (Very Good), <.08 (Good)	.088	.049
NFI	> 0.9	.914	.972
TLI	> 0.9	.933	.984
CFI	> 0.9	.942	.990

The result of examining the path coefficient for specific hypothesis verification is as shown in Table 6.

Table 6. Structure path coefficients of study model

Structure Path			B	β	T	
Follow-up Management	→	Relational Embeddedness	0.374	0.409	6.322	***
Follow-up Management	→	Perceived Reciprocity	0.607	0.665	11.09	***
Follow-up Management	→	Corporate Trust	0.224	0.221	3.217	**
Perceived Reciprocity	→	Relational Embeddedness	0.374	0.447	5.866	***
Perceived Reciprocity	→	Corporate Trust	0.445	0.402	5.939	***
Relational Embeddedness	→	Corporate Trust	0.366	0.302	4.059	***
Relational Embeddedness	→	Long-term Relationship Orientation	0.182	0.164	2.422	*
Corporate Trust	→	Long-term Relationship Orientation	0.642	0.700	10.261	***

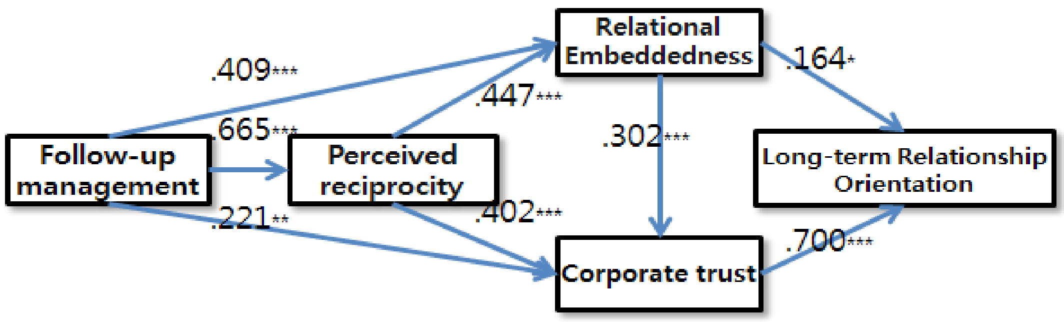

Figure 2. Results of the verification of the research model.

4.4 Overall Hypothesis Verification Result

A summary of the aforementioned hypothesis verification results is as shown in Table 7.

The results show that all 8 hypotheses are statistically significant. This is consistent with the results obtained by previous studies. Shin et al[6] argue that follow-up management has a positive effect on consulting success,

Table 7. Overall hypothesis verification results

Division	Research Hypothesis	Verification Result
Hypothesis H1	Follow-up consulting service will have significant effects on relational embeddedness.	Accepted
Hypothesis H2	Follow-up consulting service will have significant effects on perceived reciprocity.	Accepted
Hypothesis H3	Follow-up consulting service will have significant effects on corporate trust.	Accepted
Hypothesis H4	Perceived reciprocity will have significant effects on relational embeddedness.	Accepted
Hypothesis H5	Perceived reciprocity will have significant effects on corporate trust.	Accepted
Hypothesis H6	Relational embeddedness will have significant effects on corporate trust.	Accepted
Hypothesis H7	Relational embeddedness will have significant effects on long-term relationship orientation.	Accepted
Hypothesis H8	Corporate trust will have significant effects on long-term relationship orientation.	Accepted

which may vary according to the level of follow-up management[6]. Follow-up management is conducted after the termination of the contract. It is not mandated by the contract but voluntarily executed by the service provider in most cases. Thus, this act of service makes the client feel grateful toward the service provider, even perceiving reciprocity in the end[7]. Since customers have the tendency to reward the benefit provider for the benefit they received, the consultant's greater efforts to provide benefits lead to the client's positive attitude toward the service provider[7]. The results of this study are consistent with the hypotheses deduced from previous research findings. This study proved that in the consulting industry, efforts made by the consultant, such as follow-up management, is an important variable in building a long-term relationship with the client. Moreover, this study confirmed that relational embeddedness is formed through such positive relationships, making the client trust the firm to which the consultant belongs and opening up the possibility of long-term transactions.

5. Conclusion

This study aimed to examine follow-up consulting service and customer relationships after providing consulting service to SMEs with previous consulting experience. The hypotheses were established based on theoretical consideration and previous studies. For reliability and feasibility analyses on measurement items used in the analysis prior to hypothesis verification, this study conducted exploratory and confirmatory factor analyses to refine the variables for final analysis. As a result of testing the hypothesis with the structural equation model, it was confirmed that follow-up consulting service has significant effects on perceived reciprocity, as well as relational embeddedness, corporate trust, and long-term relationship orientation. The key findings and implications of this study can be summarized as follows. First, it was verified that the theoretical findings in other industries presented in previous studies can be applied to the consulting industry as well. Follow-up consulting service, which provides knowledge-based service for customers on behalf of the firm, turned out to have positive effects on customer relational embeddedness. This is consistent with the results provided in previous studies, and the same results are also found in the consulting industry as well. Second, follow-up consulting service makes the client perceive reciprocity. Follow-up consulting service provided after consulting has an emotional impact on customers or makes them grateful, which has positive effects on perceived reciprocity. Third, follow-up consulting service builds up the client's trust in the firm to which the consultant belongs. Follow-up consulting service by the consultant beyond the contract duration led to positive effects on trust building for the firm, which is the principal agent of the contract. Fourth, the perceived reciprocity of the client had a positive influence on relational embeddedness. Moreover, perceived reciprocity also resulted in significant impact on corporate trust as well. This is also consistent with the results of previous studies, as well as with the results in the consulting industry. Fifth, relational embeddedness has positive effects on the client's trust in the firm to which the consultant belongs, and on long-term relationship orientation. This study focuses on follow-up consulting service that has been gaining importance recently. Even though many service providers are aware of its necessity, they are neglecting it because of the limitations imposed by small size, additional demand for workforce, and investment of resources such as time. In these circumstances, the findings of this study contribute by proving that follow-up management is an important variable in developing a positive relationship with customers. Moreover, previous studies on consulting generally seek consulting success factors. However, this study has significance in that it determines the significance of relationship between the client and the consultant who provides service at a touch point with the client.

Furthermore, this study also aimed to verify whether the embeddedness theory in consulting as proposed by previous studies has significant effects in the Korean environment.

This study proved that in the Korean business consulting industry that does not have a long history, it is worth conducting research on the approach to the concept of service, such as knowledge service, and not simple service or education and coaching as perceived in the past.

There are insufficient findings of previous studies with regard to variables such as customer relationships and trust that are recently emphasized in the consulting industry. This study has significance in that it is clearly differentiated from previous studies. Moreover, as explained in previous studies, small and medium-sized consulting firms in Korea are generally not significant in size. Most of them depend on government support projects and are weak in marketing. For long-term growth, it is necessary for them to develop independent service programs, show interest in developing customer relationships, and make active investments.

The limitation of this study can be simply stated as the measurement tool for follow-up management, which is the variable of this study. This research examined only the follow-up management presented in previous studies, but it is necessary to systematically study what specific follow-up services must be provided by the consultant for small and medium-sized enterprises.

6. Acknowledgement

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