

The Dichotomy Between Professionals' Roles and Loyalties in a Service Firm

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When managing professionals in a service firm two issues often come up that are unique to that particular situation.

1) There are at least three forces vying for the loyalty of the professional:

- The profession to which they belong,
- The firm that employs them, and
- The clients who have hired the firm to provide professional services.

2) The role for which the professionals are hired may not be completely aligned with the skills they attain as part of their professional training.

Not addressing these issues can have a detrimental effect on the firm's continued success. Not managing these issues as they come up eventually can lead to a cancer of poor morale and low productivity spreading throughout the firm. This manifests itself through increased, unwanted turnover; an interruption in service to the client; and decreased cooperation and teamwork.

PROFESSIONAL NEEDS VERSUS ORGANIZATIONAL DEMANDS

The difficulties of managing professionals within a service firm can be broken down into two dynamics that take place in that setting. The first is the potential conflict of loyalties and identifications. The second is the confusion about the role they are expected to play within the firm, especially in light of the professional training they have undergone. (See the chart below.)

Professionals are sought after precisely because they have highly specialized technical skills they gained from years of training. That training has groomed them to think a certain way (e.g. attorney, accountant, software engineer) and to uphold the standards and ideals of their profession. The organizations that hire these professionals, while seeking those technical skills and respecting those standards and ideals, have their own set of needs to address and objectives to achieve that often can be misaligned with the profession's.



While most professional service firms want their employees to build strong relationships with clients, it can be problematic when those professionals place the clients' needs above the firm's (e.g. provide services that are not contracted and thus not billable). This can happen easily when professionals are assigned to a specific client and spend most of their time on-site with that client. They may begin to identify more with the client than with the firm that hired them.

In fact many employees of service firms leave to work for a client full time. Some professional service firms actually plan to lose a certain number of employees to client organizations.

Accounting firms use this to their advantage and build further loyalty to the firm by helping employees who are not well suited to public accounting find jobs in the corporate world. Having helped place the professional in a good position, that ex-employee is likely to promote the old employer for accounting services. However, this situation can become detrimental to a firm when it loses its professionals before recouping its investment in hiring and training, or when key players (e.g. rain-makers) decide to leave.

Role confusion (or dysfunction) happens when professionals do not view their role in the same way the organization does. For instance, an accountant may see himself or herself as an external auditor responsible for providing certain services. The firm may see that person's role as including the development of further business opportunities with both current and new clients.

This situation, in particular, can be a difficult one. Accountants (and most professionals) are given extensive technical training for which they are well respected and recognized. They might view selling as below them or as someone else's job.

The problem is they usually have very little training in how to sell and their egos suffer if they are expected to do something for which they do not feel prepared. The demands of the job, however, also require they have strong technical skills, sophisticated interpersonal skills and strong self confidence to deal effectively with clients.

The potential solutions depend on whether you are striving for organizational loyalty or whether you are trying to clarify role confusion.

PROFESSIONAL NEEDS VERSUS ORGANIZATIONAL DEMANDS	
THE PROFESSIONAL	THE ORGANIZATIONAL ROLE
Strong self confidence	Client interaction skills / self confidence
Professional autonomy	Project management skills
Professional development	Business development skills
Utilization of technical expertise	Cooperation in achieving overall organizational goals

ORGANIZATIONAL LOYALTY

If you are trying to build loyalty to the firm amongst your professionals, here are several suggestions.

Reinforce those elements that show the value of being part of the firm as opposed to being an individual professional. For example, a firm of many professionals inherently has a wider array of expertise and experience than one individual. This provides the potential for more creative and effective problem solving around complex issues. Unfortunately, many service firms do not effectively leverage this broad array of talent, often due to lack of teamwork, political maneuvering, or individuals wanting to be the "star." In many cases a firm's reward system reinforces this individual approach and discourages team involvement.

Reinforce the firm's marketing capability; and products or methodologies that have been developed, especially those that are copyrighted; and the firm's name recognition in the industry. All these things reinforce to the professionals that they are positioned to be more effective because of their membership in the firm.

Implement recognition programs that reinforce professional development and the acquisition of new skills. Recognition in this case can be as simple as a congratulatory "pat on the back" or an announcement of the individual's accomplishment in front of peers. This type of recognition is usually more powerful than a formal, complex recognition program, but can be easily overlooked or taken for granted.

Emphasize the importance of being recognized within the profession. You can accomplish this by encouraging all professionals to publish articles in industry publications and make presentations at conferences. You can formalize this by making it an objective in the individual's performance or development plan.

Rotate assignments so the professionals are exposed to many clients and types of projects. This provides the opportunity for each individual to be exposed to a wider variety of situations, thus broadening their areas of expertise, and to have the opportunity to work with other individuals, thereby enhancing teamwork.

When possible, assign more than one professional (or team) to each project. This also will enhance teamwork, but, just as importantly, it exposes the client to more than one individual from your firm. Some obvious advantages of this include better back up when an individual is not available' exposing the client to a broader range of abilities, experiences and capabilities of the firm; and developing the client relationship with the firm instead of one individual. This latter issue can minimize the difficulties associated with a person leaving the firm and creating a service gap or potentially taking the client with him or her.

Let the professionals have as much input as possible in determining and resolving the firm's strategic issues. Although it may not be appropriate to give all professionals decision making authority in matters involving the entire firm, it is useful to get their input and ideas. At a minimum, all professionals should be included in an annual meeting to discuss the previous year's results and to discuss plans for the upcoming year. It is also beneficial to get their input on major obstacles that stand in the way of the firm achieving its goals, and their ideas on how these obstacles can be overcome. Finally, at least once a month give the professionals an update of the firm's progress against goals and progress made on addressing key obstacles.

Assign senior professionals as mentors to more junior staff. This provides a rich developmental experience for both the senior and junior professional. In addition, it reinforces a culture of teamwork immediately when an individual enters the firm.

ROLE CONFUSION

When a firm's expectations of a professional's role are different from those the professional perceives, here are several suggestions to help clarify the situation.

Provide professionals with a clear job summary or description. This document should be concise but include key activities, skills and abilities, and accountabilities required to be successful in the job. In addition, annual performance goals should be negotiated with each professional clearly stating what the firm expects and how performance will be assessed. Included in this discussion would be the identification of obstacles that could hinder the achievement of the goals. For example, if an individual does not have strong business development skills, this should be identified as a development need and a plan put in place to develop this skill.

When hiring new professionals, give them a realistic preview of the job. It is not uncommon during the hiring process for a manager to "sell" the candidate on the job and company. This is fine as long as the manager does not give the candidate an unrealistic view of the job, such as downplaying the less desirable aspects or those that are not the candidate's major strengths. To provide a realistic job preview, go through the job description with the candidate, provide examples of some typical performance goals that have been established, and discuss what other professionals have experienced, both good and bad, in working to accomplish the goals.

Implement a pay plan that is directly tied to the achievement of individual as well as organizational goals. While it should be your desire to reward professionals for individual achievements, it is just as important to tie a portion of their pay to the success of the firm. This will promote cooperation and teamwork as well as manage your compensation expense according to profitability and affordability.

Invest in training and development. Set aside a certain portion of your annual budget for training and educational opportunities for each professional.

CULTURE DETERMINES EFFICACY OF SEPARATING LOYALTIES

Managing a firm of highly educated and skilled professionals presents unique challenges. If they go unaddressed they can negatively impact the morale of the firm's associates and the performance of the organization. The most effective solutions depend largely on the firm's culture and management style.

However, you can implement most of these suggestions with minimal cost and time requirements. It is not unusual to overlook common sense approaches, either because we do not believe they will have an impact or we just do not get around to doing them. Experience strongly suggests, however, that by applying at least some of these suggestions, a firm of professionals will enhance its performance and the satisfaction of its associates.

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