

Des Woods and Henry Marsden examine the future of learning in professional service firms



How professionals learn

We believe that professional service firms (PSFs) differ from other organisations, because of their matrix structures and the client-facing roles that professionals focus on, and that this has a fundamental impact on how we help them learn.

This article identifies some of the key differences, the typical career progression of professionals, their make-up and their learning preferences. From this exploration, we will discuss what forms of learning intervention work and what challenges are presented by the next ten years.

What are PSFs?

They are usually characterised by their relatively long periods of technical development and the use of expertise drawn from this knowledge in delivering services

to clients. For example, they are tax practitioners applying their knowledge of regulation to corporate acquisitions, architects designing world-class buildings and surgeons applying medical knowledge to treat patients.

While often considered to be law, accounting and consulting, we are increasingly seeing corporate organisations acquiring or developing these professionals (eg consulting divisions, in-house legal departments and strategy groups). As a result, they are experiencing many of the challenges associated with having professionals in their organisations.

What is it like to work with professionals?

There is no doubt that professionals bring huge advantages and potential revenues to organisations when managed and integrated well. That said,

these very strengths can also give rise to certain challenges:

- They are very bright and command a large body of technical knowledge or expertise. However, this focus means they often neglect the commercial and people aspects of their role.
- They are extremely client-orientated and will respond to a request at the drop of a hat. However, they find other parts of work an unimportant distraction from client delivery and generating fees.
- They often own the organisations in which they work and enjoy a large degree of autonomy, giving them the motivation and freedom to respond to markets. However, they are difficult to lead, coordinate or commit – like cats.
- They are highly skilled at bringing together and leading teams that are focused on solving client problems. However,

leading business units to implement a long-term strategy is often not a priority.

This means that it can often be hard to get their attention, yet alone effect change.

What are the typical career models in PSFs?

Professionals are recruited because they are seen as ‘talent’, often to an organisation with an ‘up or out’ culture. The deal is often to come to the organisation for an unprecedented experience but to go on to have a successful career or lifestyle somewhere else if you are not promoted or do not aspire to partnership.

PSFs are often managed on the basis of a ‘leverage hierarchy’, which is the ratio of associates to partners. The firm’s leverage model is a key determinant of its profitability and these ratios can vary quite widely. For example, in one of the ‘big four’ accounting firms, it is one partner overseeing 12 associates of different levels of experience and skill. In consulting and law firms it can range from one partner to one associate to one partner to 30 associates.

The aim is to keep the firm’s leverage model relatively stable, even though the people who occupy the various steps in the model move up it and progress in their careers. Inevitably, this leads to the concept of ‘up or out’ – people keep moving up the hierarchy as they become more experienced or they leave the firm to pursue a career elsewhere.

Despite some PSFs moving to merit-based promotions, it is still understood that, as a professional, you cannot stay at the same level in the hierarchy too long. If you do, the firm’s leverage economics, and the professional’s own career ambitions, will become frustrated.

How do professionals develop?

For people to remain in the firm,

they must master a progression of roles as they develop their career. Their level of demonstrated mastery determines their reputation and underpins their continued rise up the hierarchy towards partnership.

As young professionals entering an organisation, their primary role is that of an **individual contributor**. They are there to learn the professional body of knowledge, produce work and contribute as fee earners.

As they develop, they become more ‘trusted’ by the firm and become a **case or project manager**. Their job is to structure a team’s workflow and manage its performance by delegating and coordinating activities.

As trust and skill grows further, the project manager role gradually gives way to the **client manager**. In this role, the professional would be expected to broaden relationships with the firm’s clients, negotiate pieces of work and fees, and manage the relationship around fee billing.

As this description shows, as a professional’s ability and experience grows, his role in the firm evolves and changes in a relatively well understood way (see figure 1 below).

So what is the dilemma?

Professionals are typically talented and motivated to high levels of achievement. They have many choices in pursuing a career and have chosen their particular profession.

In practice they typically (but not always) have a dominant set of personal characteristics:

- Intelligent
- Focused on task control and completion
- High need for ‘real time’ feedback
- Impatient
- Successful
- Autonomous (but)
- Want to be involved
- Overloaded agendas.

They may constantly worry about how they are doing relative to their peers and feel guilty about the things they cannot do. These characteristics lead to a development issue that is peculiar to PSFs and to client-facing professionals: the dilemma of the **producer-manager**. What this means in practice is that fee-earning professionals typically have two categories of work: vital work, which directly relates to the needs of their clients, and ‘useless admin’, which is anything else that gets in the way of their focus on clients. Admin can be

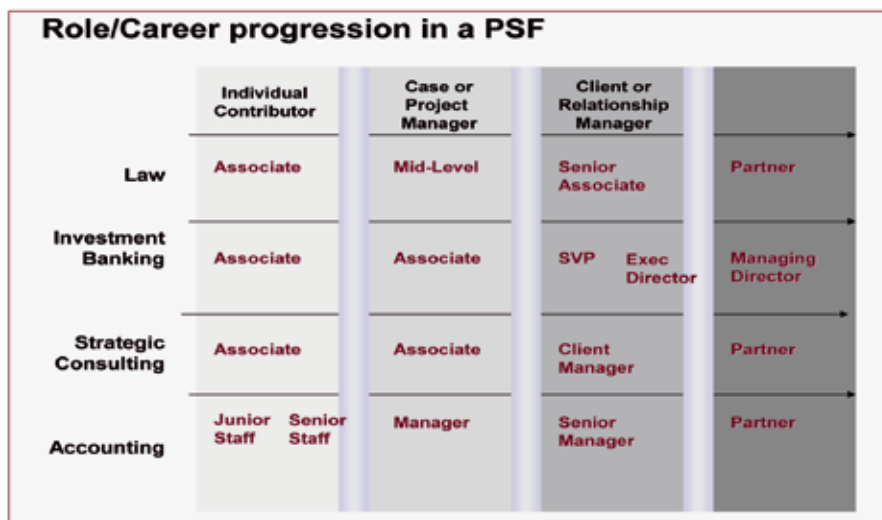


Figure 1: Progression of professional roles

Adapted from: H. Ibarra (1998) *Development of Professional Identity and Competence in Professional Service Firms: A comparative Study* Harvard Business School

anything from appraising others and attending 'internal' meetings to the running of the firm itself.

In corporate business, an employee may join the company as, say, a computer technician or a salesperson. Assuming he does well, he will be promoted into management or a front-line supervisory role. The promotion often means the new role is substantively different to the job he was doing beforehand and its leadership and managerial demands become the focus of activity and effort. Essentially, he stops doing the work and focuses on how to organise other people to do it.

In a PSF, the deal is different. As the professional masters his work, he becomes more trusted by more senior or experienced people. As a result, he is given progressively more responsibility and more complex work – which he likes. Essentially, once competence is demonstrated, his reward is to get more variety and responsibility.

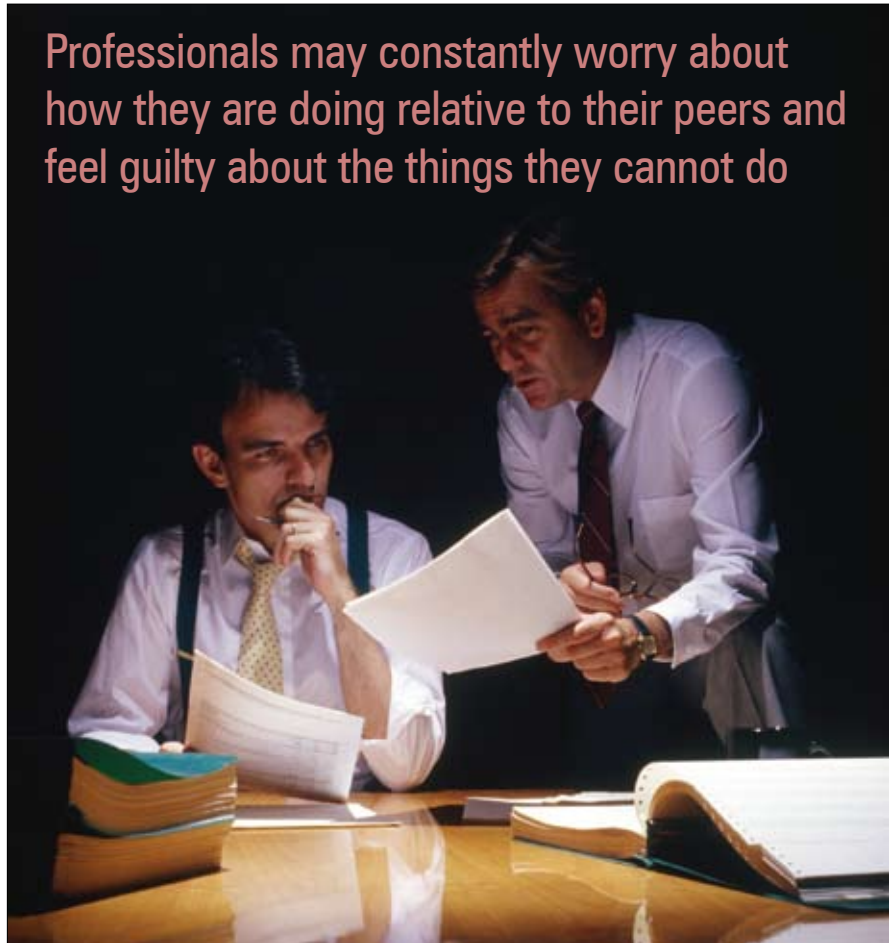
The practical consequence of this evolution is profound. The professional never actually stops doing anything; he simply has to do more. Furthermore, the more successful he is at doing more, the more he gets to do.

How do professionals learn?

Historically, personal development as a professional has reflected the learning model that mirrors that of a craft skill – an apprenticeship. The career steps of a craft trade – apprentice, journeyman, master – are similar to those of a profession – trainee, associate, partner – and have operated in similar timescales of around seven to ten years to reach the top of the profession.

This means that there is typically an early career phase of formal training followed by a lengthy period of 'on the job' experience, monitored and supervised by a partner. For this to work, the partner has to expose the professional to progressively more complex work and provide feedback on how well he does it.

Professionals may constantly worry about how they are doing relative to their peers and feel guilty about the things they cannot do



When firms are small and everyone knows everyone else, this continues to function well. However, as firms grow in scale and complexity and the speed of work execution dramatically increases, this learning model is placed under immense strain.

Partners now often do not have close personal relationships with associates, which has removed the opportunity and willingness to develop juniors. The only viable alternative, which is formal training, is often also resisted by firms, as it is seen as unnecessary time away from work and the ability to earn fees.

Inevitably though, large firms will have to replace unstructured apprenticeship learning with formal training and also with formal coaching and mentoring processes. This transition is visibly underway in many growing PSFs, particularly in consulting and

accounting, but less so in other professions, notably in law.

What this means for learning

When we put these fundamental frameworks together, it starts to build an understanding of what works and what doesn't when developing professionals. There are two basic rules to bear in mind when designing and delivering learning to professionals:

1. The professional will only turn up if he believes the time spent on learning will outweigh the time lost by not servicing the client. This is a very straightforward calculation as many professionals have an hourly or daily rate they charge to clients.
2. The learning is immediately relevant and delivered in a visibly time-efficient way by professionally credible people 'just like me'. *"If the pace is slow,*

they must think I am stupid – and that is intolerable” demonstrates how overly-reflective sessions are not useful in the professional’s world view.

From experience and research, we have found the following interventions often do not go down too well:

- Skills courses designed without the personal involvement of the professionals “Why is this relevant to me and who says I should go?”
- Content that focuses on managing processes/administration “This does not help me work with clients and develop. It is something that someone else should look after”
- Courses that last longer than a day “I have clients to see and work to do, which means I will have to work late every night if I come for more time!”
- Training that has a follow-on process built into it, ie asks professionals to behave in a particular way or do some particular task as a result of the course “Do you think I am an idiot? I got the message”
- Topics that are presented as a challenge to current competence (eg selling skills because you need it) “I am doing very well, thank you, and my clients like me as I am!”
- Treating partners as ‘populations’ (with the exception of new partners), eg mid-career partners or partners who have ‘plateaued’ and distinctly resent being labelled in this way “I am not like everyone else here and I certainly pull my weight!”

On the positive side, these are the things that are well received:

- Intellectually stimulating content, such as data-led, research-based content or ‘Harvard’-type case studies based on real organisations and events “This is like the work that I would deliver to my clients”
- High-reputation speakers, who occupy similar or greater status to the self-perceptions of participating professionals and

can translate their knowledge into the professional’s language and world view “I feel respected as they are good and have taken time to put it into something I can use”

- Content that addresses the immediate or short-term needs of the professional, ie pricing a piece of work “That has been weighing on my mind for this client”
- Content that is bespoke to the current world view of the participant, ie coaching on their agenda “This is making the most of my time and can be done alongside my work easily”
- The opportunity to network and share perspectives with professionals of similar or greater reputation “Great to catch up and also to see how I am doing relative to everyone else”

What of the future?

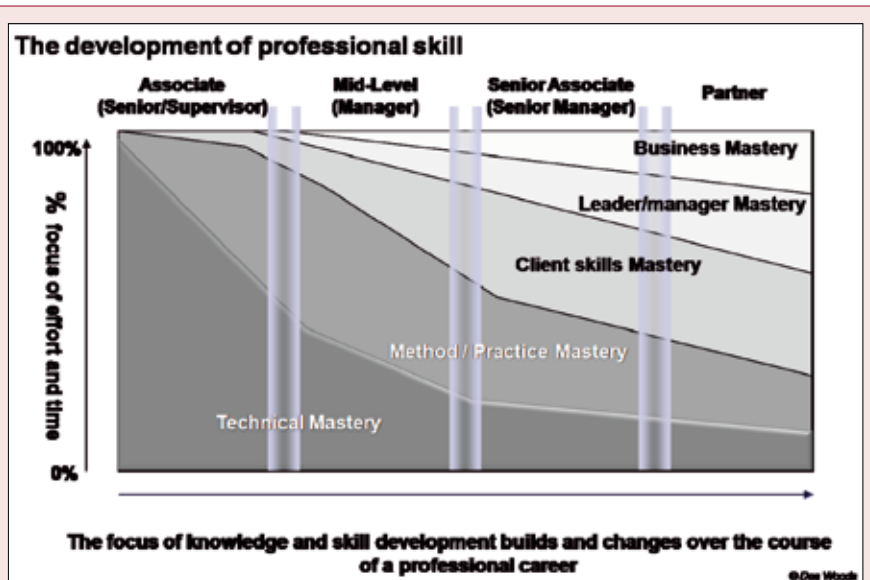
Here we make a number of

educated guesses about the future of learning in PSFs and, in casting our minds to the future, identify two further tangible themes.

Professional career development In the next ten years, the basic building blocks will not fundamentally change. Professionals will still require time to assimilate and perfect technical expertise, develop management skills and handle client relationships. In fact, the trend within corporate organisations to develop professional functions is likely to increase with the de-layering of hierarchical structures and advancement in technology. The opportunities to generate revenues through fee-earning will also not be underestimated by CEOs – provided they can be successfully integrated with the existing business.

We believe the framework detailed in figure 2 below builds

Figure 2: PSF career long development framework



Technical Mastery:

- Acquiring the professional body of knowledge.

Practice Mastery:

- Using the professional body of knowledge in practical work with clients.

Client Mastery:

- Responding to client needs. Growing and winning clients.

Leadership Mastery:

- Managing and leading others in delivering service to clients and within the firm

Business Mastery:

- Applying knowledge of how markets, business and organisations operate for the benefit of the firm and with clients.

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from some of the concepts discussed in this article. It teases out the transition points and the different types of L&D experienced by professionals over the duration of a career in the firm.

The precise sequencing of learning will differ between different professions, cultures or businesses but this model can be used to get a good fix on the development sequence over time.

Using this framework can accelerate the learning and support available to professionals and has the added advantage of enabling people to accelerate their development and undertake increasingly complex work at a relatively junior level. It does not take partners long to recognise that this is the key to generating further revenue.

The blessings and curses presented by technology Our experience over the last ten years or so with the use of technology-enabled learning can be summed up in three short phrases: Too slow, too long and too boring.

Fee-earning professionals typically see themselves as very bright (which they are) and their need to very carefully manage the balance between 'billed' time and 'down' time means that they have an attitude to e-learning that plays out as just give me the facts... and fast. They tend not to react well to e-learning packages that last longer than ten or 15 minutes, ie a gap between doing more useful fee-earning work. They will also reject an e-learning solution if the screen speed is seen to be slow,

Large firms will have to replace unstructured apprenticeship learning with formal training and also with formal coaching and mentoring processes



L&D2020 workshop 16th November 2009, Moller Centre, Cambridge

Henry and Des will be sharing their experiences of what approaches to learning work best with professionals as well as considering the challenges and opportunities presented by the next ten years. To find out more visit <http://www.trainingjournal.com/directories/events/training-event807.html>

so that the information gradually builds on-screen.

By contrast we have seen very successful use of short, five-to-ten-minute, streamed video used in many firms. These video-based modules occur at conversational speed and are often delivered by respected peer professionals who are 'worth' listening to. The increased use of mobile broadband has also meant that some firms are now delivering these as video podcasts to mobile phones and laptops.

Another growing technique is the use of synchronous webinars, which combine voice and vision and the capability of participant interaction. Webinars have been particularly successful when used as briefing vehicles for some soon-to-be-run event and play directly to the professional's need to have high levels of knowledge before he exposes himself to risk. An old lawyer quote rings very true – "don't ask a question unless you already know the answer".

The near future will almost certainly see the convergence of these video and webinar

techniques with the growing use of IT-based knowledge management systems in PSF firms to provide a form of always-available 'performance support' to busy professionals, which in previous generations would have been called training or mentoring.

Coaching and mentoring

It has passed no-one by that this is a high-growth area. Many qualified coaches are working successfully in PSFs to effect great personal and organisational change. In fact, the demand is still growing. From a professional's perspective, this development activity ticks many boxes. It is tailored to his current situation, operates directly to his agenda, is flexible, reinforces a sense of autonomy and is confidential, so provides little scope for reputational risk.

We believe the acceptance of coaching will continue to grow and will be accompanied by the development of an internal coaching capability. Many organisations are positioning coaches to work at their higher levels and on more complex issues. This will present its own challenges but is only the next step along the route to developing leaders in PSFs to operate as coaches and reassert their important role in developing their people.

In some measure it will be interesting to track the investment in these activities, which look to recreate the apprentice-style support that was once an everyday experience of working in a professional service firm. ■

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