



Engagement in professional services

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Engagement in professional services firms

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Overview

An article that discusses the challenges of investing to improve Engagement in organisations – especially in professional services - & makes outline suggestions for achieving sustained results.

Since 2008-9 with the publication of the Macleod Report on Engagement¹, the concept has enjoyed an even higher profile. Reputable consultancies have produced statistically validated surveys & norms to measure Engagement & these have added to the variety of staff surveys already on offer.

Engagement is a term that is probably not widely understood. It conjures up a variety of responses. Some see it at the soft, liberal, wishy-washy end of the management spectrum. For others it is critical & permeates everything they do.

What is clear is that the combination of economic uncertainties, strategic soul-searching plus lower scores on staff Engagement surveys are bringing the subject much higher up the priorities rankings. Already high on the agenda in retail & the service sector, there are signs that Engagement is now appearing more strongly on the strategic agenda within legal & professional services as well.

Is it worth investing in? Unequivocally 'yes'. Social values aside, there is too much evidence for it to be ignored. *Higher levels of Engagement link to improved performance.*

What does effective Engagement mean?

This subject is extremely well illustrated with many case studies in the Macleod Report. Distilled - & no doubt over-simplified – there seem to be 4 broad headings of enablers in organisations with high levels of Engagement:

- **Strong strategic narrative.** People have a 'clear line of sight' between what they do & the strategy the firm is pursuing.
- **Engaging managers** who:
 - Give people appropriate scope & boundaries.
 - Treat people as individuals
 - Create stretch & coach their people
- Employees feel they have a **voice** & that their views are listened to.
- **Integrity** throughout the organisation.

Macleod makes clear the importance of leadership in fostering Engagement. The point about integrity is reinforced in the Integrated Leadership framework put forward in the book 'When professionals have to lead'². The three authors - prominent management

¹ See: <http://www.bis.gov.uk/files/file52215.pdf>

² 'When professionals have to lead. DeLong, Gabarro, Lees. Harvard Business School Press.

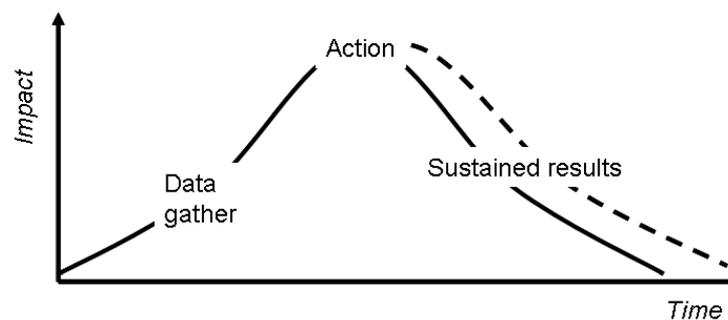
thinkers – see the characteristic of Role Modelling as central to the effective leader in a professional services firm.

The challenge

The decision to act on Engagement in professional services is often prompted by poor financial results or some objective measure such as client/customer or Engagement surveys. This is often followed by statements of strategic intent, policy edicts & investments in mandatory communications & education road-shows. For larger organisations a department may be delegated to take responsibility for the entire Engagement project.

As in so many initiatives, this only takes things so far.

What is missing is investment in sustained results, in embedding the thinking into the fabric of the organisation. Without this, the corporate elastic can be too strong, dragging people back to the ways of working with which they are most familiar & comfortable or that support the existing influences & interests in the system.



The marketing acronym 'AIDA'³ comes to mind. The actions outlined above are likely to raise **A**wareness & possible stimulate **I**nterest. The risk is that they may not go far enough to raise **D**esire or **A**ction.

So the challenges are at least three-fold:

- **Achieving sustainable results.**
- **Embedding Engagement into the culture.**
- **Acting quickly.**

In a fast moving & highly competitive market, speed is critical. Others are likely to do the same things so comparative advantage can recede quickly.

Speed is probably even more vital for professional services where reputation is so important to the way clients view & value services.

So what are the solutions?

Indirect versus direct

This is not an 'either-or' argument.

The research & the accompanying case studies all make clear that there is no one-way. Each organisation has opted for different means of fostering Engagement. So the first thing to say is that it is all about '**best fit**'.

³ See: [http://en.wikipedia.org/wiki/AIDA_\(marketing\)](http://en.wikipedia.org/wiki/AIDA_(marketing)). Note that more recent thinking suggests a new acronym: TIREA. T – Thought; I - Interest (Desire); R - Risk (Evaluation); E – Engagement; A – Action.

This short article is not concerned primarily with the communications & educational road shows necessary to raise the importance of an issue such as Engagement. They are often key (& cost effective) ways of spreading the word & generating Awareness & Interest.

At a more 'granular' level, stipulating for example that Engagement principles are woven into all Learning & Development activities is a strategy that some firms have adopted.

The argument in this article is that these activities are indirect. They are often valuable but not necessarily sufficient to bring about sustained & embedded reform, if reform is needed.

Direct activities

Other more direct options spring to mind, drawn from the practices of organisation change & development. These are based on starting small & building momentum; similar to the idea of viral marketing so popular in social media.

Do it in a number of small areas, do it with teams.

- **Influential teams.** Select influential teams or departments whose leaders are positively disposed to the ideas. (The reason is set out in the next main section) Give them support to work collectively on the important issues & challenges they face. The right support can be important. Not only is it correlated with greater team performance but professionals do not always find managing collective efforts easy.
- **Involvement.** Involve the wider team in important reviews & decisions, such as which strategy to adopt or how best to reinforce client relationships. Research shows that high-achievement orientated professionals are more motivated when involved in this way. They arguably have the right to be involved as well, if they are to form an important part of the solution.
- **Act on ideas.** Acting on apparently minor suggestions from more junior members can have enormous impact.
- **Boundaries.** Leaders set clear boundaries & standards, offer support yet allow their people scope to exercise their judgement within these boundaries.

The value of effective boundary management is upheld in many quarters, from the science of Complex Adaptive Systems⁴ (& people & organisations are complex systems..!) to management thinkers from Harvard who advocate 'Strategy by simple rules'⁵.

- **Stretching goals.** Stretching but realistic goals inspire individuals who have a high need for Achievement. Setting the right goals is similar to setting the right boundaries.

Why take this approach?

- **'Back gardens'!** We often peer into one another's back gardens to see what they are doing. If their roses are doing particularly well, we might copy some of their ideas in the hope that ours may also produce better blooms. It is the same in organisations. If one department has a success this can alert others who may be more likely to follow suit.

⁴ Peter Fryer's short article makes a good summary of some of the principles behind the theory of complex adaptive systems. See: <http://www.trojanmice.com/articles/complexadaptivesystems.htm>

⁵ <http://hbr.org/2001/01/strategy-as-simple-rules/ar/1>

- **Desire & Action.** A small-scale & direct approach draws in more of the 'AIDA' spectrum & makes action more likely.
- **Quick wins & publicity.** Careful monitoring & publication of successes, however small, can be both inspiring as well as offering ideas other teams & individuals.
- **Identity.** 'Social identity'⁶ is another area strongly linked to improved performance. To be part of a team that has a strong culture & is getting results – especially where others have yet to reach those heights – can be very compelling.
- **Tipping point.** Whether or not you like the term (from Malcolm Gladwell's book⁷ & now in the management lexicon!) ultimately a series of small successes may start to be sufficient to win over some of the more hardened sceptics.

And finally...

It is a truism to say that these changes take time & persistence. Firms need to find ways to keep the focus on the components of Engagement long-term, whether or not they continue to label them as such.

The real challenge in fostering Engagement – as with so many change initiatives – is to ensure that the ideas are embedded in action.

Without this it is unlikely to yield the promise held out by the increased publicity it has received in recent years.

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Further information about Scott-McGregor can be found at: <http://scott-mcgregor.com>.

⁶ Social Identity theory is quite involved. This overview at Wikipedia is probably a good place to start: http://en.wikipedia.org/wiki/Social_identity_theory

⁷ 'The Tipping Point: How Little Things Can Make a Big Difference' Malcolm Gladwell. Back Bay Books



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