

# Engagement in professional services

A short article by  
Morley Potter,  
Scott-McGregor

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

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# Engagement in professional services firms

Morley Potter. Managing Partner, Scott-McGregor

Since 2008-9 with the publication in the UK of the government-sponsored Macleod Report<sup>1</sup>, the concept of Engagement has enjoyed an even higher profile. Reputable consultancies and research bodies have also been producing statistically validated surveys & norms to measure Engagement & these have added to the variety of staff surveys already on offer.

Engagement is a term that attracts a variety of responses. Some see it at the soft, liberal, insipid 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, the ‘war for talent’ - together with lower-than-expected scores on staff Engagement surveys - have all helped bring the subject towards the top of the priorities ranking. Always high on the agenda in retail & the service sector, Engagement is now firmly on the strategic agenda within professional services.

Should firms invest to improve Engagement? Unequivocally ‘yes’. Aside from the social and moral argument, there is simply too much evidence for it to be ignored. What’s more,

research shows that Engagement *is directly correlated with performance*<sup>2</sup>.

## What does effective Engagement mean?

The subject is covered comprehensively in the Macleod Report and is well illustrated through many case studies. Distilled – & no doubt over-simplified – the factors that contribute to high levels of Engagement fall into 4 broad categories:

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

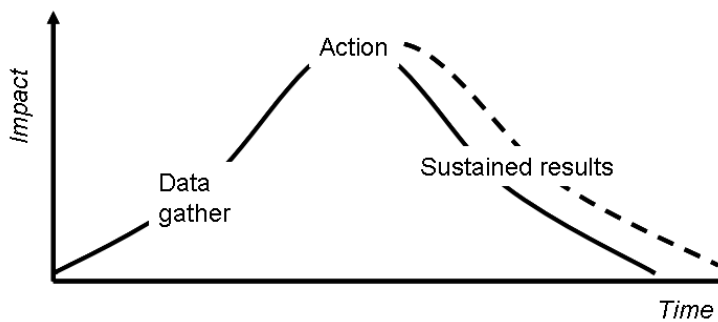
Macleod makes clear the important part leadership plays in fostering Engagement.

The importance of integrity is reinforced in the ‘Integrated Leadership’ framework put forward in the book ‘When professionals have to lead’<sup>3</sup>. The three authors – all prominent management thinkers – see the characteristic of Role Modelling as central to effective leadership in a professional services firm.

## The challenge

As already mentioned, the decision to act on Engagement in professional services is prompted as much by strategic objectives as it is by poor financial results or some objective measure such as client/customer feedback or staff Engagement surveys. Common responses often include fresh statements of strategic intent, policy edicts & investments in mandatory communications & education roadshows. Larger organisations may dedicate a working group or department to the entire Engagement project.

As in so many initiatives, these measures only take things so far.



What is missing is investment in follow-through, in the actions that help sustain results and embed fresh thinking into the fabric of the organisation. Without this, the corporate elastic is frequently too strong, dragging people back to ways of working with which they are more familiar, more comfortable or that support entrenched interests and views.

The marketing acronym ‘AIDA’<sup>4</sup> comes to mind. The actions outlined above are likely to raise **A**wareness of Engagement & may

stimulate **I**nterest in doing something about it. The risk is that they may not go far enough to raise **D**esire or **A**ction.

So, there are at least two overlapping challenges:

- How to achieve sustained results?
- How to embed Engagement into the culture?

## The need to act quickly.

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

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

## So, what are the solutions?

The first thing to say is that this is not an ‘either-or’ argument. Research & case studies all make clear that there is no single solution.

Each organisation finds its own unique way to foster Engagement.

So, the first thing to say is that it is all about ‘**best fit**’.

## Indirect versus direct

Many of the most common responses are what we will call ‘indirect’. For example, we include in this category the communications & educational road shows which play a necessary role in raising the importance of Engagement. They are often key (& cost effective) ways to spread the word & generate Awareness & Interest.

Similarly, some firms mandate that Engagement principles are woven into all Learning & Development programmes.

These activities are valuable but not sufficient to bring about sustained & embedded reform...if reform is needed.

The important thing is to stimulate Desire and Action. After all, 'nothing changes unless behaviour changes'.

### Direct activities

To achieve real change, indirect measures need to be supplemented by direct actions. This is where Change Management & Organisation Development professionals specialise. What can they add?

Many ideas are based on the concept of starting small & building momentum until a 'tipping point' is reached; get it right and the result can work like viral marketing and the frequently rapid spread of ideas on social media. So...

### **...start small...and do it with teams.**

Collectively these steps help create a community willing and able to generate and act on new ideas.

- **Start small.** Once you have established the general direction, focus on small actions & build from there. Keep them going long enough to check results. Phrase it as a 'pilot' or 'experiment' if this helps manage potential resistance. If necessary, stay 'below the radar' until the ideas start to show signs of real progress.
- **Target the influencers.** Look for people who are positively disposed to the ideas. Engage influential teams or departments whose leaders and influencers are willing and interested. Use knowledge of the 'hidden' organisation to bring together individuals who are central and who influence day-to-day opinion. Support them as they explore where and how to put the ideas into operation. The right level of support is critical; not only is there a direct link

between support and team performance but professionals do not always find managing collective efforts easy.

- **Give them their head...** High achieving professionals need autonomy. Micro-management is anathema and demotivating. Allow potentially fresh ways of working to emerge.
- **...and agree boundaries.** Agree boundaries and simple rules that guide decision making and behaviour. Offer support yet allow people the right degree of freedom to exercise their judgement within these boundaries.

Support for the importance of setting the right boundaries comes from many quarters, from the science of Complex Adaptive Systems<sup>5</sup> (& managing people in organisations is all about managing complex systems...!) to influential thinkers from Harvard who advocate 'Strategy by simple rules<sup>6</sup>'.

- **Involve.** 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 they feel involved. There's a strong argument that committed high performers have the right to be involved in any event; after all, they are an important part of the solution. They make it happen on the ground.
- **Acknowledge and act on ideas (whatever the source).** Acting on apparently minor suggestions from more junior members can have enormous impact.
- **Agree stretching goals.** Stretching but realistic goals inspire individuals who have a high need for Achievement. Setting the right goals, standards and

measures is like setting the right boundaries.

## Why this approach?

- **Start local - think ‘back gardens’!** For those of us with back gardens, it is hard to resist the temptation to peer over the fence to see what our neighbours are doing. If we are keen gardeners and their roses are doing particularly well, we might copy some of their ideas in the hope that our roses will also produce better blooms.

It is the same in organisations. If one department has a success this can alert and stimulate others to follow suit. That’s why helping individual teams who want to do something about it can be such an effective start point.

- **Small is big!** The science of complexity, ‘marginal gains theory’<sup>7</sup> and the 2017 Nobel laureates Thaler and Sunstein (who coined the ideas behind ‘Nudge Theory’<sup>8</sup>) all agree on one thing – that small, sustained changes can act as catalysts and have significant impact.

A small-scale & direct approach also draws in more of the ‘AIDA’ spectrum & makes action more likely.

- **Quick wins & publicity.** Small changes can generate quick wins. Keeping track of the outcomes & publicising successes, however small, can be both inspiring as well as offering ideas for other teams & individuals.
- **Identity & community.** ‘Social identity’<sup>9</sup> is another area strongly linked to improved performance. People like to be part of a team that gets results and whose values they can relate to. It breeds a strong culture, one that is not only self-sustaining but can be very compelling and

attractive to others – clients and staff alike.

- **Tipping point.** Whether or not you like the term (from Malcolm Gladwell’s book<sup>10</sup> & now firmly in the management lexicon!), a series of small successes can sum to a significant result, enough to win over some of the more hardened sceptics.

## So finally...

It is a truism to say that the many small changes that together amount to improved levels of engagement take time & persistence.

The professional services firm needs to find ways to keep the focus long enough for them to become a natural ‘part of the way things get done around here’.

That’s the challenge in fostering Engagement – as it is with so many change initiatives.

Fail to follow-through and persist and the Engagement project is unlikely to yield the promise held out by the increased publicity it has received in recent years.

*Morley Potter*

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## Morley Potter

Morley helps turn strategies and ideas into results. His approach draws on over 30 years in the consulting business, working with large corporations and institutions through a combination of consulting, facilitation, coaching, programme management and executive education.

He is Managing Partner of Scott-McGregor, an associate-based consultancy, formally rebranded in 1997. The work has a strong focus on professional services and organisations whose success depends on expertise and technical excellence.

After a post-graduate period in professional services and social education, Morley co-founded a venture-capital funded consultancy, subsequently exiting in 1989 to complete an MBA at the London Business School and establish his own independent business. He has close working associations with several change consultancies.

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

## References

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<sup>1</sup> See: <http://webarchive.nationalarchives.gov.uk/20121205082246/http://www.bis.gov.uk/files/file52215.pdf>

<sup>2</sup> For supporting statistics, see: <https://scott-mcgregor.com/ideas/engagement-statistics/>

<sup>3</sup> 'When professionals have to lead. DeLong, Gabarro, Lees. Harvard Business School Press.

<sup>4</sup> See: [https://en.wikipedia.org/wiki/AIDA\\_\(marketing\)](https://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.

<sup>5</sup> Peter Fryer's short article makes a good summary of some of the principles behind the theory of complex adaptive systems. Now available on: <https://integral-options.blogspot.com/2013/03/peter-fryer-brief-description-of.html>

<sup>6</sup> <https://hbr.org/2001/01/strategy-as-simple-rules>

<sup>7</sup> Originating from sports training. See: <https://www.bbc.co.uk/news/magazine-34247629> or <https://hbr.org/2015/10/how-1-performance-improvements-led-to-olympic-gold>

<sup>8</sup> See: [https://en.wikipedia.org/wiki/Nudge\\_theory](https://en.wikipedia.org/wiki/Nudge_theory)

<sup>9</sup> Social Identity theory is often ill-defined. This overview at Wikipedia is a good place to start: [https://en.wikipedia.org/wiki/Social\\_identity\\_theory](https://en.wikipedia.org/wiki/Social_identity_theory)

<sup>10</sup> 'The Tipping Point: How Little Things Can Make a Big Difference' Malcolm Gladwell. Back Bay Books



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