

Professional Services IT Leadership

Addressing the cultural divide in professional services firms

By John Kemp

The natural duality in professional services organizations

There is a dichotomy between the “professionals” within a professional services organization and those who support professionals within that organization, of which IT and IT leadership fall into the latter category. Those who “support” are not professionals in the context and culture of these organizations. The professionals are regarded as such as they hold certifications and authorizations entitling them to perform the tasks that the organization was formed to deliver. “Others” who support the professionals do not, directly at least, contribute to the purpose of the organization save to enable those who do; this is despite being certified and authorized to perform the tasks for which they have been engaged. A professional services organization is associated with its deliverable: lawyers do law, accountants do accounting, and realtors sell real estate. In none of these cases do IT people do any of these things. Thus, IT people, in the context of any of these firms are not the professionals. Is this a “false” dichotomy?

On the face of it, this assertion seems it is not a false-dichotomy, as to make it so would require the consent of one or both parties to recognize and accept alternatives to the condition of work and actively permit cross-participation in the purposes of the organization. This, in many cases, cannot be condoned as the ethical practices of these professional services preclude all but those authorized from performing the task for which the firm was formed. IT people are forever prevented from the practice of law or the application of accounting principles as they do not hold the necessary authority to perform those tasks, despite the possibility that they may possess a deep working knowledge of the processes and skills used to perform these services. Essentially, having an excellent working knowledge of anatomy while helpful, does not make a surgeon. IT people, despite their awareness of the work performed by the professionals are not, nor are they likely to become, those professionals.

Recognizing there are ethical demands upon professional services firms, are ethical and moral obligations thrust upon the “non-professional” leader in such organizations? Certainly, there are ethical obligations that migrate from the professionals to supporting personnel, especially where supporting personnel have access to, or the ability to, process or oversee the processing of information or actions covered by professional ethics. An obvious example might be client privacy. The professional must, in accordance with the ethics of their professional code of conduct, preserve client privacy. Likewise, this ethical obligation expands to include IT people who are custodians of data within the firm. In fact, the ability of the professional to meet the obligation of a particular ethical requirement of their discipline may depend either wholly or in part on the distribution of the ethical obligations to supporting functions. The lawyer, for example, may require privacy protection of client data; but he or she cannot deliver this privacy alone as the skills to do so are outside of their capabilities and fall upon IT support to address this need. Thus, the IT support function must adopt and uphold the ethical requirement of the lawyer. This does not transfer accountability, rather it distributes accountability across the functional divide within the professional services organization. In the case of privacy for example, a breach in privacy may have consequences for the lawyer, but also for the support personnel.

The migration of accountability is not one-way. IT demands adherence to practice and ethics by the user of technologies, and the supplier (IT) must state these practices, train users on their execution, and ensure they are complied with in day-to-day work. The ethical requirements of adhering to a security policy or standard are distributed from IT to the professional who uses IT resources.

Where the enablement of a capability delivered to professionals is vital to the successful performance of the professionals' function, there are demands both ethical and moral requiring service by IT leadership. Ethically speaking, the IT leader must ensure IT practices support the ethical demands of the professionals' trade. These conditions are often multivariant and in certain cases subject to external audit, verification, and validation by agencies overseeing the professional practice. The IT leader must ensure, in design, IT functions and capabilities account for the needs of regulatory and ethical demands of the professional practice.

The moral question

If we accept ethics, in the context of professional services organizations, are behaviors pertaining to groups and are often comprised of things imposed from a higher authority upon practitioners as well as their own internal guides, morality pertains to the individual and their behaviors in the context of "right" and "wrong" as laid out in the broader ethical environment.

The IT leader must apply their behaviors in the context of the business need, the needs of IT to meet those needs, and finally and most profoundly, the culture of the organization. The last of these, culture, creates the area for the moral dilemma faced by an IT leader. The need to provide thought leadership on technology use, to innovate, to advise and guide, and even to implement technologies may be undermined or even precluded by culture. One firm or another will have differing views on the inclusion of IT in decision making and planning scenarios, but the culture will determine whether the viewpoint of the IT leader will be taken on and weighed with the same consideration as the viewpoint of "partner" or "practitioner." Professional services firms are rife with examples of technology decisions made "in the business" that have created unwarranted challenges to the effective delivery of technology and in certain cases exposed the business itself to unwarranted risk. Decisions to "build-in-house" for example are often culturally motivated rather than pragmatic. Significant resources can be committed to the development of process-supporting software despite the development of such tools not being a professional capability of the organization itself. These decisions are often made even when there are off-the-shelf options that can achieve much of the stated needs of the organization.

The IT leader has ethical and moral obligations to do what they can to prevent these unwarranted challenges from manifesting as realities in the production environment or as plans in the strategies of the organization. Sadly, the ability of the IT leader to influence these decisions is dependent upon the organizational culture. The IT leader has a moral obligation to state the case as they see it, for or against business initiatives or use of technology choices, and to adapt when confronted with choices that run counter to the best advice the IT leader can provide.

Addressing the cultural divide

In truth, the notion that certain people are not professionals in a professional services firm is a false dichotomy as independently of one or the other's opinion, the distribution of ethical requirements between the two requires each to behave in accordance with ethical obligations of their fields. In

essence, both sides of the equation are populated by professionals. To view this otherwise is based on a bias toward one's profession rather than any demonstrable lack of capability or necessity of action on the part of the professionals involved.

It is a cultural choice when the view of one group is as “support,” and the other as “professionals.” While the supporting role is not that of the revenue generator, it requires professionalism, and the IT leader needs to ensure this is understood, regardless of the enabler role their team plays.

For the IT leader this means the establishment of a contract with the business that drives the relationship between the professions and the formation of contractual obligations between them to successfully perform the tasks needed to achieve the firm's objectives, which will further cement the professionalism that exists on both sides of the revenue equation. To accomplish this, the IT leader must have:

- A deep understanding of those ethical bonds that guide the professional cadre, and where and how IT capabilities support, enhance, or protect these ethics in practice. In support of this, clear statements on the IT commitment to upholding these ethical standards are mandatory. (Links: [Build a Business-Aligned IT Strategy](#))
- In professional services firms, reputation is critical to success. Most professional services firms are sought on the basis of their reputation in the market, a placement they rigorously guard. Where IT plays a part, reputational support and protection should be at the forefront of IT practices and capabilities. Business continuity and disaster recovery capabilities are obvious. Yet, an abiding attention to risk management will assist the IT leader in demonstrating their support for protection of the firm's reputation. It goes without saying that security never goes without saying. Security capabilities and policies must remain a component of all IT activities, especially those touted by business leadership as panaceas to economic challenges. This must be capped by a realization of service management that focuses on reputational maintenance as well as service availability and prioritization. (Links: [Develop a Business Continuity Plan](#); [Document and Maintain Your Disaster Recovery Plan](#); [Build an IT Risk Management Program](#); [Security Research Center](#))
- Revenue is vital to a cash business, and professional services firms are cash businesses. While it is variable between firms regarding how they set themselves up financially, it is universally true that the spend in any given year is moderated by revenue realized in that same year. IT leaders need to differentiate with clarity between business as usual (BAU) costs, those that keep the system running and the lights on, and discretionary costs, those that will only be done if circumstance permits. Demonstrating strong control over budgets and a deep understanding of the supply chains supporting IT procurement is critical to IT in general, but especially so in an organization run on a cash basis where partners are holders of the firm's equity, and their compensation is tightly linked to revenue versus costs. (Links: [Manage an IT Budget](#); [Build Your IT Cost Optimization Roadmap](#); [Strategically Phase in Technology to Bolster Supply Chain Management](#))
- Requirements management provides the IT leader and their team with the ability to understand the needs, wants, desires, and aspirations of the lines of business within the professional services firm. While some lines of business are quite regimented (tax law in the legal industry, or tax processing in accountancy), this is not so for all business lines in professional services firms.

Each may have a greater or lesser dependency upon technology, even specialized technologies such as Geographic Information Systems, in architecture and engineering firms. As well, some professional services firms transcend IT technologies and delve into Operational Technology (OT) spaces. Seeking out business requirements and demonstrating an understanding of them is a vital part of addressing the cultural divide between IT and industry professionals. (Links:

[*Improve Requirements Gathering*](#))

- Lastly, contextual reporting is important. This means that IT reporting to the business draws a clear line between IT capability and business capability in whatever form it takes. As well, reported items always call for a decision. If that decision is action, praise, or concern it is relevant only in that action results from reporting. The greatest sin an IT leader can commit is to become utilitarian in the eyes of the business, which is the surest sign that the cultural divide between IT and the business will continue. Contextual reporting aids in demonstrating IT value to business needs. Demonstrating the “lights remained on” is the language of a utility. Showing value is the goal of an IT leader. (Links: [*Build a Reporting and Analytics Strategy*](#); [*Build a Data Pipeline for Reporting and Analytics*](#))

Conclusion:

The IT leader in a professional services firm may never fully breach the divide between IT and the “Professionals” he or she supports. However, a successful IT leader will ensure that divide is as porous as culture will permit and achieve, if not a collaborative, at least a consultative relationship with professional services business leaders.

