## Threats to professional identities can lead to resistance to organisational change



Professional service firms, like law firms, need to comply with multiple demands on how they should operate and what they should deliver. Society demands transparency and accountability. Legal professionals who work in professional service firms ask for autonomy and discretion. The clients of professional service firms request not only cost efficiency but also short delivery times and customised service. Professional service firms attempt to adapt to these multiple, and often conflicting, demands by adopting new approaches to work.

Our <u>study</u> illustrates that adopting new work approaches does not always proceed in a smooth manner. Instead, there can be resistance, which ultimately jeopardises the integration of these new approaches into the organisation. We explain how such resistance can happen because of threats to professional identities.

Our study focusses on a corporate law firm between 1999 and 2011. At the time, the firm was hybrid, in that it had professional and commercial work approaches, or logics. In our study, we define a logic as a "socially constructed frame of reference that organisational actors use to infuse their work with meaning" (p. 2). Commercial logics stress financial revenues that organisations and individuals generate. Professional logics emphasise accredited professionals (e.g., lawyers, accountants, engineers) who are experts, make decisions autonomously using discretion, and determine how they should behave, especially towards clients, via self-directed controls like codes of conduct.

In 1999, our corporate law firm added a third, bureaucratic, logic to its commercial and professional logics, by adopting a knowledge management system (KMS). Bureaucratic logics highlight work rationalisation and efficiency, which are to be achieved through controls, including procedural controls like standardised templates, approved protocols, 'best practices', management by objectives, explicit performance indicators and knowledge management systems. In our corporate law firm, the KMS was introduced in response to pressures from clients and rivals, at the insistence of the international legal network that it belonged to. The goal of the KMS was to make legal research at our corporate law firm less labour intensive, more standardised, cheaper and faster. The core of the KMS consisted of best practice documents prepared in-house during client projects. After KMS usage slowly declined starting in 2005, by 2011 the KMS stopped being used regularly on a widespread basis and only a handful of lawyers, mostly junior ones, relied on it.

Our qualitative data show that the KMS promoted the rise of a new group of lawyers, those with technical expertise. After the KMS was adopted, technical experts could better steer the discourse at the corporate law firm, which in turn confirmed them in their identity as technical experts. In contrast, lawyers with relationship expertise, who, before the introduction of KMS had played a key role in our firm, now saw their relationship expertise comparatively less accentuated than technical expertise in the discourse of the corporate law firm. This is illustrated by the following quote from partner. It shows how clients relied less on interpersonal trust in dealing with the corporate law firm and, instead, asked for technical niche expertise that could assist their in-house tax and legal departments.

"We have moved away from a world of generalists, where lawyers were trained to deal with all kinds of topics, a world where the personal nature of the client relationship meant everything. Maintaining a good, long-term, personal relationship with the client was the Alpha and the Omega of our job. [...] Today, the client's trust is acquired differently. It is based on our ability to show that we can mobilise different experts to meet the client's evolving needs."

Relationship experts were less able to direct the discourse at our corporate law firm and to construct their identity as relationship experts. They reacted by resorting to various tactics to safeguard their identity: they rallied around, and vocalised, difficulties caused by the KMS, such as its functional limitations (e.g., its unfriendly search engine), its lack of reliability (e.g., lack of guidance for flagging faulty content), and the increase in administrative tasks. Over time, technical experts too adopted these tactics. Even though they had initially benefited from the KMS, technical experts ended up discovering that the KMS had unforeseen consequences: it jeopardised the singularity of the technical knowledge they each possessed by making it widely available to other lawyers. The following excerpt from a tax partner at the corporate law firm illustrates how this wide availability was viewed as threatening the quality of the output that technical knowledge produced.

"If we wish to sell bad, poorly copied versions of a Vuitton bag, we can do it but we won't be able to sell them with the same warranties as the originals. (...) we put them on display to attract clients and all lawyers are familiar with how to make these copies. So, you see, knowledge sharing serves marketing purposes and nothing else."

The wide availability of technical knowledge meant that technical experts were no longer able to rely on this knowledge to nourish their identity as technical experts. Because technical and relationship experts joined their efforts to sabotage the KMS in order to safeguard their identity, the professional law firm's newfound hybridity was short-lived.

Our case study illustrates how the adoption of a new logic can have implications for the professional identities of organisational actors. To protect and promote their professional identity, individuals may resist a new logic that threatens this identity. In our case, the bureaucratic logic that was exemplified by the KMS ended up threatening the professional identity not only of relationship experts but also of technical experts and was eventually left moribund. Professional identities, in order words, are interconnected with the longevity of organisational hybridity.

At the heart of our work lies the argument that a change in logics that permeate an organisation ends up affecting the professional identity of organisational actors, via power relations. Power arises in the context of relations; it is dynamic in that it is subject to forces that arise within social relations between individuals within an organisation. We develop a theoretical model that illustrates how individuals whose power increases after a new logic is adopted can nourish their identity, because they have more control over the discourse of the organisation. In contrast, individuals whose power decreases after the adoption of a new logic, because they are less able to direct the discourse of the organisation, see their identity threatened. Individuals with heightened power promote the logic that nourished their identity, whereas individuals with diminished power will resist the logic that jeopardised their identity. In sum, when organisations adopt new logics, the professional identities of organisational actors can be affected by this change, which influences the ways in which individuals react to the now logic. Our work emphasises the role of identities in how organisational actors react to new logics, and how they attempt to shape their own identities by using their power.

Our work helps us better understand what happens when organisations adopt logics that might conflict, such as the professional and bureaucratic logic. New organisations can attempt to create a composite identity that balances conflicting logics by hiring early career employees whose professional identity is not yet strongly developed and who can be guided into accepting a composite identity that encompasses different logics. For older organisations, however, this path is difficult to follow, as their employees are at later stages in their career and have firmly established their professional identities, often within one particular logic. Our work speaks to the latter organisations and cautions that much care needs to be taken when a new logic is adopted that conflicts with existing logics. The identities of these employees stand to be uprooted and they react by resisting the new logic, which ultimately risks failing to be integrated into the organisation.

Authors' note: Our analysis is based on data that we collected in a law firm between 1999 and 2011. This data includes archival data (e.g., memoranda, statistical reports), notes from meetings, and transcriptions from 66 one-on-one interviews with 46 individuals within the law firm.



## Notes:

- This blog post is based on <u>The challenge of sustaining organizational hybridity: The role of power and agency,</u> in Human Relations (open access version <u>here</u>).
- The post expresses the views of its author(s), not the position of LSE Business Review or the London School
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