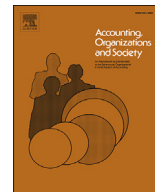




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Money, honour and duty: Global professional service firms in comparative perspective

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ABSTRACT

Research on professional service firms describes these organizations as having been increasingly colonized by commercial imperatives over the last 30 years. Extant studies contrast this now dominant 'commercial logic' – which privileges revenue generation – with a 'professional logic' – which privileges public service. There are two problems with this commercialization thesis. Firstly, it focuses almost exclusively on Western European and North American empirical contexts in order to draw conclusions about ostensibly 'global' firms, thereby universalizing a particular. Secondly, professionalism and commercialism are conceived of in *essentialized* fashion, with meanings ascribed to each *a priori*. In the present study, we seek to move beyond these problems by drawing on a comparative empirical study of partners in professional service firms in China and Japan. The results show that firms in each context demand quite different forms of capital and dispositions from firm members. This implies that literature on global professional service firms need to take cognizance of the extent to which certain 'rules of the game' are applicable beyond Western countries. Conceptually, the study both outlines a framework for understanding professional service firms in comparative perspective, and proffers a theorization of professionalism as a *de-essentialized* form of symbolic capital whose meaning is culturally contingent.

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1. Introduction

Professional service firms (PSFs) have come to be seen as important actors in the global economy over the last 30 years and are studied as an area of academic enquiry in their own right (Morris & Malhotra, 2009). Additionally, studies of PSFs are increasingly used as exemplars for organizational theory building more broadly (Greenwood, Li., Prakash., & Deephouse, 2005; Greenwood & Suddaby, 2006; Faulconbridge & Muzio 2016). It is therefore of crucial importance that these firms are understood in all their complexity. One key theme emerging in literature on PSFs in recent years is the 'global' or 'transnational' nature of their services and governance arrangements (Boussebaa, Morgan, & Sturdy, 2012; Muzio & Faulconbridge, 2013; Suddaby, Cooper., & Greenwood, 2007). This paper is situated within this latter stream of research and contends that our current conceptual

understanding of 'global' PSFs (GPSFs) is built upon a largely occidental empirical base.

How PSFs operate in different contexts can be explored by charting the various forms of capital that PSFs and their members accumulate in the course of professional work and careers (Spence et al., 2016). This focus on different species of capital takes an explicitly Bourdieusian stance (Bourdieu & Wacquant, 1992) in contrast to the conceptual framing of institutional logics, which has dominated PSF research in recent years (see, for example, Smets, Morris & Greenwood, 2012). The dominant thesis in such research is that commercial logics, or in Bourdieusian terms the colonization of professional fields by the laws of the market (Bourdieu, 1996), have come to dominate professional activity (Malsch & Gendron, 2013).

We show that this thesis does not hold universally. Reporting the findings of a comparative study into how Big 4 PSFs operate in China and Japan, it is revealed that organizational imperatives are not always understood strictly in terms of the accumulation of economic capital. The corollary is, global PSFs cannot be said to follow global 'rules of the game'. These findings have implications

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for how we theorize PSFs and multinational enterprises (MNEs) more broadly. Specifically, we suggest that we need to move beyond a view of professionalism and commercialism as discrete logics and embrace a logic of discrete professionalisms and commercialisms.

The remainder of the paper is structured as follows. The following section outlines key themes from literature on PSFs, organized thematically in line with the Bourdieusian framework employed in the study. The paper's three principal research questions are also articulated in this section. The research methods employed in the study are then discussed in a following section, before proceeding to a discussion of the findings. The findings then form the basis of a concluding section which outlines the purported theoretical contributions of the study to existing research.

2. Theorizing 'global' firms

Much research into PSFs takes – either as a backdrop or indeed as its principal concern – the increasingly commercialized context within which these firms are supposed to operate. For example, Greenwood et al. (2005) describe the transformation of very large accounting firms into “multidisciplinary practices” (MDPs) characterised by a proliferation of non-audit services that are delivered in cross-sold bundles. In turn, this more ‘commercial’ orientation is juxtaposed with that of a more ‘professional’ orientation, which is perceived to have been eroded and displaced as a result. The various ways in which ‘commercialism’ is juxtaposed with ‘professionalism’ in extant literature is encapsulated in Table 1 below:

As Table 1 shows, the twin pillars of ‘commercialism’ and ‘professionalism’ are conceptually juxtaposed in different parlances as two: competing identities (Carnegie & Napier, 2010; Gendron & Spira, 2010), competing logics (Lander, Heugens, & van Oosterhout, 2017; Malsch & Gendron, 2013; Smets et al., 2012; Suddaby, Gendron, & Lam, 2009) or competing objectives (Sweeney & McGarry, 2011; Wyatt, 2004). As an illustration, Malsch and Gendron (2013) look at the relationship between commercial and professional ‘logics’ in some detail, arguing that the two co-exist in a kind of zero-sum struggle for supremacy, characterised by mutual dependence but that has, in recent decades, “resulted in the consolidation of commercial over professional logics” (881). Many commentators are vexed by this dominance of commercial over public interest concerns; indeed, some have explicitly called for a re-establishment of professionalism (Wyatt, 2004).

This reification of ‘commercialism’ and ‘professionalism’ as discrete identities, logics or objectives is, in our view, problematic. It is predicated upon a somewhat unreflexive nostalgia for a golden

age where ‘professional’ labour was somehow untainted by commercial concerns. This ‘lament for the lost professional’ needs to be tempered by findings from historical studies on the professions that suggest this ‘golden age’ probably never existed (see, for example, Spence & Brivot, 2011; Walker, 2004). Indeed, the ‘profession’ moniker itself warrants attention as a “folk concept which has been smuggled uncritically into scientific language” (Bourdieu & Wacquant, 1992, p. 242).

In the interests of avoiding essentialism, we conceive in this paper of professionalism as a form of symbolic capital (Schinkel & Noordegraaf, 2011). Viewing professionalism as a form of symbolic capital is quite different from the way in which much extant literature approaches professionalism, which it tends to define along various public interest lines such as ‘independence and autonomy’ (Suddaby et al., 2009), ‘quality of service provision’ (Sweeney & McGarry, 2011) or ‘integrity, rigour and public service’ (Picard, Durocher, & Gendron, 2014). Such definitions, while in one sense useful in that they draw attention to what a heightened focus on revenue generation occludes, in another sense are problematic in that they cling onto *essentialized* notions of what a profession is, was or perhaps should be. Symbolic capital, which is a “transubstantiated” asset or resource that confers prestige and status within a specific social space (Bourdieu, 1985; Schinkel & Noordegraaf, 2011, p. 78), takes on different forms in different arena; it therefore follows that there can be no *a priori* definition of what professionalism is. Rather, the meaning attached to professionalism is a stake in the struggle for a dominant position in any particular social space. According to this line of argumentation, the task for social scientists lies in revealing what constitutes symbolic capital in each social space – in this case, national context – under study. This gives rise to our first, and principal, research question:

RQ1. *What forms does symbolic capital take in PSFs in different national contexts?*

Another key feature of the commercialization thesis advanced by extant literature is that it emanates overwhelmingly from Western countries. North America and the UK loom large in the empirical background of our conceptual knowledge of PSFs. This is perhaps understandable, given the Anglo-Saxon origins of the firms in question. However, it is increasingly recognised that PSFs are ‘global’ in nature (Boussebaa et al., 2012) and that they now occupy transnational spaces (Greenwood, Morris, Fairclough, & Boussebaa, 2010; Suddaby et al., 2007). Yet there has been very little consideration in PSF research of the societal dimensions that have been shown in other literature to be important determinants in shaping organizational behaviour (Lam, 2000, p. 488). By not taking

Table 1
Extant Literature's juxtaposition of the ‘professional’ with the ‘commercial’.

Study	Juxtaposition of the ‘commercial’ with the ‘professional’
Covaleski et al. (1998)	Transformation of partner identities “from being professionals to businesspeople” (p.1998)
Kornberger et al. (2011)	Career success in a Big 4 firm is predicated on transforming oneself into an “entrepreneurially minded agent” (p.154)
Anderson-Gough et al. (2000)	Dominant discourse of ‘client as king’ leaves little room for consideration of independence or public service
Picard et al. (2014)	Image of accountant has shifted from that of ‘meticulous professional’ to ‘superhero of the business world’ over time
Wyatt (2004)	Transition from “a central emphasis on delivering professional services in a professional manner to an emphasis on growing revenues and profitability” (49)
Gendron and Spira (2010) and Carnegie and Napier (2010)	Heightened emphasis on revenue generation responsible for the demise of Arthur Andersen and audit failure at Enron.
Sweeney and McGarry (2011)	Roots of commercialism can be traced back to the 1960s
Suddaby et al. (2009)	The erosion of professional ethics in accounting firms is most pronounced in the Big 4
Smets et al. (2012)	Increasing displacement of professional by commercial concerns in German law firms
Muzio and Faulconbridge (2013)	The embedding of Anglo-Saxon commercial norms into Italian law firms – a clash of different professionalisms
Greenwood and Suddaby (2006)	Replacement of “professional services as a craft” with “professional services as a business” (p.36)
Cooper and Robson (2006)	The dominance of cross-selling and client service over public interest concerns
Malsch and Gendron (2013)	Professional logics hybridize with, but are ultimately dominated by, commercial logics

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