Undercurrents and Headwinds

Four Unstoppable Workforce Trends Affecting Professional Services Firms

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Four Unstoppable Workforce Trends Affecting Professional Services Firms

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Executive Summary

"Outside of governments, professional services firms are arguably some of the most impactful and influential on the planet. They are critical to our industries and our economies, with significant influence within both private and public sectors. In a time of global economic turbulence and industry disruption, the healthier, smarter and more future-proof professional services firms can become, the better outcomes we'll see across all industries.

It's our honour at ProFinda to help professional services firms by putting skills at the heart of the agenda. We enable the transformation towards far more agile networks of knowledge, enabling optimised workforces to power global operating models to their full potential.

We are thrilled to present the findings of our research into workforce trends. We hope this helps to build collective knowledge across organisations, challenge previous thinking, and accelerate the transformation agenda."

Roger Gorman, Founder & CEO ProFinda, 2020

This white paper explores the four global trends disrupting the professional services industry; global operating models, alternative delivery models, multidisciplinary resourcing and the war for skills. The white paper analyses the effects of each trend on professional services firms and considers strategies for firms to navigate the disrupted landscape.

The paper considers the trends affecting professional servies firms, not just from the organisational and leadership perspective, but from an employee perspective finding symmetry between the need for professional services to maximise skills resourcing, development and utilisation, and the desire from employees for a fulfilling, meaningful workplace experience.

Finally, the paper identifies solutions to the challenges professional firms face in this disruptive environment, charting the transformation required to change from 'falling behind', to 'competitive parity', to 'competitive advantage'.

Skills-Driven Organisations

Ultimately the paper concludes that in order to capitalise upon these four workforce trends, professional services firms must make the transition into skills-driven organisations, with full visibility of the internal and external workforce, and innovative skills-driven solutions which can benefit both their employees and clients.

Roger Gorman
Founder & CEO
ProFinda, 2020

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01

Global Operating Models

The Rise of Super-Firms

‘Globalisation and the development of global operating models is an ‘overarching “mega-trend,” a force so ubiquitous that it will substantially shape all the other major trends in the world of 2020’.[1]

The world of work has fundamentally changed. professional services are expected to be at the cutting edge of service delivery, yet it has become increasingly complicated to power the vast and varied range of services they provide.

The great land-grab and ‘war for size’ has led to professional services firms with huge staff numbers: Accenture has 509,000 employees, with offices and operations in more than 200 cities in 51 countries,[2] and headcount for professional services firms has increased consistently, climbing from 9% in 2019 alone.[3]

Professional services firms have rapidly made the initial transition into ‘global super-firms’.[4] This has led to increasingly complex matrix organisations with functional, industry and geographical divisions, interconnected with subsidiaries, partners and start-up ecosystems.

1 National Intelligence Council (2012), Global Trends 2030: Alternative Worlds
2 Accenture. (2020) Accenture Fact Sheet Q3 FY20
3 Mazareanu, E., (2020) Professional services worldwide – headcount growth 2013-2019. Statista.com
4 Deepak Mahadevan, Christopher Paquette, Naveed Rashid, and Evgeny Ustinov. (2019). Building agile capabilities: The fuel to power your agile ‘body’. McKinsey

Intensified Competition

Private-equity backed firms are taking mergers and acquisitions to a new level, acquiring innovative companies and the skill, talent and technology they house at increasing speed and volume. In this dynamic environment, firms can no longer rely on organic growth to survive.

Private-equity backed firms are reaping the benefits of consolidation and driving efficiencies but even this is not boundless. In particular, as the audit arm becomes less profitable and increasingly automated, where do firms find their new value streams?. PWC estimates that when it comes to audit, 45% of workforce tasks can be automated. So, how should audit workers be re-purposed to maximise value creation?[5]

There is a significant restructuring required, putting cybersecurity, blockchain and other emerging disciplines at the heart of business models. There are skill corridors to be built for auditors who have the requisite transferable skills to be re-trained as cyber-security experts.

There is a significant restructuring of global operating models to be undertaken, with new skill corridors and mass re-deployment becoming increasingly urgent.

5 PWC, 2020, 'Robotic Process Automation: A primer for internal audit professionals'

Scale vs. Responsiveness

'The principal tension in global strategy is between scale economies and local responsiveness.'[6]

Due to the thousands of possible permutations, methods and outcomes associated with a complex, global operating model, it has become increasingly difficult to be confident of:

GLOBAL RESOURCES

Allocated and deployed effectively

GLOBAL PROJECTS

Project teams resourced in the most optimal way

UTILISATION DRIVERS

Maximised through cross-divisional collaboration

Forming optimal project teams with the best skills fit for the task, at speed, can provide companies with a competitive advantage and help to address the challenges and opportunities that a global operating model produces. At present 'At best, employers and employees are imperfectly matched for roles; at worst, the fit results in financial and non-financial losses for both parties.'[7] Professional services firms must address this urgently to remain competitive.

Optimising the global operating model can ensure speed and quality of work, maximising global billable hours, driving utilisation and managing resource cost.

Forming optimal project teams with the best skills fit for the task, at speed, can provide companies with a competitive advantage.

6 Ghemawat, P. (2007). Managing Differences, The Central Challenge of Global Strategy. Harvard Business Review
7 World Economic Forum, (2019) Strategies for the New Economy: Skills as the Currency of the Labour Market

Overcoming The Silo Effect

Professional services firms are losing access to valuable skills due to the silo effect and the resultant loss of knowledge-sharing across the organisation.

Divisions are running autonomously at national levels, harming the overall, global realisation of value. The silo effect results in a lack of knowledge sharing, lost opportunities and poor decision-making around resourcing and utilisation. This is a key driver of waste in global operating models which professional services companies must address, to better deploy skills and knowledge across the firm.

Fast changing global markets put a premium on simplifying processes and breaking through silos[8]. Full cross-border visibility can inform better decision-making. There is an imperative for global super-firms to create a single, global view of their organisational capability, increasing transparency for their management, clients and employees.

There is an imperative for super-firms to create a single, global view of their organisational capability and leverage data to inform intelligent decisions.

8 McKinsey, 2020. Making Collaborations Across Functions A Reality

Industry Expert Interview

Mike Falvey

Independent Consultant.
Ex-Partner, Big Four and Former Chief People Officer at HMRC

Expertise:
Workforce Transformation, Workforce of the Future, Organisational Management and Change Management.

Is the silo effect damaging professional services firm?

It's certainly true that it can be very challenging to navigate and choreograph company-wide initiatives, due to the large number of geographies, functions, divisions and markets. Leadership incentivisation and reward can create hidden control factors and behaviours that stifle innovation across the organisation.

What can firms do to combat this?

You can share P&Ls, you can reconsider the weighting between group activity and personal activity and you can incentivise resource-sharing through new reward structures. Rolling reward mechanisms and internal investment pots can help to build a long-term incentive for senior management to tackle global complexity. Partners need to see the benefit and value in leveraging data, resource and skill across different parts of the organisations. That will drive the culture change.

Does the silo effect impact employees?

It does. People need to feel secure in putting their hand up and learning new skills through involvement in different projects. They need to feel autonomy, trust and the safety to make mistakes. People want a varied, intellectually challenging, personalised progression path, and you don't get that if you're stuck doing repetitive work. People have skills they aren't using that their managers don't know about.

If people can provide value to other parts of the organisation through their knowledge and skills, that needs to be accessed.

Frankly, not knowing the value of your people is inexcusable. In some firms senior leaders pitch the business they've secured to the team first. This helps to build a real sense of purpose for Gen Z employees and it's a test of leadership for partners. Some are going further, creating internal talent marketplaces where people can bid to work on international projects. Combatting the silo effect can unlock skill and value for all.

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Global Operating Model

	Falling Behind	Competitive Parity	Competitive Advantage
1	Large, complex organizational structure.	Local responsiveness and improved knowledge-sharing.	Complete 'one-view' visibility of the entire global operating model.
2	Slow and costly project teams resourced inefficiently, with bias.	Project teams resourced using basic internal software to reduce cost.	Project teams resourced at speed, using software to map out internal and external skills economy.
3	Job roles no longer fit the global operating model.	Job roles are broken down into projects and tasks.	Tasks are optimally matched to skills and people via technology.
4	Driving utilisation across the global operating model is causing attrition.	Basic utilisation drivers and their causal relationships have been recognised and are being tracked.	Causal relationships behind utilisation drivers have been identified and optimised.
5	Silo effect and 'empire-building' results in lack of knowledge and skill-sharing.	Cross-functional projects and internal mobility aid knowledge and skill-sharing.	Full visibility of knowledge and skills across the global operating model.
6	Command and control culture means employees can't select skill development opportunities.	Internal talent marketplace allows employees to put themselves forward.	Internal talent marketplace matches skills to tasks across the entire global operating model.

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Alternative Delivery Models

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The Need for External Visibility

As the make-up of our global economy and business models has been disrupted, there is now an imperative to reduce the high fixed cost of labour, cutting down on traditional employment and offering alternative delivery models.

Automation and demographic shifts are causing 'tight labour markets, rising wages, and an increased incentive to economize on labour.'[9] Automation is also accelerating the need for new skill profiles, as previous 'jobs' become displaced by systems that are capable of carrying out extremely complex tasks with no human involvement.[10]

These disruptive forces have been compounded by the COVID-19 pandemic. The rapid re-deployment of skills to perform mission critical work, the sudden need for agility at scale, and the forced experiment of remote-working has given organsisations cause to re-think the ways in which work is organised and delivered. Adapting to new delivery models requires organisations to have an in-depth knowledge of the skills they have, the skills they need, and the skills that are available.

The need for a deeper visibility across the entire job market requires a shift away from previous understandings of traditional job roles and qualifications, towards a more sophisticated and detailed mapping of the skills economy.

9 Varian, H., (2020) Automation versus procreation (aka bots versus tots). VOX EU/ BCG
10 Ministry of Defence, (2014) Strategic Trends Programme, Global Strategic Trends – Out to 2045

Gigs and Crowds

By tapping into the gig economy, crowdsourcing and alternative delivery models, professional services firms can reduce fixed costs and make agile adaptations to peaks and troughs in demand and changing skill requirements.

'The sector is gradually adapting to working practices similar to the "gig economy" such as flexible working, meeting quality of life objectives, geographically diverse project teams, flexible working spaces and diversification of career paths, which brings new challenges to business models.'[11]

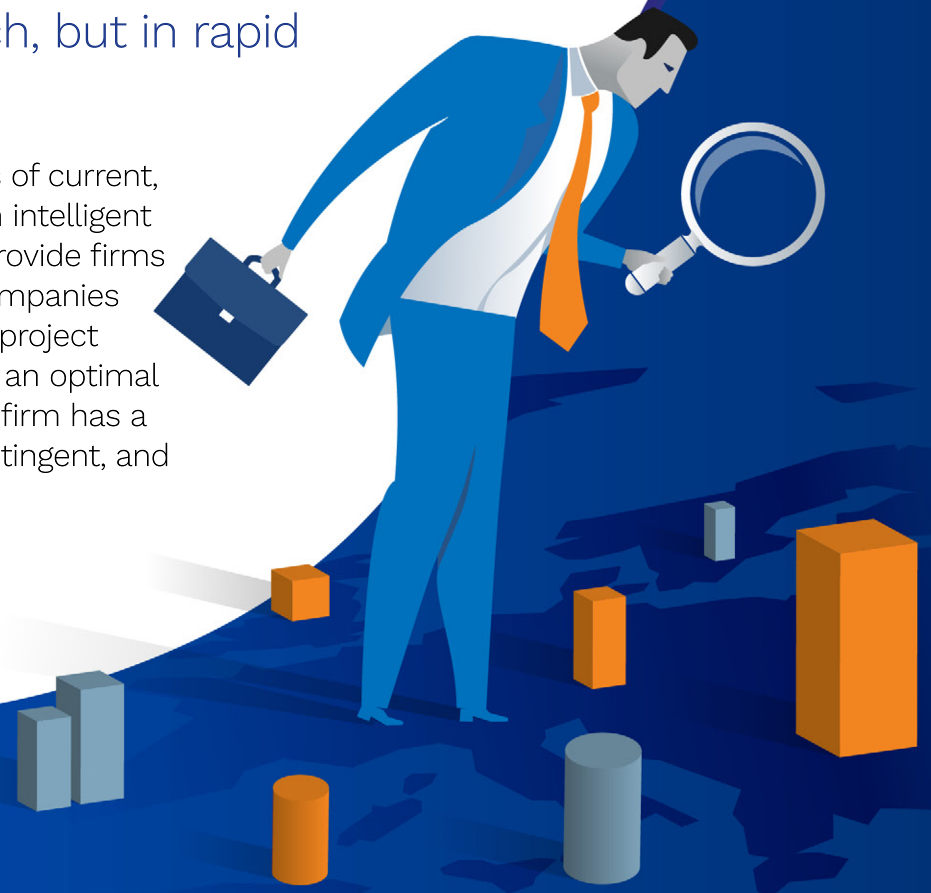
Accelerating this adaptation is critical. and requires a fundamental remodelling. Taking Accenture as an example, efficient delivery requires a 'one view' of not just their 509,000 current employees, but the total talent pool of freelance, alumni and contingent workers.

11 UK Government, Department for Business, Energy and Industrial Strategy (2020) Professional and business services sector: creating further demand and growth outside London.

Utilising the Ecosystem

There is increasing pressure on firms to provide specialist knowledge. Intelligence has been democratised, and the value of consulting no longer lies in branded research, but in rapid deployment of specialist skill.

Accurately mapping out the skills of millions of current, former and potential employees, creating an intelligent ‘one-view’ map of the skills economy, can provide firms with significant advantage. This will allow companies to efficiently match skills to tasks, resource project teams and build access to and utilisation of an optimal talent pool across the entire ecosystem. No firm has a single database connecting their alumn, contingent, and employees…especially not at a global scale.



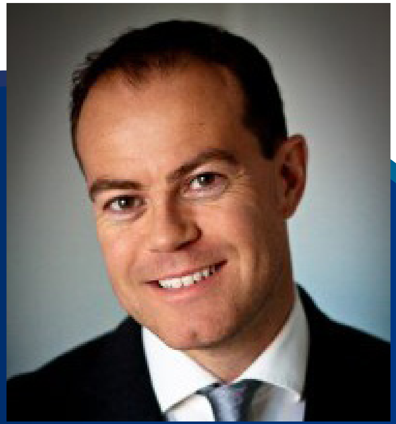
With the rise of remote working and the dispersion of talent and skills, companies must employ technology to get a handle on their utilisation of skills across underutilised groups, demographics and geographies.

In order to gain competitive advantage professional services firms need to be actively curating and orchestrating the geographical dispersion of skills, rather than reacting to it. Ultimately the measure of these alternative delivery models will be the ability to increase utilisation and reduce fixed cost of labour which is a professional services firm’s highest variable cost. Alternative delivery models are a central feature of agile, skills-driven organisations. Resource allocation, deployment and sourcing of skills underpins the successful delivery of alternative delivery models. Moving forward, the removal of bias from these decision-making processes is also high on the agenda.

> ‘Lack of visibility is a key factor in inefficient resource management. Mission-critical staffing decisions need to be made with accurate, up-to-date resource utilisation and skills data.’[12]

12 Oracle, (2019). The Six Key Challenges Facing Professional Services Firms and how Automation Can Help

Industry Expert Interview



Stephen Frost

CEO, Frost Included -
Previous Head of D&I at KPMG

Expertise:
Driving more inclusive decision-making to benefit individuals, organisations and the world at large.

How does bias affect delivery models?

Things like racism, xenophobia, gender bias and discrimination in any form can cause an inefficiency in self-actualisation, as people are denied opportunities to fulfil their full potential and maximise their productivity.

It could even be something as simple as 'extroverts get more opportunities'. In order to create a fair, efficient use of resources, and to utilise people's full potential, you can't rely on the old legacy models. Professional services firms need new, inclusive delivery models to unlock value.

Could 'blind resource allocation' work?

Yes but it requires a culture shift. Part of this is the art of leadership, recognition of legal model failure, and application of the collective pool of intelligence to actively reduce bias. Delivery models require collaboration between human and machine - blind resource allocation is a part of that.

How do professional services firms transform the legacy culture of allocation via personal preference?

Senior leaders need to be humble. Confirmation bias causes us to pick people we know, who've done something similar before or worked with specific clients before.

These factors are not a good enough rationale to underpin the resourcing of a delivery model. There is a need to consciously design systems and processes to debias project and resource allocation, whether it's through skills auditing or 360 feedback initiatives – you need to make decisions based on data. Otherwise your 'alternative delivery model' is going to reflect the pre-existing human biases running through the organisation. We need difference. There is value in difference. Technology can be a great enabler.

Alternative Delivery Models

	Falling Behind	Competitive Parity	Competitive Advantage
1	Automation is displacing jobs.	Automation is creating value-adding opportunities.	There is an optimal mix of automation, contingent labour, crowd-sourcing and internal skill driving value.
2	Knowledge of external skill supply is limited.	Knowledge of the dynamics of external local skill supplies inform decisions.	Knowledge of the dynamics of global skill supply are driving resourcing across the organisation.
3	The gig economy is a back-up option.	Alternative delivery models are being used effectively.	Software is being used to optimise alternative delivery models and unlock value across the entire ecosystem of talent.
4	Skills development programmes are failing.	Skills development programmes are targeting geographies and demographics with growth opportunities.	Skill development programmes are directly aligned to dynamics of supply and demand, geography, demographics, and the critical skills needed by the organisation in the short, medium and long-term.

03

Multidisciplinary Resourcing

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The Need For Granular, Internal Visibility

For global operating models to be optimised, professional services firms must build a genuine culture of multidisciplinary resourcing, to challenge the silo effect.

Transparency can create optimal knowledge-sharing, allocation of resource, staffing of projects, better decision-making, improve internal utilisation. This requires detailed mapping of organisational capability, and the entire workforce structure.

With this granular transparency leaders can make informed decisions around multidisciplinary resourcing, harnessing previously unmeasured, in-demand skills such as problem-solving, and people management capability, using multi-variable optimisation to drive utilisation.

More sophisticated approaches will:

- **Develop** their organisational mapping from the high level of departments, processes and job roles to the mapping of projects, tasks and skills
- **Drive** adoption of technology to ensure this capability is utilised across the entire organisation
- **Discern** with an increasingly granular approach

Need for Culture Change

Without a global culture of talent-sharing, skills-sharing and multidisciplinary cross-divisional project resourcing, transparency alone will not transform professional services firms.

Firms must dig beneath the surface and embed a deep culture of inclusive skill-sharing. A radical culture shift is required across professional services firms' entire operations. Disciplines and technologies are converging, 'disrupting previous practices and creating opportunities for novel new application.'[13]

Harnessing this requires a culture of agility, adaptability and open innovation. New technologies should not be additions that attempt to modify and placate existing cultures, but drivers of genuine culture change. Many cultural transformation initiatives are in progress but these need to be accelerated and aligned.

A skills intelligence framework is a crucial part of a larger cultural shift.

13 Störmer, E., Patscha, C., Prendergast, J., Daheim, C., Rhislart, M., Glover, P., Beck, H. (2014). The Future of Work Jobs and Skills in 2030. UK Commission for Employment and Skills

Industry Expert Interview

Euan Scott

UK Resourcing Centre of Excellence Leader, EY

Expertise:
16 years experience at EY in leadership, innovation and change management roles.

How does bias affect delivery models?

Understanding supply and demand of skills is one of the biggest current challenges. We're seeing millennial employees coming in, expecting higher quality experiences and greater opportunities for lateral movement. We're also working to utilise contingent workforces in the most effective ways, overcoming barriers to mobility such as timely, high-quality, risk-compliant onboarding. It also means considering how we measure profitability of engagements, as use of contingent labour may impact project delivery measures disproportionately.

How do you instill a culture of multidisciplinary resourcing?

Do you drive cultural change with technology, or do you focus on the cultural shift first? It's important to demonstrate the benefits and potential of multidisciplinary resourcing and skill-sharing to senior leaders, and quantify impact. Change must be evidence-led.

What would help to navigate these trends?

A more holistic view of different resourcing pools. How can we best mobilise knowledge and experience to respond to client needs, that require cross-disciplinary skill sets? That's a big opportunity area.

This requires visibility across the total workforces. Tactically, this can facilitate rapid deployment and response to client needs. Strategically, it can help to understand shifting demand. This has direct impact on hiring and reskilling, with opportunities for cost efficiencies. Visibility on people's skills and desired skills also offers individuals development insight and the ability to be matched with stretch assignments. Skill development and strategic workforce planning can be a real employee benefit.

'Increased visibility on skills helps to build the business case for multidisciplinary resourcing in an evidence-led way'

Multidisciplinary Resourcing

	Falling Behind	Competitive Parity	Competitive Advantage
1	Multidisciplinary resourcing is ad-hoc.	Multidisciplinary resourcing is prevalent across some but not all of: geography, function, industry, seniority level.	Multidisciplinary resourcing is driving value and spans geography, function, industry, seniority level.
2	Resourcing technology is used within silos.	Resourcing technology is used effectively to deliver projects cross-functionally.	Technology is used to create an optimal match between supply and demand of skills and work, maximising business opportunities.
3	Skill-sharing requests are often not fulfilled.	Skill-sharing requests are usually fulfilled.	Skill-sharing is actively offered and rewarded.
4	There is no agile culture.	There are local agile cultures, facilitating some cross-functional work.	There is an agile culture across the entire organisation, driving speedy resourcing.

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04 The War for Skills

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The War for Skills

Professional services firms have historically profited from scarcity – acquiring the best talent, technology and skills in niche areas and developing their own industry-leading training programmes to create a scarcity of supply and huge demand for their skillsets.

This has been disrupted by big tech, the rise of SMEs and the changing expectations of employees.[14] Gen Z employees no longer favour the Big Four outright as their choice of work location.

This is due to:

- Concerns around the longevity in career paths such as tax or audit due to automation
- Gen Z shunning the dog eat dog, competitive, intense consulting lifestyle
- Gen Z dissatisfaction at the disproportionate remuneration of partners
- Best grads moving into more attractive sectors, favouring big tech and cool start-ups

The acceleration of automation has also affected talent attraction and retention. As technology and automation has reduced routine work and professions such as audit are being automated, professional services employees are expected to develop key skills such as technical validation at a faster rate. This places greater pressure on the employee to develop skills, and they need extra support.

'Securing the supply of skills is about retention as well as recruitment...loss of key staff impacts negatively on firm performance, through loss of specific skills and tacit knowledge, and individual staff relationships with particular clients.'[15]

Attrition is an inexcusable cost. But the need to develop new skills is at odds with the 'command and control' style of leadership that still remains in professional services firms. In order to optimise skill development and employee experience, employees require a higher level of 'self-service', project self-selection, control and autonomy.

14 Störmer, E., Patscha, C., Prendergast, J., Daheim, C., Rhislart, M., Glover, P., Beck, H. (2014). The Future of Work Jobs and Skills in 2030. UK Commission for Employment and Skills
15 UK Government, Department for Business, Energy and Industrial Strategy (2020) Professional and business services sector: creating further demand and growth outside London.

Data and Inclusion

With diversity and inclusion agendas, mandatory diversity reporting and talk of mandatory ethnicity reporting, there is a seismic societal shift taking place in terms of inclusion expectations. Now, companies are not just responsible for 'equality of opportunity' when it comes to inclusion, they are responsible for 'equality of outcome'.

Companies can harness artificial intelligence (AI) to act in more inclusive ways. particularly when it comes to equality in recruitment, resourcing and skill development opportunities. The rapidly advancing nature of AI can fuel much-needed change. This drives value for both employee and employer as diversity and inclusion promotes healthier work cultures, whilst broadening the pool of skills available.

AI can often replicate human bias, so companies must proactively use de-biasing methodologies and algorithms to protect against adverse impact based on gender and ethnicity.

Inclusivity means:

- Data over gut-feel
- Potential over background
- Under-represented groups included
- Atypical candidates encouraged
- Objective methods used to resource projects and define distribution of development opportunities
- Tailored job adverts created, using AI to appeal to diverse skill pools
- Neurodiversity appreciated and nurtured

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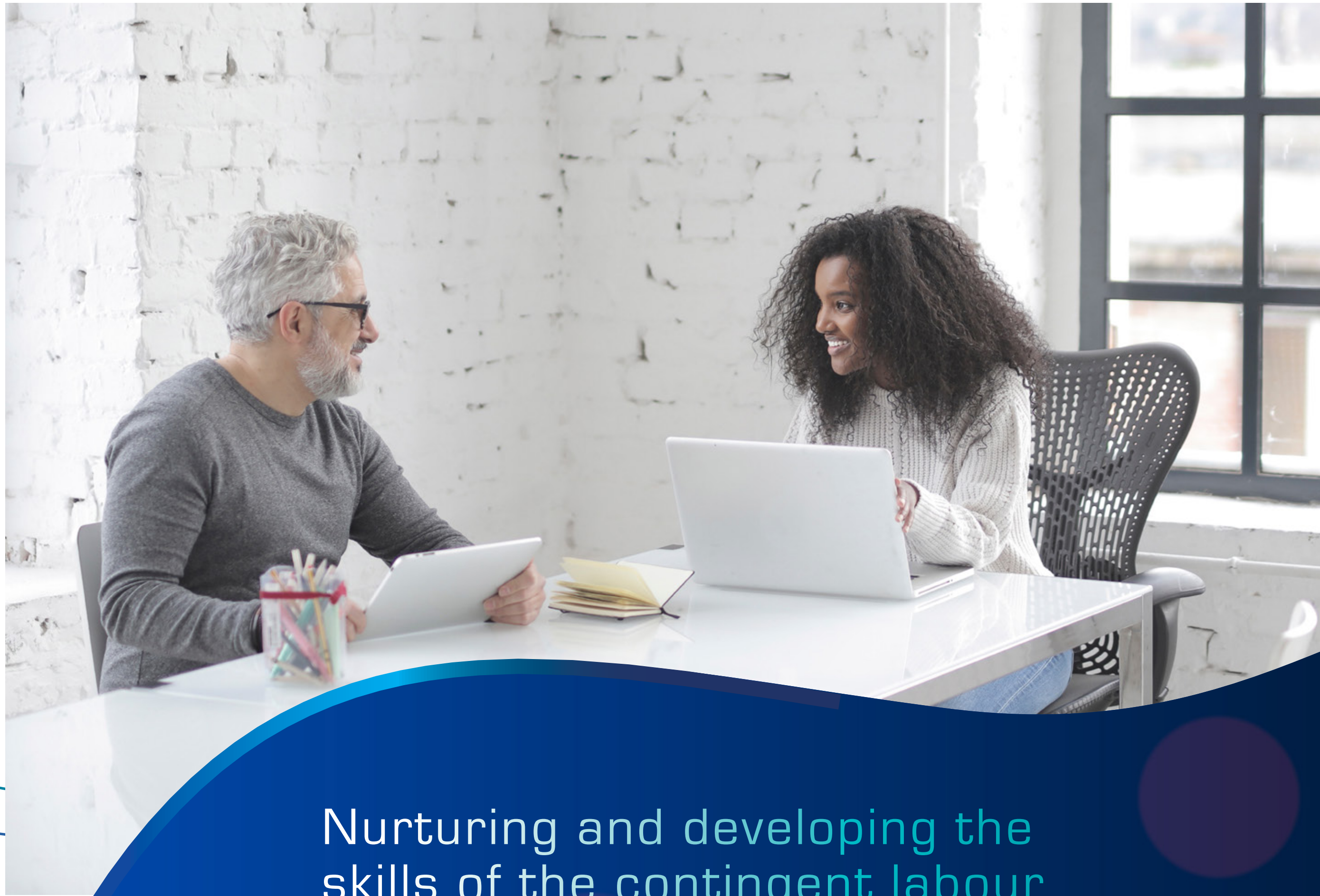
Inclusive Skill Development



An environment of inclusive skill development, based upon a detailed understanding of the company's skill readiness, can foster the development of unique hybrid skill combinations, providing disproportionate value to both the firm and the employee.

'Work in the future will be more interconnected and network- oriented. Employees will require the competencies to work across different disciplines, to collaborate virtually, and to demonstrate cultural sensitivity.'[16] In order to increase capability, attract and retain talent – professional services firms must become inclusive, skills-driven organisations.

Firms who want to be ahead of the curve will also nurture the skills of their wider pool of talent, including the floating resources who take on multiple concurrent engagements through the gig economy, to enhance the speed and quality of their alternative delivery models. Firms who develop, nurture and retain the widest network of skills will gain a sustainable competitive advantage.

Nurturing and developing the skills of the contingent labour workforce is a new battlefront

16 Störmer, E., Patscha, C., Prendergast, J., Daheim, C., Rhislart, M., Glover, P., Beck, H. (2014). The Future of Work Jobs and Skills in 2030. UK Commission for Employment and Skills

Industry Expert Interview

Neill Dunwoody

Managing Director,
Titan Talent Services

Expertise:
Global HR Leader, specialising in Talent Acquisition, Labour Market Dynamics, Diversity and Inclusion.

What is causing this intense war for talent and skills?

Talented graduates who would have been attracted to professional services 10 years ago are now favouring big tech and digital service companies like Facebook, that offer a more attractive environment. High attrition rates mean professional services firms are losing knowledge base and skill-sets to their competitors, with serious expenditure on training young people who then leave.

Does this tie-in with the silo effect?

Partner-led silos can be averse to sharing resources. This can leave team members feeling restricted, lacking opportunities to develop their skill-set. People need to be challenged and developed by working on a diverse range of projects rather than doing repetitive work.

Partnerships are driven like SMEs, with each partner running their own business line. There is a great opportunity to re-deploy talent across the organisation to leverage latent skills and stop talent getting lost in silos, to bid, win, monetise future projects. Whilst improving the employee experience.

Does driving utilisation have an adverse affect on the employee experience?

Utilisation is driven by leveraging people's skills and passions. If you can gain value from people's discretionary time, you're increasing utilisation and building loyalty through autonomy and trust.

Given the recent, sudden rise in remote working, people have a different level of responsibility over their time. Some are working all hours of the night, building new skills and finding opportunities to use skills – but some are retreating and closing themselves off. Professional services firms need to engage their employees with skill development opportunities and create an internal gig economy of skills and projects. Utilisation, skill development and employee experience can all benefit.

How can firms increase their talent, knowledge and skill-base?

Firms need to understand and leverage the ROI of skills. Map skills out, realise potential, and leverage it. A key factor is educating hiring managers and senior leaders in the importance of skills, skills visibility and skills sharing. Knowledge is the most important thing in any business, it needs to be mapped, shared and utilised.

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The War for Skills

	Falling Behind	Competitive Parity	Competitive Advantage
1	Gen Z employees are not attracted to the organization.	Gen Z employee expectations are being met.	Gen Z employee expectations are being exceeded and shaped.
2	Attrition rates are high.	Attrition rates are on par with competitors.	The causal relationships and drivers behind attrition are being actively remedied.
3	Quality of talent cannot not meet client expectations.	Quality of talent and skills meets current client expectations.	Quality of talent and skills are being developed beyond expectations and align to future client work.
4	Upskilling programs are failing.	Good skill development opportunities are on offer.	Hybrid skill combinations are being developed, driven by technology, self-service models, and inclusive cultures.
5	Employee experience is ‘an HR thing’.	Employee experiences are improving and driving retention.	Employee experiences, productivity and well-being are being monitored and optimised in alignment with workforce strategy.

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Conclusions

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Final Thoughts

"The call to arms is to re-think, prioritise and leverage technology to accelerate workforce transformation efforts".

This white paper has explored the four biggest trends disrupting the professional services industry; global operating models, alternative delivery models, multidisciplinary resourcing and the war for skills.

The white paper has analysed the effects of each trend on professional services firms and considers strategies for firms to navigate the disrupted landscape. The paper has considered the four trends from the leadership lens, as well as the employee lens, and identified solutions to the challenges professional firms face in this disruptive environment. Finally, the paper has charted the transformation required for professional services firms to develop from 'falling behind', to 'Competitive Parity', to 'competitive advantage'.

Ultimately the paper concludes that in order to capitalise upon these four workforce trends, professional services firms must make the transition into skills-driven organisations, with full visibility of the internal and external workforce.

The key drivers of competitive advantage in relation to the four trends are summarised overleaf. Many of the transformations required to capitalise upon these workforce trends are already in motion. Professional services firms are on a journey of change. The call to arms is to re-think, prioritise and leverage technology to accelerate workforce transformation efforts. The crucial starting point is the creation of a central unified view of organisational talent, skill and capability.

Jack Hayball
Future of Work Thought Leader

How to Gain Competitive Advantage

Global Operating Models	Alternative Delivery Models	Multi-Disciplinary Resourcing	The War for New Skills
'One-view' visibility of entire global operating model. Tasks optimally matched to skills and people via technology.	Optimal mix of automation, contingent labour, crowdsourcing and internal skill driving value.	Multidisciplinary resourcing is driving value and spans geography, function, industry, seniority level.	Gen Z employee expectations and being exceeded and shaped, with causal relationships and drivers behind attrition being remedied.
Project teams resourced at speed and global resources deployed rapidly, using software to map internal and external skills economy.	Knowledge of the dynamics of global skill supply are driving resourcing across the organisation.	Technology is used to create an optimal match between supply and demand of skills and work, maximising business opportunities.	Quality of talent and skills is being actively developed to exceed expectations and align to supply and demand of future client work.
Complex causal relationships behind utilisation drivers identified and optimised.	Software is being used to optimise alternative delivery models and unlock value across the entire ecosystem of talent.	There is an agile culture across the entire organisation, driving speedy resourcing.	Skill development is driven by technology, self-service models, and inclusivity to create a genuinely 'skills-driven' organisation.
Improved skill recognition unlocks value in external communities, whilst the internal talent marketplace is driven by sophisticated skills ontologies.	Skill development programmes directly aligned to dynamics of supply and demand, geography, demographics, and critical skills needed by the organisation.	Skill-sharing is actively offered, rewarded and incentivised across all organisational 'boundaries'.	Employee experience, productivity, well-being and skill development optimised. Sophisticated ontologies used to encourage hybrid skill development.

Acknowledgements

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Thank You for Reading

ProFinda commissioned this white paper to bring together the latest evidence, research and senior leadership outlook on the workforce trends disrupting the professional services industry.

Since 2011 ProFinda has been leading the Future of Work agenda, accelerating workforce transformation and helping large firms to become skills-driven.

ProFinda enables organisations to become hyper-connected, using AI to intelligently match people, tasks and skills. Our technology democratises knowledge, skill, and purposeful employee experiences across multinational firms. This unlocks untold efficiencies, long term resilience, fairness and a new era of employee centricity.

If you would like to learn more about the workforce trends affecting professional services, and what ProFinda can do to help, please do get in touch with us directly.

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