

September 2002

Professional standards

Some weeks ago I was standing on a balcony in central London overlooking the Thames, drink in one hand, canape in the other, admiring the view and doing my best to avoid any discussion about the economy.

The last part was difficult because the reception had strong City connections and most of the people worked for investment banks and accountancy firms. It was no surprise, then, that small talk with a partner of one of the big accountancy firms turned quickly from the weather to the reputation of auditors in the wake of the Enron scandal. Professional standards were falling, he said. Something should be done about it.

He had some sympathy for Andersen, Enron's auditors, in the "there but for the grace of God" mould but he was critical of the way that the search for broader consulting opportunities among accounting firms had compromised the independence and professional detachment of individuals. Why enter a profession at all, he asked, if you are not going to exercise professional judgment?

The question could have been made for an investigation of professional values launched in the UK last week by the Royal Society for the Encouragement of Arts Manufactures and Sciences (RSA).

An RSA debate, posing the question: "why do we need the professions ?" was introduced by Lord Philips of Sudbury, the Liberal Democrat peer, who is a practising solicitor. He argued that increasing complexity, specialisation and long hours were divorcing professional people from their traditional supporting role in communities.

Some professionals, he suggested, might no longer possess the "moral toughness" to resist pressure from corporate clients or less scrupulous bosses focused on billings targets, related bonuses and league tables of firms.

One way to reaffirm professional values in the legal profession , he said, would be to revive the taking of oaths in the way that it is practised in some US states. He pointed out that the word " profession " derives from the Latin *professio*, which means "avow publicly", and argued that oath-taking could help to reinforce a professional commitment to uphold the public good, "without which the practice of law loses its status as a calling and degenerates into a tool".

Similar principles are underlined in the American Bar Association's rules of conduct that remind members to allocate time and resources to those who cannot afford the cost of legal representation.

Of course this opens the door for contingency lawyers who compete for civil actions in which their fee depends on a successful outcome of a claimant's case. The UK legal profession continues to view such cut-throat competition with suspicion but there is greater support for pro bono work - doing something without being paid for it - if it is shared equally around legal practices.

Lord Sudbury was right to raise issues of integrity and probity in professional undertakings but any debate on the professions needs to be broadened to look at the way they promote professional exclusivity. This point was raised some years ago by

Harold Perkin, the social historian, in his book *The Rise of Professional Society*, which charts the development of the professional ethic in England after 1880.

Prof Perkin pointed to the way that professions were able to exploit the market for their services by maintaining an artificial scarcity in supply. Fee rates, he argued, could be enhanced "by an amount proportional to the scarcity or skill". The legalised closed shops maintained by the professions, once they have secured control over qualifications, standard-setting and policing of their discipline, have proved a successful system for delivering healthy fee income.

To what extent should the professions be permitted to pursue restrictive practices? It seems sensible that the medical profession should promote the highest standards of competence - but the same might be argued for train drivers, architects and road planners, whose mistakes can and do lead to loss of lives.

Any investigation of the professions should look at the desirability of segregation of the work of a solicitor, for example, from that of a barrister. If you took away the wigs, would you be able to tell the difference? It might also question the desirability or otherwise of broadening the professions in business. How important for example, is the possession of a royal charter? The UK's Chartered Institute of Personnel and Development (with the newly chartered Institute of Management following closely in its wake) appears to be well on the way towards control of standards in UK human resources management. But would it be helpful to business if the possession of CIPD qualifications were a compulsory requirement for all human resources roles?

Private enterprise must call on professional expertise, from lawyers, accountants and actuaries, for example, but countless self-made entrepreneurs, often with little formal education, have proved that success in business can be achieved without a string of letters after one's name. Today, however, the entourage of advisers is growing, often including coaches, mentors, psychologists, personal trainers, publicists, even stylists. Should these roles become as steeped in professional commitments as those in the law and medicine?

It is fitting that the RSA should be undertaking such a debate, because the society was founded in the mid 18th century during the formative years of the professional classes. By the 19th century divisions in professional class were becoming apparent.

The Victorian writer T.H.S. Escott argued that receiving money directly from clients put doctors and solicitors on a lower plane than those of barristers and clergy, who faced no requirement to undertake such "vulgar" commercial transactions.

Surely today such distinctions have become irrelevant. But new distinctions are emerging, not least in semantics. How, for example, can we square the professional foul in soccer with the ethical code of a profession? Should we take professional pride in something that is expertly executed yet morally and ethically wrong?

Susanna Reece, the RSA's project manager, says she does not want the debate to become an insular discussion among the professions.

"I think it is important that we look beyond the traditional professions and I want the professions to understand how they are perceived by those outside their ranks," she says. Whatever the research programme discovers, the time seems ripe to undertake a critical review of what it means to be a professional.

