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Citation: Jones, A. (2010). Understanding mobility in professional business services. In: Beaverstock, J. V., Derudder, B., Faulconbridge, J. and Witlox, F. (Eds.), *International Business Travel in the Global Economy*. (pp. 195-216). Farnham, UK: Ashgate. ISBN 9780754679424

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Understanding Mobility in Professional Business Services

[Chapter prepared for Beaverstock, J., Derudder, B., Faulconbridge, J., & Whitlox, F [eds]

Business travel in the global economy, Ashgate]

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1 INTRODUCTION

Debates about the nature of the global economy have become increasingly focused on the important role played by knowledge-intensive industries, and in particular the professional business services sector (Hermelin 1997; Harrington & Daniels 2006). This category – professional business services - of course covers a whole range of industries and sub-sectors including financial services, ICT, advertising, marketing, legal services to name just a few (c.f. Strom & Mattson 2005). All are knowledge-intensive industries, although most attention has been paid within the social scientific literature to sectors like banking and management consultancy which are argued to be at the forefront of economic globalization (Sassen 2001; Wood 2002; 2006), both in terms of the transnationalization of business service firms themselves, and also their role in facilitating the development of ‘corporate globality’ in firms across all sectors (Aharoni & Lilach 2000). Whether it is the role played by investment banks in financing the global economy, or management consultants in advising firms how to invest overseas, business services are seen as playing a key part in enabling global economic interconnectedness (Jones 2003; Roberts 2006; Aslesen *et al* 2008).

It is in this context that debates about mobility in professional business services have been framed. Given the apparent centrality of business service activity to economic globalization, it has been argued that the professionals employed by business service firms are amongst the most mobile workers in the global economy. From this perspective, they represent a key component of a developing and highly mobile transnational business class (c.f. Castells 2001; Sklair 2001). Driving this mobility is the knowledge-intensive nature of the business service work process where face-to-face contact is crucially

important (Grabher 2002; Gluckler & Armbruster 2003; Jones 2005). In combination with the key role played by business service firms in facilitating the transnationalization of other firms, this has led to the proposition that business service professionals are arguably amongst the most mobile workers in the contemporary global economy. Furthermore, as economic globalization develops further, various theorists have suggested that more and more of these professionals are having to spend more of their time engaged in business travel (Beaverstock 2004; Faulconbridge & Muzio 2008). Business service professionals are thus argued to be increasingly mobile in response to transformations in the both the role and market for business services in the contemporary global economy (Jones 2003; Beaverstock 2004).

However, these arguments have largely been based on limited empirical evidence from specific industries within the broad range of activities classified as ‘business services’. The mobility of business service sector employees has thus become widely acknowledged without the benefit of extensive or wide-ranging empirical enquiry. This chapter thus sets out to examine the nature, form and function of mobility in the professional business service sector. In so doing, it will also assess the extent to which claims about the high degree of mobility amongst business service sector employees are generally applicable. One of the key questions in this respect is the extent to which arguments about employee mobility are relevant for the business service sector as a whole, and for which types of employees within different business service industry sub-sectors. To do this, the chapter draws on a range of empirical research into different business service industries. In relation to the wider concern of this book with business travel, the central proposition which emerges from this analysis is the concept of

‘business travel’ – when applied to the business service sector – seeks to capture what is in fact a complex phenomenon involving a range of different forms of mobility which fulfil different functions within the operations of business service firms. It further explores how certain forms of mobility within business service industries are bound into the work process in business services, and how specific forms of employee mobility play a crucial role in the success or failure of globalization strategies in different professional business service industries. In addition, I suggest that the case of professional business services is illustrative of some of the conceptual difficulties in both defining and theorising the nature and role of business travel in the contemporary global economy.

These arguments are developed in a series of stages through the chapter. The next section begins by providing a brief overview of the business service sector, and examining recent trends across the sector as a whole as well as its constituent industries in the contemporary global informational economy. It moves on to examine how existing theoretical and conceptual arguments concerning business travel and mobility are of significance to business services industries. In so doing, some of the more general claims that have been made by theorists thus far about the nature and role of business travel in business services are considered. The third part of the chapter then proposes a conceptual approach for understanding the nature and function of employee mobility in professional business services. Drawing on both the existing literature and empirical research into professional business service industries, it proposes a theoretical framework based around four dimensions to mobility in professional business services. The fourth part of the chapter illustrates the utility of this framework by considering the nature and role of business travel in two distinct business service sub-sectors: management consultancy and

legal services. In so doing it examines how different forms of mobility fulfil different functions essential to the ongoing operation and continued competitiveness of professional business service firms. Finally, the fifth section draws together the implications that this analysis has for future business travel and mobility trends in professional business services, and also in particular what kinds of mobility are more or less likely to be substitutable in future with new and improved forms of ICT.

2) BUSINESS SERVICES, GLOBALIZATION AND MOBILITY

Whilst there is a growing social scientific literature spanning management studies (Lowendahl 2005; Roberts 2006), economic geography (Wood 2002; Beaverstock 2004; Daniels 2004; Jones 2005) and organizational sociology (Flood 1999; Empson 2002) which seeks to both conceptualise and understand the development of professional business services in the contemporary global economy, the category is itself a problematic one. Although theorists such as the sociologist Manuel Castells and the urban theorist Saskia Sassen have argued at length that advanced business services are central features of contemporary economic globalization, most particularly in their role in developing global city networks and facilitating ‘command and control’ in the global economy (Sassen 2001; Castells 2002), such general arguments pay little attention to either the diversity of business service activity or the complexity of functions that such industries perform. It is therefore necessary to consider some of the definitional issues around the concept of professional business services. At least two points are important in this respect.

First, there is a need to distinguish between the wider category ‘business services’ from the more specific ‘professional business services’ (c.f. Alvesson 2004; Lowendahl 2005). The former covers a much wider and more diverse set of industries and industry sub-sectors than theorists such as Castells are referring to. In most advanced industrial economies (and many developing ones), a growing proportion of the economy corresponds to ‘service sector activity’ (Dicken 2007). And within that, ‘producer’ or ‘business’ services are also a growing proportion of all activity. However, many of these business services are neither professionalized nor globalized. Business services in general includes a whole range of low skill, low value added services such as, for example, catering, cleaning or property maintenance. Such industries often include many small firms operating in national or sub-national market places and their work process often involves highly immobile forms of co-presence. They are not the subject of the discussion in this chapter.

Second, within the ‘professional’ category of business services there is enormous diversity. There is a tendency for the literature to blithely refer to ‘professional business services’ as a common grouping, suggesting that financial services such as investment banking have much in common with sectors like advertising or marketing. Whilst there is certainly some commonality, this should not be overestimated and different industries within the category exhibit major differences in the nature of the work process, the organization of firms and the size and scale of market within which they operate (Lowendahl 2005; Wood 2006). These considerable difference between different industries need to be understood in the following discussion about the globalization of these sectors.

2.1 The Globalization of Professional Business Services

Over the last couple of decades, research has indicated that in common with other industries, professional business service activity has become increasingly globalized. Broadly speaking, since the late 1980s industries such as banking, management consultancy, insurance, legal services, advertising and, accountancy have begun to move out of national-based markets and operations to transnational ones (Enderwick 1989; Aharoni 1993; Daniels 1993). This process has been a progressive and uneven one, varying between both industry sectors and national economies (Jones 2007). A range of theorists have argued that the major drivers behind this shift are at least threefold. First, as TNCs have developed in all industry sectors, business activity has escaped national economies and moved into new markets at the global scale (Dicken 2007). TNCs represent the major clients (i.e. the market) for professional business services, and thus professional business have followed their market and transnationalized their activity. In this respect, professional business services have had to respond to the needs of their clients for global-scale services (Majkgard & Sharma 1998; Nachum 1999; Strom & Mattson 2006). Second, within many professional business service sectors such as banking, the globalization of markets has also been accompanied by the development of larger transnational professional service firms (Jones 2003; Faulconbridge & Muzio 2007; 2008). Organic growth and acquisition of overseas firms has produced a growing number of professional service firms that are themselves transnational. Clearly this is entwined with the globalization of markets for these services in a complex ways (Roberts 1999; Warf 2001; Miozzo & Miles 2002). Third, many professional business service firms are

embedded in economic globalization as key actors who have developed informational products whose purpose is to facilitate the globalization of markets and firms in other sectors (Roberts 2006). This driver varies between different industries but certainly investment banking and management consultancy are heavily involved in providing advisory services to clients firms on how to transnationalise their operations and do business in markets at the global-scale. An important component of much professional business service advice in a range of sub-sectors is thus concerned with helping other firms develop, for example, effective *organizational globality* (in spheres such as operations, ICT, human resources and information management) as they transnationalise which is essential for them to compete effectively at the global-scale (c.f. Jones 2005). Contemporary TNCs are complex and disparate organizations that are trading in numerous differentiated environments and consequently face enormous logistically challenges (Morgan *et al* 2001). A growing related literature here has examined how professional service firms thus play an important role in cross-border knowledge transmission and innovation (Andersen *et al* 2000; Bryson 2002; Werr & Stjernberg 2003)

2.2 Existing Approaches to Mobility in Professional Business Services

All three of these wider drivers of globalization in professional business service industries are linked to a transformation of business travel and mobility. The existing research within the social sciences on this issue is limited and itself diverse. Part of the core issue here is the contrast between the longer standing and more specific concern with ‘business travel’ present within transport studies, planning and tourism studies (e.g.

Swarbrooke & Horner 2001; Bannister 2002; Hankinson 2005; Hall 2007;) and the more recent literature within organizational sociology, management and economic geography concerning with globalized work (Beaverstock & Boardwell 2000; Faulconbridge 2006; Jones 2008) and mobilities paradigm (c.f Urry 2007; Knowles *et al* 2007). In terms of research data, whilst economic geographers span both groups (Derudder *et al* 2007; Taylor *et al* 2007), the former literature tends to make use of a more quantitative methodological approach that analyses, for example, measures of the numbers of air travellers for business purposes (Abdelghany & Abdelghany 2007) or the requirements for airport capacity (e.g. Irandu & Rhoades 2006). The latter literature, however, draws more on qualitative research that offers insight into corporate strategies for mobility, the function that business travel plays and the role that it plays in the work process. This second strand of the literature is where what little engagement with business travel and mobility within professional business services has occurred. However, it is reasonable to argue that current understanding of the nature and role of business travel and mobility in professional business services is partial at best. I identify at least three major arguments that are present in the existing literature and which will be used to inform the discussion I develop in the rest of this chapter.

First, firm and market globalization has led to a growing volume and frequency of both national and international business travel across professional business service industries. This of course varies between firms and sectors but in general business-service firms increasingly need employees who are willing and prepared to travel and who have a global outlook. There has also been a transformation in the nature of work travel. For

example, in sectors such as legal services, existing research suggests a complex growth in short-term and long term business travel (secondments) overseas (Beaverstock 2004).

Second, a considerable volume of research has emphasised the centrality of face-to-face contact as central to the work process in professional business services (Beaverstock 2004; Jones 2005; Faulconbridge 2008) and a greater proportion of roles within professional business service firms require business travel mobile. It is clear that the transformations associated with globalization are producing new working practices and patterns of working across professional business-services. Furthermore, it is becoming clear that the relationship between this globalization of working practice – what I have termed ‘global work’ elsewhere – and the physical mobility of employees themselves is a complex one since not all global working involves the mobility (although it may involve the movement of objects or knowledge (c.f. Jones 2008).

Third, and following on, there exists a complex relationship between new forms of ICT, employee mobility and working practices (Daniels 2006). Corporate globalization in professional business services is much more than simply a firm opening new offices in more countries or across the global city network. There is evidence that the places and spaces in which professional service work takes place – along with way in which it is mediated by information and communication technologies – has reconfigured the location of professional business service work. For example, in several sectors research suggests growing use of ‘intermediate’ workspaces (airport meeting spaces, conference centres, hotel) and work during travel (on train and aircraft) (c.f. Jones 2009).

Fourth, the literature suggests that increasing business travel and requirements for mobility is also likely to have negative impacts on business service professionals.

Employees in this sector need to be receptive to increasing mobility in order to succeed (Jones 2003; Beaverstock 2004) and there is evidence that this generates a range of problems in terms of work-life balance. Long-haul international travel is especially demanding on employees seeking to balance family life with their careers (c.f. Greed 2008).

3) THEORISING MOBILITY AND TRAVEL IN PROFESSIONAL BUSINESS SERVICES

In seeking to advance understandings of mobility in professional business services, I want to outline an approach for better conceptualising its nature and function than has yet emerged from the existing social scientific literature. In part this draws upon existing research discussed across the social sciences, but it is more directly a consequence of number of research projects I have undertaken over the last decade or so examining the nature of globalization in several professional business service sectors. I want to propose a theoretical framework that seeks to understand mobility in professional business services around four key dimensions. Each of the four dimensions to mobility I propose relates to a different aspect of the function of employee mobility (and also why it is increasing) in relation to the role it plays for business practice in this sector of the economy. Clearly, these concepts are ‘mid-level’ generalisations that seek to capture key commonalities in the nature of mobility, and they do not represent universal truths about the mobility so much as sector-wide trends. Furthermore my aim is to transcend the existing division between the ‘business travel’ literature and the newer mobilities

paradigm to try to draw insight from both approaches into one framework. Their utility of this approach will be examined, however, in the subsequent sections of this chapter which draws on research into mobility and travel in two specific professional business service sector – management consultancy and legal services.

The first dimension is *business acquisition and retention*. As the market for business services has transnationalised, professional business service employees have had to become increasingly mobile to undertake practices associated with acquiring new business. Business acquisition in professional business service has always been heavily reliant on face-to-face interaction, personal contact networks, firm reputation and trust between a firm and its client (Aharoni & Nachum 2000; Storper & Venables 2004; Jones 2005). In the context of globalization where firms are increasingly marketing their services in international markets and the global city network, mobility becomes an essential requirement for key employees in attempts to gain new business. This function tends to fall on senior managers at the level of, for example, a divisional director in an investment bank or a partner in a law firm. Acquiring new business involves employees in this role travelling to meet with potential clients, developing contact networks across a range of global cities and constructing and maintaining personal relationships with key gatekeeper employees in client firms. Furthermore, research suggests that for many professional business service firms much business is ‘repeat business’ (Jones 2002; Beaverstock 2004), and thus the need for ongoing business travel to maintain existing client relationships and social contact networks.

Second, and related, in the context of industry globalization, mobility in professional business services is unavoidable in the practices involved in *doing business*

with clients who are not in the same location. The centrality of face-to-face interaction, trust and personal relationship in the work process is now well established in many business service sectors (Faulconbridge & Muzio 2007), with the consequence that once business has been acquired, professional service firm employees will need to travel repeatedly to undertake that work. Clearly not all practices in professional business service work require face-to-face interaction and meetings, but a large proportion of practices do. The mobility associated with the work process however involves a wider group of workers than for the first dimension. This mobility involves not just members of senior management, but also mid-management and the core professional layer of employees in a professional business service firm – the lawyers and trainee lawyers in a law firm. Whilst new forms of ICT have altered and reconfigured the nature of which tasks in business service work will require face-to-face interaction and thus mobility, this represents a modification rather than a substitution of the need for mobility to undertake professional business service work itself.

The third dimension of the need for mobility in professional business services concerns the nature of *corporate control* in the context of sector globalization. As with developing transnational firms in all sectors (Morgan *et al* 2001), transnationalization involves a series of significant organizational challenges around issues of management. As firms set up operations outside their original home national economies and develop scattered office networks across the globe, senior managers need to spend an increasing amount of time travelling to undertake managerial practices of control. In short, whilst senior managers in professional business service firms are becoming more mobile in order to acquire non-local client business, they are also becoming more mobile in order to

undertake effective control of the internal operations of their firms. As with client contact, effective management practice can only very partially be undertaken at distance using ICT. Key decisions and strategic discussion, as well as problem solving, requires face to face contact. In a globalizing firm, this inevitably means greater senior management mobility.

Fourth, and again following on, as with firms in other industries and in fact any kind of transnational organization, mobility is bound into practices associated with the (re)production of *organizational coherence* and *corporate culture* (Jones 2003). As professional service firms have expanded their operations across the globe, it is not just the managerial practices of control which require senior managers to be mobile but more general mobility that is required of employees at a much wider range of organizational layers across the firm in order that the firm remains *coherent* as a scattered transnational network. As the organizational and management literature has discussed, transnational firms face significant challenges in generating a sense of common organizational identity, standards of behaviour and consistent corporate culture as they seek to operate at the global scale (Jones 2003). Mobility is thus essential for employees at all levels in business service firms to provide forms face-to-face contact that maintain internal networks, share knowledge, facilitate learning and develop common sense of identity and behaviours.

4 MOBILITY IN MANAGEMENT CONSULTANCY AND LEGAL SERVICES

Thus far in this chapter I have argued that in the context of the globalization of professional business service industries, employee mobility is increasing as a consequence of the need for face-to-face interaction and co-presence in order for transnational professional service firms both to ‘do’ business in the contemporary global economy and to operate as increasingly extensive firms. The latter certainly does correspond to an increasing transnationalization of business activity, but mobility is also increasing at the sub-national level as the extensification of professional service firm markets occurs within nations and between city-regions. The four dimensions outlined in the previous section hold general relevance for many professional business service sectors, but in order to develop this argument further I want now to consider two specific case study industries in particular: management consultancy and legal services.

The research presented in this part of the chapter draws on several research projects conducted within the last decade which have examined the nature of transnationalization in these sectors. These research projects all to a greater or lesser extent addresses the issue of mobility and business travel, although not necessarily as a primary rationale for the research. However, in bringing several sets of findings together from diverse projects on these sectors, I present here what in effect represents a cumulative analysis of the nature and role of mobility in these professional service industries that develops a series of theoretical insights in light of the mobilities turn in the social sciences. This research draws on three projects undertaken by the author which investigated the globalization of a range of professional service industries over a period from 1999 to 2008. In total, aside from a wide range of secondary sources, the primary data amounts to over 150 in-depth interviews with professional business service

practitioners. The majority of interviews were undertaken London and New York, with a smaller proportion in UK and European regional cities. Whilst the data has been anonymised, all the interviews were conducted with employees in firms that were ranked in the largest twenty five UK and US legal service and management consultancy firms ranked by fee income at the time when each project was conducted.

As professional service industries, management consultancy and legal services have much in common in terms of the nature of the industry, but also important differences. Management consultancy emerged as a distinct professional service industry since the late 1960s, initially in the US and arising as a ‘spin-off’ activity from the accountancy industry (Beaverstock 1996). In auditing other firms’ books, accountants moved into the business of offering advice on how to run their business more effectively. Management consultancy industry now spans what can be broadly divided between more day-to-day operational advice to longer term strategic advice, with firms in the industry often specialising a given sub-area. The knowledge such firms sell is essentially based on industry experience and business modelling techniques which require no specific vocational or technical knowledge from employees. In contrast, legal services (law) is a much older industry sector with several more distinct sub-specialism (corporate, tax, litigation, intellectual property etc) and a geography of national jurisdictions that has made transnationalization more challenging and complex than in other professional business service sectors (Beaverstock 2004). Legal services clearly extends beyond the dimension of a business service, with the focus of ‘business legal services’ being on corporate law.

In examining the nature and role of mobility in these professional business service industries, I consider each of the four dimensions I outlined in the previous section in turn.

4.1 Business Acquisition and Retention

In both management consultancy and legal services, the research indicates at least five features of mobility in relation to its role in client acquisition and retention. First, the heavy dependence on reputation, trust and social contact networks for business acquisition and retention means that firms rely on key individuals to be mobile. These key individuals in both sectors are normally experienced (senior) managers - partners and senior partners - who take the lead in ‘pitching activity’ through face-to-face interaction:

“In this industry, it doesn’t matter where you’re trying to do business...it’s a lot about knowing people, building relationships...and that means a lot of travel in today’s world. Especially in my area [logistics] where clients are by their very nature scattered...” (Partner, (Logistics) US Consultancy2)

“We never get business ‘cold’ in the UK, let alone elsewhere...people come to us, we talk to them, there is an exploration of what we can do...and that will obviously involve us getting out of the office and going to see them.”

(Partner, UK Law firm3)

In the context of firm transnationalization strategies, this mobility is key to breaking into new markets:

“We sent a guy to Tokyo a few years ago who did very well. It’s very hard to get a network but he succeeded...lots of seeing people, time and again...working on them.” (HR Director, UK law firm 7)

“Whether we are viewed as competitive is about perception...clients form a view about quality that you build up through a series of interactions...law is highly subjective in that sense...” (Partner, UK law firm1)

Second, there is strong evidence in both industries of *increasing levels of mobility* amongst this employee group over the last decade as sector transnationalization has changed the geographies of client location:

“As we become a global firm, travel is inevitably becoming part of everyday working life” (Partner, US Consultancy5)

“As we try to move into Europe, inevitably people are going there more often.” (Senior Partner, UK Law firm8)

The frequency of this kind of travel has also increased, with evidence for a growing number of shorter duration business trips as transport connections have become easier and cheaper:

“With budget airlines, European travel has changed. It used to be overnight, in a hotel...now you get up at 5am and do a day trip”

(Partner, UK law firm2)

However, a distinction appears between the two sectors in terms of which employees are travelling. Whilst in management consultancy, business acquisition appears to focus on senior individuals, there is some evidence in legal services that a wider group of professional employees at all professional levels are involved:

“I would say qualified lawyers in this firm travel 2 or 3 times a week...it is not just the Partners.” (HR Manager, UK Law firm 4)

“...in gaining a new client, this is often a team effort...I would certainly take qualified lawyers and maybe trainees with me if we go to talk to a certain kind of client...it very much depends...” (Partner, UK Law firm 2)

Third, not all travel is of course international. Increased mobility in both sectors is associated with travel across a range of scales. The research suggests that in both sectors,

a significant proportion of employee travel is associated with short trips to client offices within a city region or national economy:

“In last five years or so, we have seen an increase in UK as well as EU travel by lawyers in this firm...as we move into European markets, we have also been doing more work outside London and the south-east...it’s the way the business is changing...” (Partner, UK Law firm 4)

“we have regional offices...Manchester, Leeds, Cardiff, Glasgow, Belfast...and a lot of travel from the London office is between those for project meetings or internal meeting” (Partner, UK Consultancy 3)

Fourth, whilst the work of maintaining social contact networks can in part be done through ICT, the major part is through face-to-face contact. Mobility is thus crucial in the process of trust-building and client firms having an ongoing understanding what firm can offer:

“...part of it is maintenance. Making sure the guy feels you are investing in him [sic], in the relationship...so you have to take the time to go see him [sic] ...” (Senior Consultant, US Consultancy1)

“He [senior partner] is very good at conveying how we work... how we deal with people here... how we will represent them” (Partner, UK Law firm 8)

In both management consultancy and legal services, as in other professional business services, firms rely heavily on ‘repeat business’ with existing clients. As transnationalization of firms and sectors developed, this reinforces and maintains the higher levels of mobility found over the last decade:

“We work closely with our clients and team with them as a partner. The key element to success is long-term clients...so inevitably that means our teams travelling a lot...” (Partner, UK Consultancy 2)

“I reached a point the year before last when I was making more than 200 flights, mostly to maintain relationships...that is tough, and you can’t sustain it forever....but that is the world we are now operating in.”

(Senior Partner, US Consultancy 2)

4.2 Doing Business

As with business acquisition and retention activities, the work process involved in delivering management consultancy or legal services itself requires significant amounts of co-presence. Sector and firm transnationalization thus means that employee mobility amongst professional level employees in these firms has become a central and inevitable part of working practice. This is well established in the literature, yet the more specific factors that lead to employee travel as opposed to ICT mediated forms of communication are less well understood. In the context of these two professional business service sectors,

the research identifies at least three common features of the work process in these sectors that appear to produce employee mobility.

First, in both professional service industries, many work practices relate to information gathering and knowledge generation. Management consultancy firms have been characterised as knowledge ‘engines’ that gather and adapt knowledge in innovative ways (Czerniawska 2002). The work process in law firms is similar, although it is framed by a more codified set of legal knowledges (Faulconbridge 2008). For both professional service sectors, the research indicates clearly that face-to-face interaction requiring employee mobility is a central feature of this aspect of working practice:

“There is no substitute in this corporate law for working through what the client wants. You can only do that by being there, which means if we globalize, the people will have to travel more and more.”

(Senior Partner, Law Firm 2)

“A lot of the business of consultancy is about gathering information, understanding the client’s business. That is the core of it, because only then can you help them develop a way forward...so [firm] globalization means going to wherever they are located, and doing that.”

(Senior Partner, UK Strategy Consultancy Firm1)

Second, with ongoing firm and sector transnationalization, the work process in both sectors increasingly involves patterns of employee mobility dictated by clients being

based and operating in multiple locations within and beyond nation states. Consultants and lawyers have to travel to meet with people in different branch offices of client firms that are themselves increasingly distributed through offices spread across the national and transnational scale:

“I think in general as law firms are looking to European and Asian markets, more travel becomes inevitable. We are opening offices in Europe and elsewhere, but clients are also globalizing their operations...that means we have to follow wherever the clients are doing business...” (Partner, Law firm 1)

Furthermore, the simple division of professional business service firm supplying a service and client receiving this service conceals the complex role of a range of other stakeholders in the professional business service work process:

“It’s often complicated...I mean, it is not just the client...the client may have their bankers at a meeting, or we may need to go and meet with a subsidiary or their insurers...all of this means makes the issue of why you travel to a meeting variable, and down to the specific transaction or deal being done” (Partner, Law firm 3)

Third, mobility appears to be closely linked to providing face-to-face interaction when problems arise in the work process, and in particular ‘crisis’ management. Both

consultants and lawyers suggested that co-presence was an essential component when dealing with a significant problem in delivering the service, or when a client was ‘unhappy’ with as aspect of the service.

“If a client gets the jitters in Poland or Slovakia for example, then Partners will go out there and see them. Sit down with them...that is important.” (Senior Partner, UK Law firm2)

This was especially evident in the case of a serious problem or ‘crisis’:

“If it all goes wrong, then someone is going to have to there and sort it...and these days that might mean someone senior getting on a plane the following morning...that is the best option when something goes really wrong, although it is not always possible...” (Senior Consultant, US Firm2)

C) Innovation and Learning

A third driver behind mobility in these professional service industries is the need for innovation and to develop a learning organization (c.f. Faulconbridge 2006) – crucial in strategies to retain firm competitiveness in the context of industry globalization. In both management consultancy and legal service firms, the research suggests that what constitutes innovation is in effect the development of both new service products and new ways of working (process innovation) that are reliant on intense face-to-face interaction

with clients, other client-related stakeholders and within firms itself. Given the scattered nature of clients already discussed, employee mobility thus represents an essential requirement for fostering successful innovation:

“...developing a new service, a new way of dealing with a client is impossible without spending time with them face-to-face, learning their needs and problems...innovation then is something that comes from that...you can't develop something new in this a service industry like by sitting on your own in an office”

(Senior Partner, US Management Consultancy 5)

“The problem operating in a new country is expectation. Different cultures expect different styles of service. Our lawyers have to learn how to adapt as they deal with clients on the ground...”

(Senior Partner, UK Law firm 2) [paraphrased]

A second facet of innovation is the way in which employees within professional business services learn from each other. In knowledge-intensive sectors such as legal services and management consultancy, learning is a complex process with a heavy emphasis on tacit and experiential knowledge. Lawyers more than management consultants have in theory a stock of codified knowledge about the law, but in terms of providing legal services, the value-added for clients comes from contextualised knowledge based on experience. The research suggests in both sectors that in the context

of firm transnationalization, employee mobility has become an essential strategy to foster such learning. Trainees in both sectors, for example, travel to come together for training courses, conference and other meetings from across transnational office networks;

“We get these guys together in Chicago and they go to programmes, lectures...important in fostering global relationships within the firm”

(Partner, US Consultancy 2)

In the legal service firms, new trainee lawyers are also engaged in a more long term form of short-term secondment mobility, with several of the largest UK firms reporting that trainees spent two of their four training positions (each lasting six months) on placements in overseas offices:

“Secondments are becoming just part of life for lawyers in the big firms...that’s changed from say 5 years ago. We encourage all our new trainees to take a seat abroad” (HR Director, UK Law firm 2)

“I had two ‘seats’ overseas. One in Madrid, the other in Singapore...to see how different offices have to work differently and relate that to how the firm does things. (Trainee, UK Law firm5)

The evidence suggests that this mobility – both in its short and long duration forms- aims to develop learning amongst employees that is impossible without extensive periods of

co-presence in an overseas working environment. In this sense, mobility is an essential strategy for these professional service firms to develop a workforce that can effectively deliver business services outside their origin market:

“As we become a global operation, there is a need for people in this firm to learn how other local markets work...you can only do that by going there, meeting people, working in that environment...so we have to be more and more prepared to do that [travel]” (Senior Consultant, US Consultancy2)

4.4 Corporate Coherence and Culture

Mobility is also an important factor in maintaining the organizational coherence of professional business service firms. Regarding coherence, in professional business services where the product is constituted through employee behaviours and working practices, it is important that employees in a transnationalizing firm behave in a similar manner and deliver services to a similar quality. This is a major challenge for firms in both industries, and the research suggests that mobility is playing a key role in enabling sufficient face-to-face interaction between employees within the firm for organizational coherence and consistency to be generated:

“We do make a conscious effort to try to get a group of people to get to know each other before they scatter to the four corners...this is crucial if

you are going to develop a common sense of identity and purpose in a firm like ours.” (Head of HR, UK Law firm2)

“Oh, everybody faces this...all the major global firms. How do you get these scattered people talking to each other...you have to bring them together as often as possible...of course that is often easier said than done.” (Partner, US Consultancy 6)

A further aspect of this issue of coherence is the idea of ‘corporate culture’, with the research suggesting that firms in both sectors seeing the development and maintenance of a common corporate culture as key – albeit difficult. Mobility is again a necessary strategy in practices that aim to promote a common culture, whether at the national or transnational level:

“Generating a common culture is the big challenge...a really big one as you try to create a global firm...we do this in a number of ways. Training events, yes, but also get-togethers, conference...and simply bringing people back from Tokyo or wherever so they spend some face time with their counterparts here...” (HR Director, UK Law firm 4)

5) CONCLUSION: THE COMPLEX NATURE OF MOBILITY IN BUSINESS SERVICE WORK

Business travel and employee mobility in professional business services has increasingly become a central feature of the work process. Through this chapter, I have outlined the findings from a number of research projects undertaken over the last decade or so which shed some light onto the multiple functions that employee mobility fulfils for professional service firms in the contemporary global economy. It should be clear that the evidence suggests that increasingly mobility is at root being driven by globalization of these industries. Firms are transnationalizing in order to seek new markets, but also equally because in business services, their clients are themselves globalizing and require a new kind of globalized business services. Professional service firms are thus increasingly providing services to firms with operations scattered across multiple countries, and who need new forms of service geared to addressing their needs as transnational firms.

The aim of the framework proposed in this chapter is to provide a starting point for better theorising mobility in business service industries, but clearly this approach has wider relevance beyond professional business service firms. Many of the drivers behind increasing business travel, as well as the functions it service for firms, apply to firms outside the professional business service sector. Many functions in industries from manufacturing to pharmaceutical equally require co-presence (c.f. Gertler 2004), and as firms and markets transnationalize in these sectors, the same kinds of drivers are producing greater need for employee mobility.

However, as the more detailed analysis of the different dimensions to this mobility in management consultancy and legal services illustrates, the nature of business travel and employee mobility is complex. For a start, whilst this chapter has focused

largely on the role and function of mobility, it should be clear that the nature of mobility and travel itself varies hugely. In the professional service firms discussed, employee mobility ranges from short term, (relatively) short distance travel on a daily or part-daily time-scale to long term employment secondments to offices on the other side of the planet. Whether or not all of these forms of employee mobility amount to business travel is debateable, but more significant it is also problematic as to whether current theories of mobility provide an adequate conceptual framework to understand the diversity of this phenomenon in the professional business service industries discussed.

This raises a second and related issue which is whether business travel and employee mobility can be effectively demarcated from other forms of globalized working practice. Many of the working practices undertaken by employees in professional business services are bound into distanced relations and connections at distance that only partially are constituted through physical employee mobility. ICT technologies now enable work to be 'global work' (cf. Jones 2008), without employees necessarily leaving their office. Such globalized working practices appear to be enmeshed with employee mobility and business travel in a complex manner. Separating pure 'business travel' from these wider forms of global working remains another problematic issue.

Third, and finally, there is the question of whether this trend in increasing employee mobility will continue and whether in subjective terms it is desirable. There is certainly evidence that increasing demands for employee mobility are placing great demand on employees in relations to the issue of work-life balance (c.f. Uteng & Cresswell 2008), and career development (c.f. Schiebelhofer 2008). Furthermore, in the context of current debates about global environmental change, increasingly physical

travel has significant implications for greenhouse gas emissions. It may be, for example, that in future that rising costs may curtail some forms of business travel in these business service industries.

None of these issues has been within the scope of this chapter, but in terms of where future research into business travel and mobility needs to be directed, they represent key areas in need of further investigation. Certainly with ongoing globalization in professional business service industries, the nature of mobility is likely to continue to change in the near future in a manner that – given the central role played by these sectors in the global economy - has significant ramifications for firms, employees, government policy and the environment.

[7169 words]

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