The University of Texas at Austin

Defining Expertise

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Intro: Overview of Expertise

Over the next decade, the professional and business services sectors are projected to add the second-largest number of jobs of any industry to the U.S. economy, trailing only healthcare. The primary outputs for professional service firms are ideas and communicative acts, making these companies fundamentally different from more industrial organizations that produce tangible goods. Professional service firms assert the ability to produce and deliver expertise, which presents challenges as each firm seeks to define expertise and market itself accordingly. The past couple of decades have seen researchers across academic disciplines explore the unique practices of professional service firms and how these organizations make claims to expertise.

This white paper aims to review and summarize current knowledge on expertise with the goal of defining how research into expertise can advance as well as how that knowledge can be useful among professional service firms. More specifically, the content of the paper looks at the issues of establishing and maintaining perceptions of expertise and how professional service firms enact work practices to both market and deliver services perceived by clients as representative of expertise.

As an area of inquiry, the study of expertise remains muddled and difficult for organizations to apply effectively in an evidence-based manner. Confusion regarding what constitutes expert work is related to the nature of expertise, which is treated as esoteric and difficult to understand, and the work of professional service firms, which is often intangible and difficult to observe. Both of these issues are fundamentally communicative challenges — how can work be presented in a manner perceived as delivering expertise. Professionals and researchers thus seek to understand which aspects of professional service firms differentiate them from other forms of organizations as well as from each other in how they market expertise as a distinct and valued product.

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Importantly, criteria often used to judge the presence of expertise — credentials, training, or previous experience — is removed from the actual expert practice. This means that judgments of expertise, or expectations for expert practice, are commonly established prior to the receipt of any service. Expertise attributions can also be influenced by less dynamic criteria like stereotypical assumptions (e.g., assigning younger employees to social media tasks), managerial assignments, or mere availability. The variety of criteria used to judge expertise not only reflects the ambiguity of the idea itself but also the difficulty individuals have in determining where it applies.

Realistically, individuals will use whatever information they have available to make judgments about the knowledge held by others and in turn to whom they attribute expertise. One reason is that if expertise is considered specialized knowledge then others may not have the ability to serve as competent judges.
In fact, experts may benefit from this "asymmetry of expertise" in that others have difficulty evaluating the quality of the tasks experts complete. Faced with this uncertainty, individuals and

client businesses may opt to operate under the tautological approach that expertise is simply what is provided by experts. Clients often place a level of trust in the expert that the specialist indeed possesses some form of exclusive or valuable knowledge, meaning the burden of proof is to demonstrate that one is not an expert, all of which creates opportunities for professional service firms to define their strengths and offer compelling performance measurement.

The Complexity of Expertise in the Information Age

Decision-makers face significant complexity and uncertainty in today's information-rich environment. Previously, in a context where professional domain knowledge was viewed as difficult to attain, experts could distinguish themselves through access to resources that others did not have. Just a few decades ago, physicians were the only ones with reliable knowledge about drug interactions, realtors had exclusive access to home listings, and expertise in public relations for some was linked to the size of one's Rolodex of contacts.

Today, all of that information is available to anyone with an Internet connection, meaning answers, perspectives, and opinions, even those of purported experts, are more accessible than at any point in history. Paradoxically, this accessibility and volume of information has increased the need for leaders to lean on expert advice and provide confidence that organizations are making appropriate decisions amidst this wealth of data. It is this confidence that is at the heart of what expert professional service firms provide.

A constructive starting point, then, for thinking about the operation and value of professional service firms involves trying to understand what differentiates service firms broadcasting claims of expertise from other kinds of organizations. Historically, these types of organizations have been differentiated from traditional industrial organizations by several factors: first, firms are comprised of a highly educated workforce; second, individuals within the organizations are given a high level of autonomy in carrying out work; and third, the outputs of work are intangible, which leads to extensive examination and debate around the idea of expertise and determining the value of what these firms offer. In the remainder of this section we will discuss each of these attributes, how they are related to claims of organizational expertise, and how aspects of today's marketplace may force a rethinking of the expertise of these organizations.

Knowledgeable Workforce

Fundamentally, professional service firms trade in knowledge. Almost any organization can be said to be knowledge-intensive in some way, but service firms, and the workers within, are distinguished by the specialized and exclusive nature of the knowledge they use to complete tasks. Service firms and their employees rely upon and exhibit expertise.

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Historically, the exclusivity of experts was tied to linking individuals and organizations with professional groups. Sanctioning some workers as having professional status ensured that members of the group met certain standards and that those outside the professional group were not privileged with the benefits of membership. Because professional status was achieved through specified training and education, it seemingly endowed individuals with specialist knowledge. As individuals progressed to the status of professional, they gained possession of, or at least access to, a body of technical knowledge verified through processes of vetting, licensure, or credentialing, making it reasonable to associate professionalism with expertise.

In the digital, post-modern era, however, as the ranks of professionals have grown, criticism has also grown of the historical link between professional groups and a distinct or exclusive application of knowledge. Fewer professional organizations share a community that unites workers, and firms in many industries are more likely to attack each other than cooperate. For example, a review of work in the domains of accounting, auditing, and engineering found that there was a high level of variation across industries in terms of the nature of organizations' knowledge base and the extent to the extent to which firms could effectively claim exclusive jurisdiction over a specialized service. Professionalization, then, may exist more as an ideology that provides legitimacy for the behavior of individuals and firms, and deters the questioning of professionals' expertise. Though firms and employees may be hired under the presumption they possess specific domains of knowledge, assignments are often more likely to be characterized by interactions that require little application of technical knowledge.

Today, professionalism is less likely to be associated with membership in a governing association and more likely to be associated with a form of service that represents quality, reliability, and consistency. One consequence of this is that attributions of expertise may be more a function of a disposition (i.e., one who is willing to do things others may not), and less a product of exclusive ability. As a result, knowledge is still valued and central to the establishment and maintenance of expertise, but it is knowledge of how to act in a manner representative of expertise.

Autonomy of Work

Clients hire service firms under the belief that the expertise held by firms will offer skills, knowledge, or abilities that would be otherwise difficult to develop or secure. However, as mentioned earlier, the accepted esoteric nature or expertise can create a presumed asymmetry of knowledge: non-experts, lacking the knowledge possessed by experts, may have difficulty evaluating either the work or processes of experts. As a result, when interacting with experts, non-experts are limited in their ability to monitor and judge the quality of work. A consequence of this is that firms become dependent upon and place a great deal of trust in experts to complete specialized tasks.

Such a reliance on individuals makes attracting and retaining recognized experts one of the chief challenges for professional service firms. However, because individual themselves operate as experts, they may desire more autonomy and less managerial imposition relative to what is found in more bureaucratic businesses. Securing talent becomes a delicate management-level balancing act. As Teece (2003) commented regarding the privileged state of experts, "Once so anointed, the experts can almost 'write their own ticket'" (p. 896). In many professional service settings the value provided by the firm is not a uniform offering from the organization, but rather access to experts who otherwise would not be available.

One means of avoiding overreliance on individuals comes from creating knowledge systems. Firms work to abstract, store, and distribute relevant tacit and experiential knowledge. Codification of knowledge into systems such as knowledge management technologies becomes a way for organizations to assert "property rights" over the knowledge of individuals. Over time the goal is for organizational knowledge stores to become resilient against the loss of individual experts. A major challenge for firms, then, is often how to effectively manage individual experts while packaging the expertise they possess.

Intangible Outputs of Work

Public demonstration of knowledge in some observable form (e.g., talks, written reports, titles, awards) is necessary to present cues to others and become perceived as an expert. As such, an expression of knowledge, or expertise, can be viewed as a form of deliberate public performance.

> *"Being perceived as an expert is then more crucial than being one."* (Alvesson, 1993, p. 1004)

This challenge in evaluating performances of expertise is particularly problematic in the case of professional service firms because the work is often intangible and cannot be viewed or easily captured. While firms in accounting or engineering can depend upon relatively standardized outputs, consultants claim expertise in more intangible processes such as strategic counsel or creative thinking that are simultaneously more ambiguous and variant than tasks in more established professions.

The ambiguous role of expertise creates a number of tensions for firms in terms of how to communicate the value of the work they provide. Firms must present knowledge that is both standard and customized; draws on the expertise of the firm and the individuals working on the product; and includes some tangible representation of a largely invisible process.

Knowledge Products: Commodification vs. Identity Development

In the marketplace, firms typically employ one of two methods to declare expertise: knowledge products or identity development. In professional service firms, the tension of these approaches stems from the fact that it is difficult to say that the firm owns the expert-level knowledge because that knowledge resides within the individuals. Each approach to establishing, selling, and communicating expertise presents distinct opportunities and threats for organizations.

Knowledge Products: Commodity

Documenting knowledge and process offers the appearance of commodification to service firms. Also, commodifying output allows the company a means to rely less on individuals, similar to how manufacturing can encode the precision of expertise in machines and other material objects. In the context of service firms, commodification helps organizations create knowledge products that can be sold to clients repeatedly at little additional burden to the service firm.

Commodifying knowledge further lets firms separate expert processes from individuals and become less dependent on individuals in reproducing services. Codifying an approach to expert knowledge additionally allows management of professional service firms to claim rationality in their work, helping justify the value of their offerings. It puts firms in a position to say that their work is either an exclusive approach or that they are able to do it in a way that no one else can, thus offering a clear product to clients needing to justify value.

In addition to knowledge products, firms can use the commodification process to focus on developing new practice areas that offer clients access to specialized insights. Capturing knowledge as a distinct asset offers a way to bring more perceived certainty to the work of professional service firms. Such behavior offers another way for professional service organizations to communicate that they are able to provide value to clients that would be unobtainable otherwise.

From the client's point of view, making a product of knowledge may increase the transparency of work and provide a clearer idea of what is being provided. A defined system can be perceived as a sign of quality, building client confidence in the firm's knowledge and competence to take action. Clients may be more confortable purchasing a distinct process, procedure, or practice that provides a guide for how work will be conducted. For example, one reason that group brainstorming activities are common in professional service settings, despite limited evidence it produces superior ideas relative to other approaches, is that brainstorming is a commonplace and acceptable practice that clients can understand. However, because a hallmark of professionalism is the idea that expert work cannot be commodified beyond a set of industry-based best practices, it may be difficult for firms to established knowledge products that are both distinct and replicable.

Knowledge Products: Identity Development

In contrast to the commodification of knowledge work, some professional service firms instead focus on the process of developing an identity through impression management with practices designed to present an image of skill and rationality. Considering that having a good public reputation at the firm level results in better economic performance, branding for reputation becomes vital because it can act as accessible signal to clients seeking to relieve uncertainty regarding the quality of work provided.

Echoing the importance of communicating social cues and reputation, common practices like the case study method used in the hiring of new consultants is less about evaluating technical skill and more a signal that employees are able to communicate in a way that symbolizes rationality. Similarly, great importance and effort often go into the aesthetics–presentation aids, clothing, printed materials–of management presentations, all to communicate a certain degree of professionalization and effectiveness. These visible forms of communication are influential because they often represent the primary channel through which clients evaluate work. Because day-to-day tasks are often conducted out of sight, communicative signals about the work conducted serve as a filter through which eventual products are assessed.

In domains like law and communication consulting with difficult-to-measure outputs and often opaque processes, service firms can feel pressured to provide a representation of expert work to establish an identity. Employees can then be driven by impression management as clients demand results and markers of success. Essentially, once a firm establishes itself as an expert entity, its focus can become behaving and presenting itself in a manner befitting an expert.

The presence of distinct lenses on expertise and work is not surprising given that it parallels a tension faced by the organizations themselves. They need to balance a fundamental tension between the stability of process and expert service against the dynamic role of knowledge gathering and knowledge delivery — a conflict between control and autonomy. At a management level, knowledge-intensive firms often walk a fine line between the desire to develop formalized processes and the flexibility needed by creative, specialized individuals. Naturally, this conflict manifests itself both externally, as discussed here, influencing how organizations communicate abilities; it also impacts internal procedures regarding how individuals are expected to approach assignments.

Expertise and Innovation: change is necessary as innovation

By virtue of the need for constant learning and information management, change is a fundamental theme in the work of professional-service firms as they seek to establish expertise. In fact, change is a fundamental product of organizational life; thus, a key characteristic of knowledge-intensive organizations is their innovativeness.

> *"Where knowledge is ambiguous and transient, few would actually want to claim lasting stability."*
> (Fincham, Clark, Handley, & Sturdy, 2008, p. 1147)

Professional service firms operate in ambiguity, accepting uncertainty as a part of organizational life, not only in terms of the need to manage a volume of knowledge in the information age but also in how they choose to express their expertise, as discussed earlier. Ambiguity and uncertainty may be the 'natural' state of affairs in knowledge-intensive organizations, in fact. Professional reality requires that knowledge workers come to live with, and possibly even value, ambiguity.

In some contexts, those who remain unfazed by ambiguity and embrace uncertainty are seen as true experts. Individuals with mere knowledge or competence in a domain are likely familiar with rules, instructions, or procedures that allow them to act effectively in a setting with stable conditions. However, experts often have the ability to take action when conditions change by drawing on developed instinctive abilities to see patterns in information and approach problems in novel ways. For example research has shown that chess masters do not necessarily know more game moves than non-experts, but the experts are able to quickly and effectively consider options when confronted with an unfamiliar situation. Similarly, studies of work settings as diverse as the control room of naval ships and flight decks demonstrate that individuals improvise, adjust, and reconfigure routines to address professional issues. A consequence of thinking in abstract and applied ways is that experts may actually consider few options when taking action and make decisions more quickly compared to others.

> *In some contexts, those who remain unfazed by ambiguity and embrace uncertainty are seen as true experts.*

Experts may be able to more effectively rely on developed rules of thumb to recognize opportunities that others may miss. Cultivating this ability typically requires immersion in a domain and the exercise of focused practice over time, and research has demonstrated that individuals commonly need 10 years dedicated to a domain in order to attain expertise. It is not enough to expose an individual to information about a domain; ongoing, deliberate engagement in activity that provide learning opportunities. It is through this experience that experts develop the ability to think beyond given contexts and identify innovative solutions to problems.

Moving forward: Recognizing and embracing the communicative nature of expertise

In many settings, expertise is most visible through action. A surgeon communicates expertise by successfully performing a bypass procedure; a quarterback communicates expertise by hitting a sprinting receiver 40 yards away; a computer programmer communicates expertise by developing lines of code that efficiently processes data. In each of these contexts, the performance of expertise can be communicated through a deliverable. The behaviors of these experts, and the results of their actions, are obvious to observers.

Most individuals would need years of training, education, and development before even attempting to replicate the actions of such professionals. However, in professional service fields like public relations, marketing, or consulting, expertise is not easily communicated in a similarly visible or evaluable manner. Instead, organizations and workers in professional services industries need to find ways to communicate expertise beyond only completing repeatable tasks.

The challenge service firms face in establishing and maintaining reputations as experts shows up in many ways. Table 2 below presents several challenges organizations face and how organizations can distinguish themselves as experts through the ways they design messages and communicate with stakeholders. Importantly, each of the opportunities recognizes the relationship between external and internal communication; the ability of firms to effectively communicate expertise externally to stakeholders is influenced by the ways firms communicate internally about expectations, practices, and resources.

To start, the recognition that expertise is difficult to assess serves as an opportunity for firms to communicate in a manner that others view as signaling expertise, apart from availability of an objective evaluation of their work. This can be done at the organizational level by communicating about the experience and accomplishments of the firm and its workers or at the level of client service by providing well-designed reports that lack errors.

Because the goal is for the organization as a whole to be able to consistently communicate expertise in a unified manner, it is important that workers have both the means and motivation to share knowledge with each other. Enterprise social media, for example, is a recent strategy many organizations have employed to increase knowledge-sharing among employees and create unified messaging.

Additionally, firms may face difficulty in developing and determining distinct services that can be offered to clients. Here again, communication can be critical, externally in the form of distinct services that establish client expectations and internally in educating employees on how to execute these services. Consistency in the delivery of these services can be aided by ensuring that communication is reviewed prior to external distribution and by employee education.

It is important for firms to communicate that they have the ability to deliver expertise related to past accomplishments, but it is also important that firms communicate the ability to expand, adapt, and innovate. For service firms to develop expertise internally, they would be wise to consider personnel with diverse backgrounds, experiences, and skills. This mixing of knowledge and abilities will make the firm more flexible while retaining expertise in established domains.

Additionally, firms would benefit from being explicit and proactive in communicating that they possess expertise in areas where they can deliver their most valued work (but avoid communicating expertise in areas where they lack competence). Finally, firms can maintain expertise by seeking and facilitating opportunities for workers to diversify knowledge while also encouraging exposure to emerging domains related to current firm work.

Expertise is viewed as something people and organizations have, use, and sell, but its presence is only known through communication. Understanding expertise as communication means that organizations can treat expertise as something that both exists in a substantive sense through the actions, appearance, and attributes of firms, and also exists as an evaluation made by stakeholders assessing the firm. The relationship between expertise and communication offers firms numerous opportunities to actively shape the ways they are perceived by stakeholders. Firms that effectively establish and maintain expertise pay close attention to all the ways organizations signal expertise and focus on ongoing communication that reflects value relative to the service of other organizations.

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Challenges Related to Expertise	Communicative Opportunity for Firms
Expertise is difficult to understand or evaluate	Develop visible and tangible communicative signals of knowledge at the levels of the firm (i.e., awards, rankings), individual (i.e., appearance, experience), and service (i.e., presentation of work, consistency). These signals should either reflect accepted indicators of expertise in a particular domain, or effectively communicate exclusive ability in a less established domain.
Expertise is difficult to extract from individuals	Develop a strong culture of knowledge sharing that includes opportunities for worker interaction, and invest in communication technologies that capture individual knowledge in a format that is easily accessible and transferable for workers.
Expertise is difficult for organizations to commodify	Develop distinct practices related to how communication with stakeholders should be conducted in terms of form, substance, and procedure for production. Establish names and explicit actions and deliverables for expert services.
Expertise is difficult for firms to consistently signal	Develop practices that ensure the quality of all communication from the firm. Communicate these practices to organizational members so that all levels of workers are familiar with expectations.
Expertise is difficult to establish quickly	Develop a mix of specialist and generalist workers to facilitate both immersion in distinct domains and the ability to communicate knowledge across domains in innovative ways. Communicate to stakeholders the firm's experience related to any and all relevant services.
Expertise is difficult to develop in novel contexts	Develop opportunities for workers to develop new technical, applied, and experiential knowledge. Consider possibilities of co-opting expertise by hiring, or working with, established experts in an emergent domain.