

Report
August 2023

EXTRACT



PERSPECTIVES

Perceptions of Risk Firms
in 2023



What is this Client Perception Study?

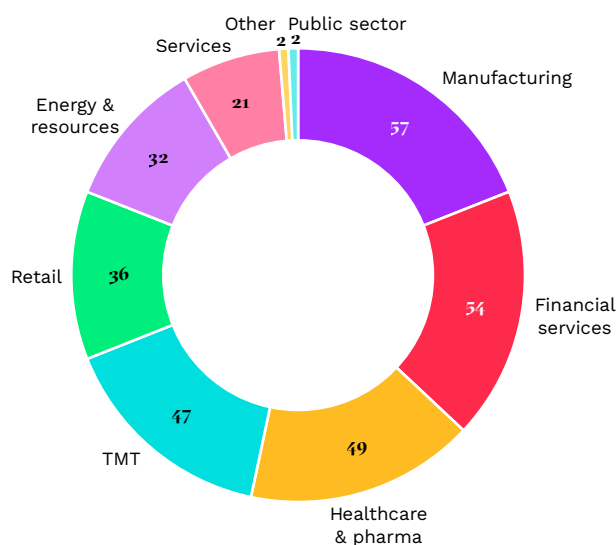
Underpinned by our extensive and industry-leading client survey, this report reveals what senior end-users think about the leading risk advisory firms in the US. The report contains a detailed analysis of the client journey and examines how clients see firms differently as they move from awareness, to shortlisting a firm, to then becoming direct clients and heavy users of a firm. The report also includes rankings of the leading firms, in order to help you better understand your firm's positioning in the market, and the overall competitive landscape in which you are operating.

Created to provide you with a snapshot of client views, and to better understand how well positioned your firm is to support clients' needs, this report also comes with individual firm profiles to allow you to better understand your competition.

Below, we have illustrated the survey responses that underpin the analysis included in this report. You can read the full methodology [here](#).

Who did we talk to?

We have 300 responses from our survey of executives, directors, and senior managers in the US undertaken in June and July 2023, all of whom have been responsible for buying risk advisory services in the past two years. We ask all respondents about three firms they're familiar with, giving us 900 responses about different firms. The respondents, 92% of whom work in organizations that generate more than \$500m in revenue, represent a wide range of sectors and business functions.



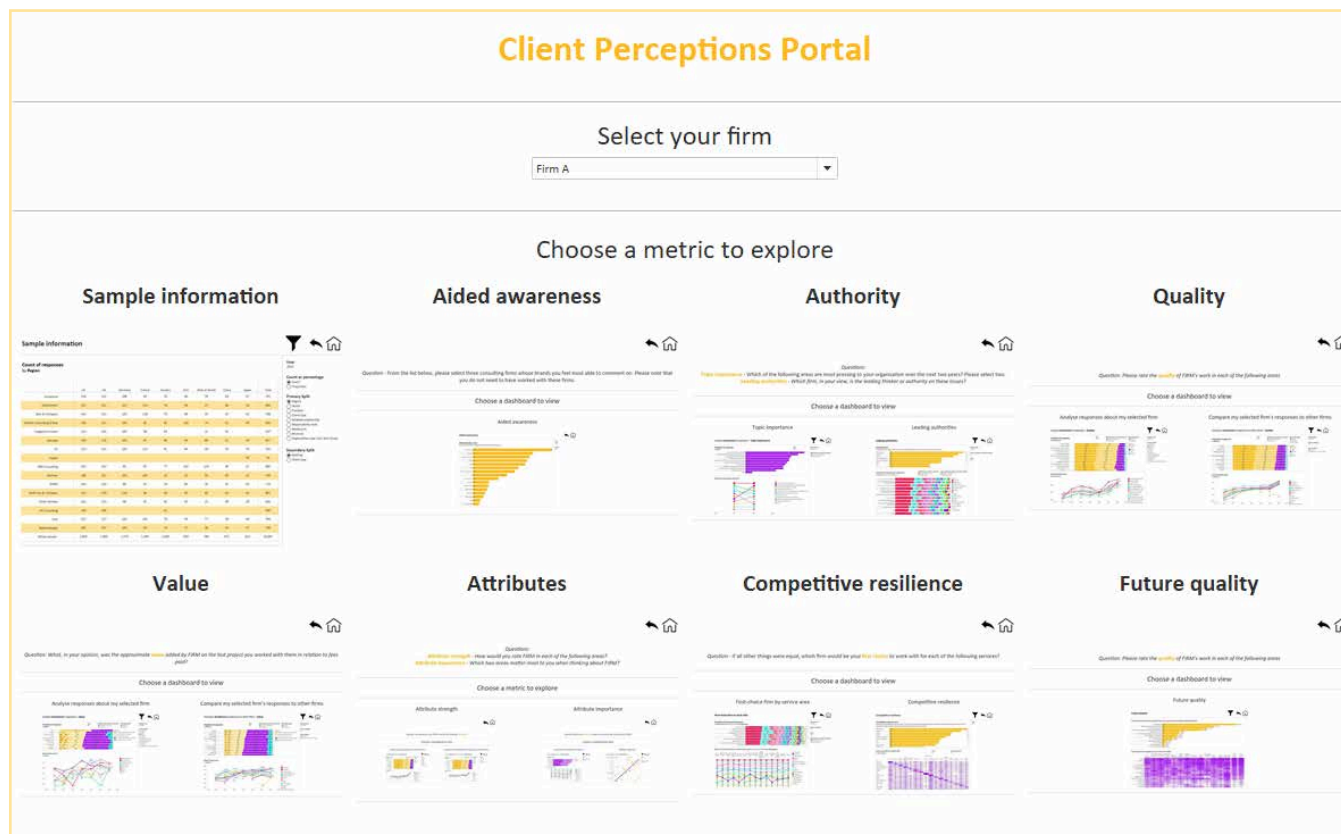
Which firms are included in this report?

	Did we ask about this firm in this market?	Detailed profile available?
Accenture	✓	✓
Bain	✓	✓
BDO	✓	✓
Boston Consulting Group	✓	✓
Control Risks	✓	✓
Crowe	✓	✓
Deloitte	✓	✓
EY	✓	✓
Grant Thornton	✓	✓
KPMG	✓	✓
Kroll	✓	✓
Marsh	✓	✓
McKinsey	✓	✓
Oliver Wyman	✓	✓
Protiviti	✓	✓
PwC	✓	✓

Discover more online

The data contained and referred to within this report is also available in our online portal, where it can be sorted and filtered according to your preferences, also providing access to historic data from our past surveys back to 2019.

To access the data, visit the main [report page](#) and click the blue “Explore the data” button. Alternatively, you can visit the data portal page at <https://reports.sourceglobalresearch.com/portal/abacus/9437/dataview-risk-cps-2023-customer-data-portal>.



When you log on, you'll notice a sample information dashboard. Here you can check the sample size for certain cuts of the data. In addition, hovering your cursor over values on a chart will display the number of responses related to that particular value. If you have any questions about any of the data, please [contact us here](#).

How are these studies different?

The views about each firm expressed in this report come from senior end-users of professional services—your clients and prospects, in other words. They differ from typical feedback studies firms often perform with their own customers in three important ways:

- **A multi-firm view.** Our reports enable professional services firms to see how they stack up against their competitors in the minds of clients.
- **A view from prospects, not just existing clients.** We include the views of direct clients (clients who have bought services from a firm on a reasonably regular basis) and prospects (clients who feel qualified to share an opinion about a firm but aren't among the firm's direct clients). Prospects may have had exposure to the work the firm has done elsewhere in their organization or have simply formed an impression based on reading a firm's thought leadership or being exposed to its marketing in some other form. This enables us to understand what we tend to think of as a firm's "brand pipeline", and about the differences between expectation (prospects) and reality (direct clients). It also tells us something about the differences between a firm's marketing and what it actually delivers.
- **Independence and expertise.** The trouble with conducting your own client research is that clients are often reluctant to express negative views about firms (and people) with whom they've worked closely. They have no such concerns when they're telling us. Added to which, we're able to bring the expertise we've gained over years of analyzing the professional services market to bear, helping to interpret the results within the context of the wider market and the strategic priorities of firms.

It's important to remember that this is a study of client perceptions; a summarized view of what we're hearing from the market. It's not Source's view, nor is it a comment on market share or a recommendation to clients about which firms to buy from. The audience of these reports is very much the firms featured in them, and those interested in the strength of the competition in any given market.

We profile individual firms in our reports—indeed this remains one of the most popular parts of the reports with readers—and we do, separately, provide tailored presentations to firms that buy this report, contextualizing the results for that individual firm. However, our Client Perception Studies are not exhaustive studies of clients' opinions about specific firms that remain statistically robust when filtered to provide detailed data about views at a very granular level of the market, and are not designed to replace the sort of in-depth client research that many firms often ask us to carry out for them.

All analysis is our own—as experts in interpreting client data, our aim is to help you make sense of it and bring the important messages to your attention quickly. It is not possible to influence our rankings either by subscribing to our research or by paying us money—it never has been and it never will be. To that end, Source is completely independent of any professional services firm we work with or comment on.

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About this report

Our report mainly draws on our annual global client perceptions survey of senior end-users of risk firms. A detailed view of our methodology and more information about Source can be found below:

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Figure 1

The top risk firms across key metrics



Firm-by-firm analysis

In this section of our report, we summarize the views of clients about each firm in turn. We explain further the methodology behind the data presented here in the [Methodology in full](#) section later in this report.

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About this report

Methodology in full

Who did we talk to?

Figure 24

Respondents' level of responsibility

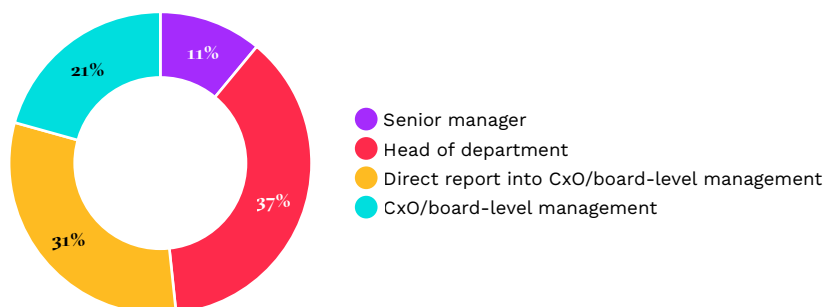


Figure 25

Respondents by sector

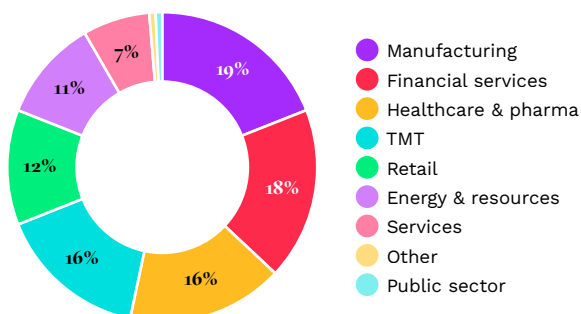


Figure 26

Respondents by function

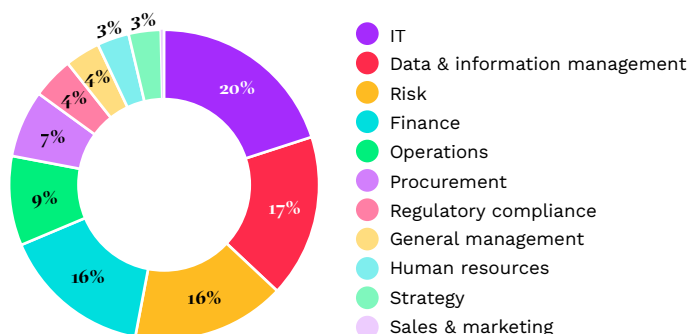
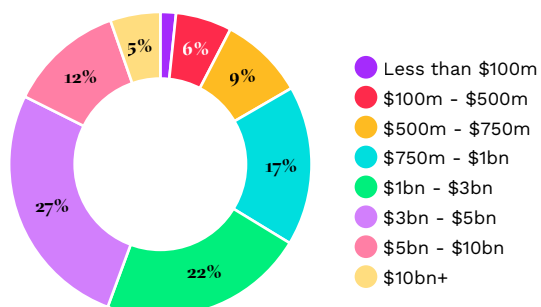


Figure 27

Respondents by organization's revenue



What did we ask them?

Each respondent was presented with a list of up to 16 leading risk advisory firms in the US and asked to select three risk advisory firms whose brands they felt most able to comment on, even if they haven't worked with those firms. We focus on the US's leading risk advisory firms to ensure we have sufficient responses to carry out a detailed analysis.

We calculate an **aided awareness score** based on which firms are selected. To give each firm an aided awareness score, we've looked at how quickly respondents selected any particular firm. It is "aided" in the sense that respondents are given a list of firms to choose from. The firm that reached the quota for responses first gains the top score (which is 100). All other firms are scored in comparison based on how many respondents have selected each firm relative to the quota. Think of it as firms racing each other to a finish line.

We go on to ask further questions, focusing on the following areas:

- **Experience with the firms selected:** Whether respondents are aware of the selected risk advisory firm, but haven't shortlisted or used it, have shortlisted the firm, but not used it, have bought a small number of services from the firm (i.e., less than three), or have bought multiple services.
- **First choice:** If all other things were equal, which firm (from the list of 16 firms we ask about) they say would be their first choice to work with in each of 13 different risk advisory services.
- In the firm-by-firm section, we chart the relative threats between a given firm and the other firms we look at. Where a higher proportion of the clients of other firms would select the given firm than the proportion of clients of the given firm who would select that other firm, then we consider the given firm to be a relative threat to that other firm. In such cases the chord is colored yellow. Chords in purple show where the proportion of the given firm's direct clients that would select that other firm is higher than the proportion of clients of that other firm who would choose the given firm as their first choice. In such cases, we consider the other firm to be a relative threat to the given firm. Where the proportions are equal, chords are colored in blue.
- **Quality:** How they rate the quality of work of each of the three firms selected in 13 different risk advisory services. Respondents are asked to rate quality on a five-point scale where 1 is very low quality and 5 is very high quality. They're also given the option to answer, "don't know". We calculate a quality score based on the proportion of respondents describing quality (overall) as either "high" or "very high". We calculate a **quality outshine score** as the difference between the proportion of direct clients describing quality as "high" or "very high" and the proportion of prospects describing the quality as "high" or "very high". A positive score means direct clients hold more favorable views than prospects, while a negative score means prospects think more highly of a firm's quality than its direct clients.
- **Value:** Their view of approximately how much value each of the three firms selected add in relation to the fees paid for its services, or if they haven't worked with the firm how much they would expect the typical value to be. Respondents are presented with five options: less than the amount paid, around the same as the amount paid, twice the amount paid, five times the amount paid, or 10 times or more the amount paid. We calculate a value score based on the proportion of respondents who say that value is in excess of fees to any extent. We calculate a **value outshine score** by determining the difference between the proportion of direct clients and the proportion of prospects describing the value added by the firm as worth twice, five times, or 10 times or more the fees paid. A positive score means direct clients hold more favorable views than prospects, while a negative score means prospects think more highly of a firm's value than its direct clients.
- **Attribute strength:** How they rate each of the three firms selected across a range of 17 attributes of what it's like to work with risk advisory firms. The full list of attributes is as follows (note that in many cases we shorten these for the sake of brevity):
 - Overall culture of the firm
 - The methodologies the firm uses
 - The firm's level of innovation
 - The firm's account management process
 - The breadth of the firm's services
 - The firm's ability to implement
 - The firm's brand and reputation
 - The firm's prices
 - The firm's overall speed of delivery
 - The firm's responsiveness and flexibility
 - The quality of the firm's thought leadership
 - The extent to which the firm puts suitably qualified people on your projects
 - The firm's environmental, social, and corporate governance (ESG) credentials
 - The firm's global reach
 - The quality of the firm's subject matter experts
 - The quality of the firm's sector knowledge and expertise
 - The firm's alliances and partnerships

Respondents are asked to rate quality on a five-point scale where 1 is very poor and 5 is very good. They're also given the option to answer, "don't know". We calculate a score for an individual attribute based on the proportion of respondents describing the strength of the firm as either "good" or "very good". The attribute score overall is calculated as the average across all attributes of working with a firm. We calculate an **attribute outshine score** as the difference between the proportion of direct clients describing the strength

of attributes of working with a firm as “good” or “very good” and the proportion of prospects describing the strength of firms’ attributes as “good” or “very good”. A positive score means direct clients hold more favorable views than prospects, while a negative score means prospects think more highly of a firm’s attributes than its direct clients.

- **Attribute importance:** From the same list of 17 attributes, we ask which two are most important when thinking about each of the three firms selected. We then aggregate their responses as the proportion of clients that gave each attribute as either their first or second most important attribute and rank each attribute from most to least important. Where two or more attributes have the same score, we take into account the share of clients who stated that the attribute was their first most important attribute. In the firm-by-firm section, we then overlay the ranking of the strength of the firm in each attribute over the relative importance in a chart to see where there’s alignment between the two measures.
- **Relevance:** From the list of 16 firms we ask about, which three firms have the most relevant offering, positioning, and content to help solve the risk issues their business faces.
- **Why they choose to work with risk advisory firms:** Why the respondent’s organization works with risk advisory firms rather than completing projects with just internal resources. We ask them to rank the following reasons in order of importance: to achieve better outcomes than they could themselves, to minimize the risks associated with projects, because it’s simpler and easier to use risk advisory firms than to complete projects themselves, because it’s less expensive than using internal resources or other types of service providers, and to achieve results faster than they could themselves.
- **Why they choose to work with the firms selected:** For each of the three firms selected, why they worked with those firms—or if they haven’t worked with them, why they would want to—by ranking the same five reasons above.
- **Which topics are most pressing:** Which two topics are most pressing to the respondent’s organization’s risk issues over the next two years, from a list of 14 broad areas. Respondents are also given the option of specifying their own option if one of the two most pressing risk issues to their organization isn’t on the list.
- **Authority:** For the two most pressing topics selected, who clients think is the leading thinker or authority on those issues from the list of 16 firms we ask about.

The buyer funnel

In order to calculate the buyer funnel for each firm, we asked a number of additional questions, as well as using data from our existing questions in new ways. We calculate each step of the buyer funnel as follows:

- **Awareness:** After asking respondents to select three risk advisory firms whose brands they felt most able to comment on, we present them with the list of the remaining 13 firms, and ask them to select all further firms they’re aware of. We calculate the awareness score based on the percentage of respondents who either selected that firm as one of the three firms they’re familiar with, or one of the additional firms they are aware of.
- **Familiarity:** We ask respondents to describe their familiarity with each firms’ risk advisory capabilities for the three firms they initially select and any further firms they say they’re aware of. Respondents are able to answer that they are not familiar, know a little, know a fair amount, or know a firm’s risk advisory capabilities very well. For the familiarity score, we take the percentage that say they know a firm’s risk advisory capabilities very well.
- **Strong relationship:** We ask respondents to describe their relationship with risk practitioners for the three firms they initially select and any further firms they say they are aware of. Respondents are able to answer that they don’t know anyone who works at the firm, are aware of some risk experts, have a reasonable relationship with some risk experts, or have a good relationship with risk experts at the firm. For the strong relationship score, we take the percentage that say they have a good relationship with risk experts at the firm.
- **Speak highly without being asked:** We ask respondents for the three firms they initially select and any further firms they say they are aware of, which statement best describes their overall feelings towards each firm. Respondents are able to select that they would be critical without being asked, would be critical if asked, would be neutral if asked, would speak highly if asked, or would speak highly without being asked. For this score, we take the percentage that say they would speak highly of the firm without being asked.
- **Shortlist:** We ask respondents which firms they would shortlist for each of the 13 risk advisory services we ask about, out of the firms they say they are aware of. For the shortlist score, we calculate the average across all services of the percentage of clients who are aware of the firm who would shortlist the firm.
- **First choice:** As we explain above, we ask if all other things were equal, which firm (from the list of 16 firms we ask about) would be their first choice to work with in each of 13 different risk advisory services. In order to be consistent with past data, we don’t restrict this question to just firms clients say they’re aware of. For the first choice score, we calculate the average across all services of the percentage of clients who say the firm would be their first choice.

- **Used:** We ask respondents, out of all firms they're aware of, which firms their organization has used for risk advisory services in the last 12 months. The used score is the percentage of clients aware of the firm that say they have used the firm.
- **Would use again:** We ask clients, out of all firms they say they've used in the last 12 months, whether they would use them again in the same areas, would use them again in new areas, or wouldn't work with them again. We take the score as the percentage of clients who have used the firm who would use the firm again in new areas, and the percentage of clients who have used the firm who would use the firm again in the same area.
- **Advocate:** We ask clients, for the firms they would use again (in the same or new areas), which statement most applies to them. Respondents are able to select that they trust individuals at the firm rather than the firm itself, they trust the firm overall, they would recommend them to senior colleagues without hesitation, or that they would put their personal reputation on the line for the firm. For the advocate score, we take the percentage of clients that say they would use the firm again that say they would put their personal reputation on the line for the firm.

Note that in the charts we present in the firm-by-firm analysis, the labels represent the percentage of respondents of the relevant population who were asked the question giving the required response. However, the length of the bar is shown relative to the entire population of respondents to show the percentage of the whole sample that passes to each step of the buyer funnel.

Our MegaModel

In order to forecast how fast the market for the eight services we ask about will grow over the next three years, we rely on our MegaModel. This will be familiar to readers of our *Market Trends Programme*, which is underpinned by this data.

Our MegaModel is our unique model of the global professional services market. Rather than making high-level assumptions, this model has been built from the bottom up, sizing the market capability by capability—assessing how much work a firm earns delivering each professional capability within each sector and country. For this report, we then aggregate capabilities together to align with the eight risk advisory services we ask about. This results in a robust view of the size of the supply-side market.

We limit our market sizing and analysis to what we at Source call “big consulting”—work done by mid- and large-sized firms (those with more than 50 people). Please note that we don't track the long, thin tail of work done by contractors and very small firms, as most readers of this report would not seek or be able to compete in this part of the market.

The data in our MegaModel is calibrated through extensive interviews with, and surveys of, professional services firms and their clients, allowing us to discuss broader trends in the market alongside detailed dimensions such as headcount. These interviews and surveys are supplemented with desk research, which allows us to assess the impact of wider macroeconomic trends on professional services. This, combined with our detailed modelling, results in a long-term view of the market that is able to support both historic and forecast data.

Meet the expert

Martin White

Martin is a principal consultant in our Client & Brand Insights team. He is an experienced writer and analyst, specializing in client perceptions, and helps professional services firms to understand how they are perceived in the market across multiple lines of business, including consulting, risk advisory, tax advisory, and audit. His recent work with Source includes not only authoring a number of our Client Perceptions Studies, but also leading on brand benchmarking exercises, analysis of market trends, message testing projects, and conducting research involving extensive interviews, surveys, and focus groups.

He regularly appears on the Source podcast, *The Future of the Firm*, and has been quoted in publications including *Accountancy Today*, *Bloomberg Tax*, the *Wall Street Journal*, and the *Financial Times*.

Martin White

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About us

**We help professional services firms
understand what really matters when
facing decisions of vital importance.**

The best decisions are based on evidence, objectivity, and a willingness to change. That's why, at Source, we tell you what you need to hear, rather than what you want to hear.

We draw upon our deep roots within the professional services sector to provide firms with a clear picture of their clients' worlds. Through comprehensive research and meticulous analysis, we pinpoint what truly matters and deliver actionable insights that help firms map out the right way forward.

We believe in thriving individually and succeeding together. And we would love to help your firm crack its latest conundrum.

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