

Report  
November 2023

EXTRACT



# EMERGING

Account Management  
Revisited



# Contents

Introduction	3
Methodology	4

## What really matters 5

# 1

## Why do firms need to get account management right? 9

A strong account manager can influence both choice of firm...	10
...and price, not to mention clients' overall spend	11
Clients also expect account managers to cross-sell—and even encourage it	12
For many, the account manager is the first port of call when new issues arise	13
Getting account management wrong can be very costly	14

# 2

## What do clients want? 15

Clients want a dedicated account manager, but aren't getting one in the way that they want	16
Clients want account managers to focus on outcomes as a top priority, but that's not the whole story	17
Beyond setting up a project, clients have their own views about an account manager's responsibilities	18

# 3

But what they don't need is a friend—knowledge is far more valuable	19
For many clients, the level of communication isn't right... nor are the topics	20
There are niggles, but nothing monumentally wrong in the relationship	23
But account managers aren't creating identifiable value	24

## What does the future look like? 25

Clients really just want to be listened to	26
Clients are more than happy to cut out some of the human interaction	27

# 4

## Recommendations for firms 28

Moving forward with key learnings	29
-----------------------------------	----

# 5

## About this report 30

Meet the experts	31
About us	32
Publication schedule for 2023	33

# 6

# Introduction

**“The pandemic drastically changed our relationship to work. It impacted how we organise ourselves, the expectations we have of our colleagues, and the way we think about our partners. There are many uncertainties in the current market, some of which have a very big impact on our business. And we expect that these **uncertainties will continue to force change in our relationships.**”**

CHRO, financial services sector

Our last report on account management was published back in March 2020, with the research carried out in February 2020. It’s fair to say a lot has changed since then.

During the pandemic, the client-consultant relationship evolved rapidly. A mostly business, sometimes social, relationship often became a lifeline as everyone grappled with the impact of lockdowns, changes in demand, and much, much more. Our previous report on crisis fatigue highlighted just how heavily clients depended on consultants during this time—neither party knew the answers but having those other voices in the room helped to plot a course through the uncertainty. Our wider research showed the “incumbent advantage” rising as those firms who had offered support and suggestions, gaining a much deeper insight into the client organisation, were engaged repeatedly as the pandemic receded.

What is happening to those relationships now? We know that clients are still heavily reliant on firms, whether that’s to guide them through a transformational journey or quite simply to help them tackle the huge volume of things that need to get done, day to day. And data we’ve gathered during the year through our Market Trends programme suggests that account management is a very important factor in clients’ decisions about which firms to shortlist for work—indeed, it’s the most important factor at shortlist stage for a third of clients. But it also appears that the incumbent advantage is weakening. Yes, clients will always have their preferred partners and recognise the advantages of bringing in a firm that already knows them well. However, in today’s uncertain world, clients are seeking new ideas—and they’re likely to look to new firms for that innovation.

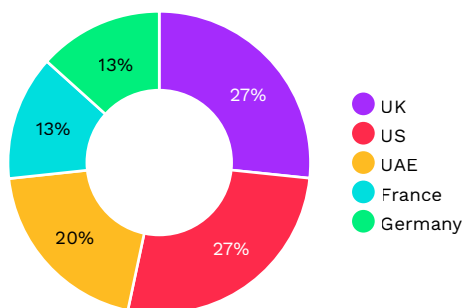
So, if account management is so important to clients at the shortlist stage, what do they want from firms and how can firms improve on their approach to gain competitive advantage? We surveyed 150 senior buyers of professional services to help us answer these questions.

For this report, we’ve widened our focus to include accountancy & audit firms and legal services firms, as well as consulting firms. Does good account management look the same across these different services?

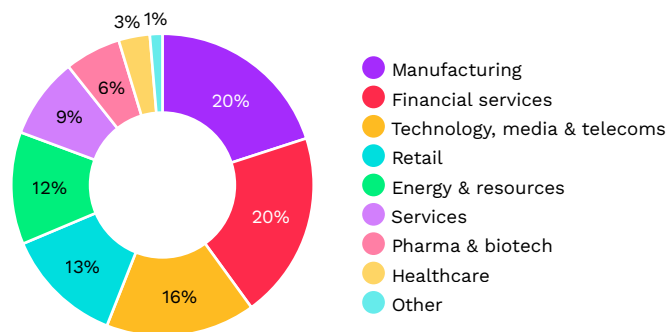
# Methodology

We surveyed 150 senior executives in September 2023, all of whom are responsible for buying consulting, legal or accountancy or audit services. Our sample was designed to reflect this market: Respondents came from five geographies, all of which are important in terms of scale and/or growth potential—the US, the UK, Germany, France, and the UAE. They were also drawn from a representative mix of sectors and functions. Two thirds came from organisations with more than 5,000 people.

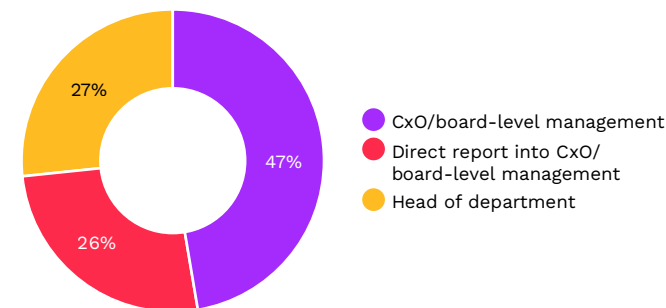
Respondents by country



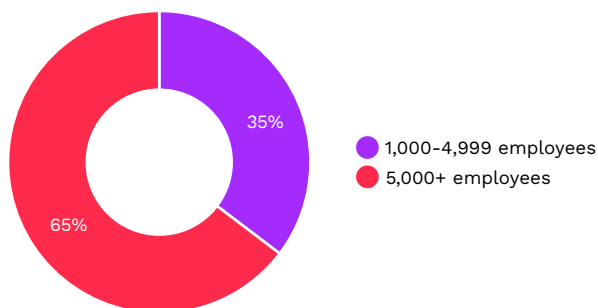
Respondents by sector



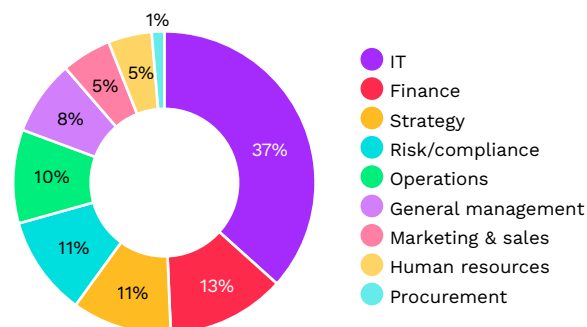
Respondents by responsibility level



Respondents by headcount



Respondents by function



# Why do firms need to get **account management** right?



“There was an official account manager, but the real account management was done by the person I had direct working experience with. I had a **deep level of personal trust** in him. He was much more effective than the official account manager, and it was him I would go to when I had further work.”

CIO, energy sector

## A strong account manager can influence both choice of firm...

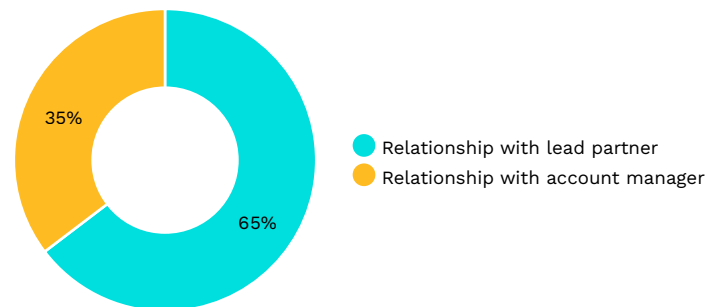
As professional services firms continue to broaden the range of solutions they offer through their ecosystems, it becomes harder for clients to truly differentiate between them. When it comes to assessing a shortlist, if all the firms can offer a partnership with the platform provider of choice, back that up with demonstrable expertise and track record of delivery, and meet the specified budget, what can sway a client's decision?

Of course, not all firms are equal. We know from our Market Trends research that digital services, analytical expertise, and innovation are all important factors in these decisions, and firms do differentiate themselves in these areas. But we also know from that same research that having a good relationship with the firm holds considerable weight. The research for this report agrees—if all else were equal, around a third of clients (35%) would base their choice of firm on their relationship with the account manager rather than the lead partner.

This is borne out elsewhere in the survey. More than half of clients believe their organisation has commissioned work they otherwise wouldn't, purely because of an account manager. Of course, that statistic may not give us the full picture—some of our respondents may feel that an account manager is a little too cosy with the decision-makers, or that their preference for a particular firm was ignored. But that won't be the case for all.

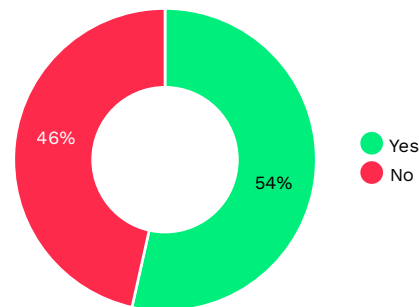
**Figure 1**

Which is more likely to drive your choice of professional services firm, if all else was equal?



**Figure 2**

In your opinion, has your organisation commissioned projects they otherwise wouldn't, because of an account manager?



# What do clients want?



“Trust at the human level is important and when I’m working with a firm. It’s the **responsiveness**, the **expertise**, and the **flexibility of individuals** that lets me develop that trust in them. But it takes time and it’s very important that firms avoid rotating their account managers too frequently.”

CMO, retail sector

## For many clients, the level of communication isn't right...

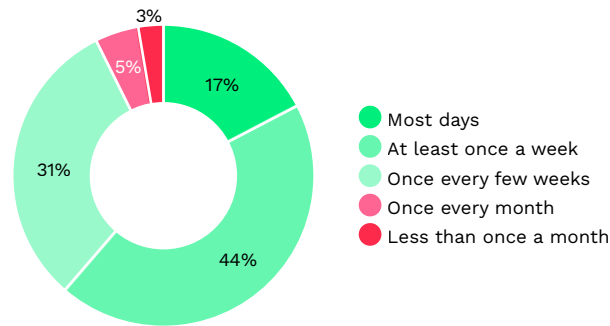
At a surface level, it appears that account managers are talking to their clients at about the right frequency: When we asked how often clients would like to be in contact with their account managers, and how often they are in reality, similar numbers of responses emerged for each question. But while the overall proportions map on to one another, on an individual respondent level, clients appear much less satisfied. While around half are happy with the current frequency with which they speak to their account managers, the other half want things to change.

This pattern is repeated across all three services we sampled—accountancy and audit, consulting, and legal—so no one is getting it right. Firms don't need to change the overall number of conversations and check-ins, but these need to be allocated differently across their individual clients. Asking them their preference for frequency of contact would be a good starting point.

Are any groups more chatty than others? Clients buying consulting services are slightly more likely to want to check in most days.

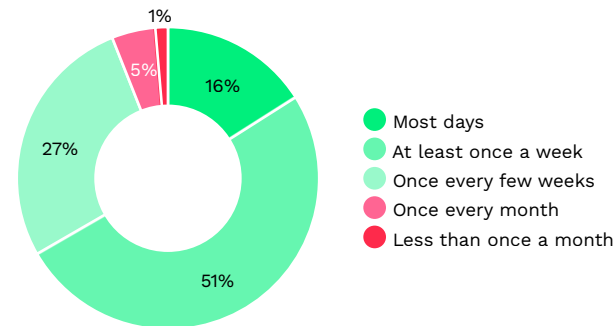
**Figure 15**

How often are you in contact with account managers at the professional services firms you use most often?



**Figure 16**

How often would you like to be in contact with these account managers?





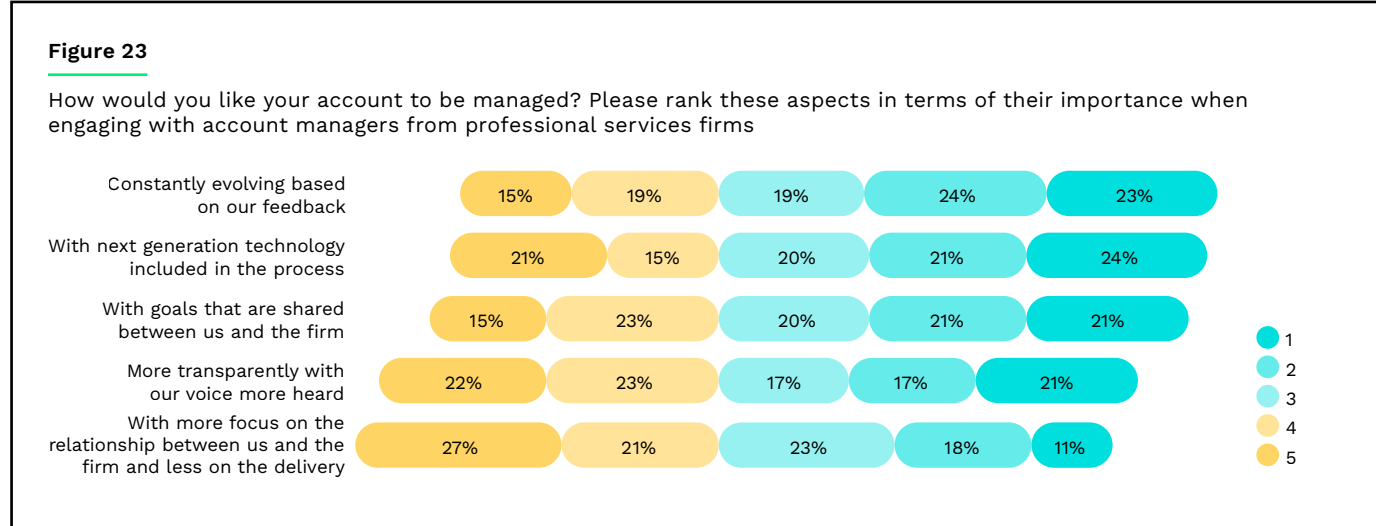
# What does the **future** look like?



# Clients really just want to be listened to

So, what should account management look like in the future to meet clients' needs? Clients tell us they want the client-account manager relationship to continue to evolve—and, crucially, to evolve based on their feedback. But as we've just seen, they aren't having the right frequency of conversations with their external partners, on any topics, so how can they feel heard when it comes to the overall relationship?

The message here is that clients want, and need, account management to change to be more responsive to them. It's not about developing a better and closer personal relationship (this is ranked bottom in terms of what clients want in the future). It's about developing the relationship in a way that benefits both, perhaps through more shared goals, and taking advantage of new trends in technology.



## Meet the **experts**

### Catherine Anderson

Catherine is Director of Market Trends & Analysis. She turns qualitative and quantitative data into meaningful, strategic insights on topics across the professional services market, from sustainability to managed services.

#### Catherine Anderson

✉ [catherine.anderson@sourceglobalresearch.com](mailto:catherine.anderson@sourceglobalresearch.com)



### Fiona Czerniawska

Fiona is the founder and CEO of Source. She's one of the world's foremost commentators on the global professional services and consulting industry.

Before starting Source, she had almost 20 years' experience as a management consultant, primarily working in the areas of marketing and strategy, initially with PwC, before moving on to be head of strategy and business planning for EY in the UK.

She's the author of a dozen books including *Business Consulting: A Guide to How it Works and How to Make it Work* and *Buying Professional Services*, both of which were published by The Economist.

#### Fiona Czerniawska

✉ [fionacz@sourceglobalresearch.com](mailto:fionacz@sourceglobalresearch.com)



# 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.

Source Information Services Ltd  
20 Little Britain | London | EC1A 7DH  
UK +44 (0) 20 3743 3934  
US +1 800 767 8058  
info@sourceglobalresearch.com  
www.sourceglobalresearch.com

© Source Information Services Ltd 2023

Source Information Services Ltd and its agents have used their best efforts in collecting the information published in this report. Source Information Services Ltd does not assume, and hereby disclaims, any liability for any loss or damage caused by errors or omissions in this report, whether such errors or omissions result from negligence, accident, or other causes.