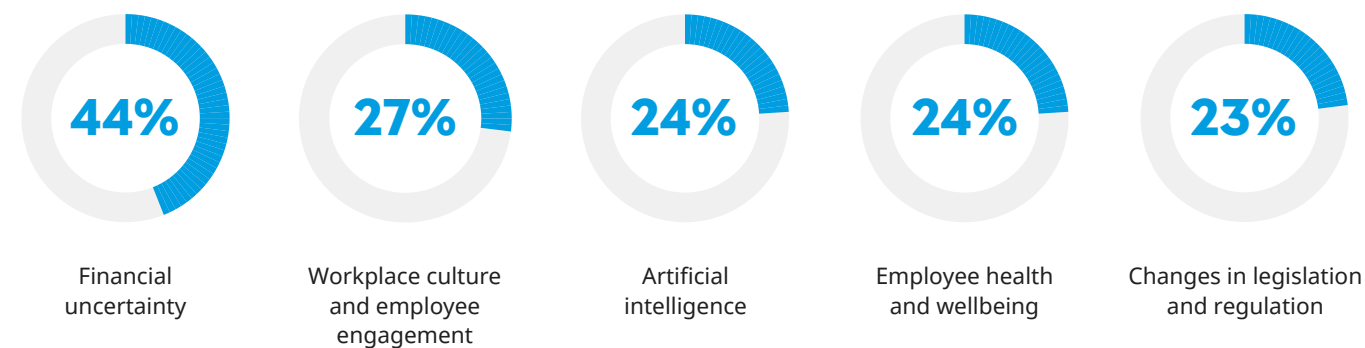


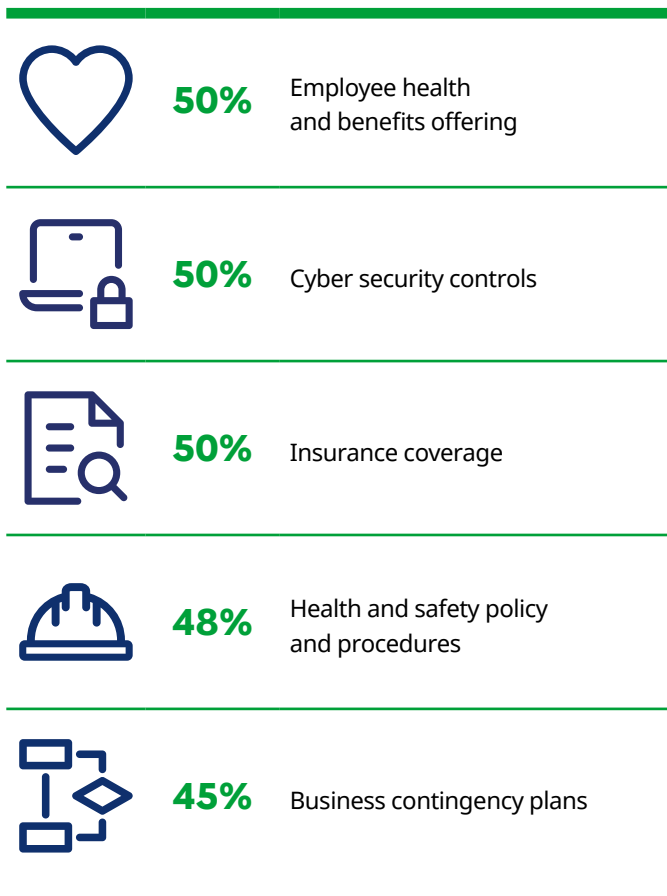
Professional Business Services

Biggest Concerns



Steps to alleviate these concerns

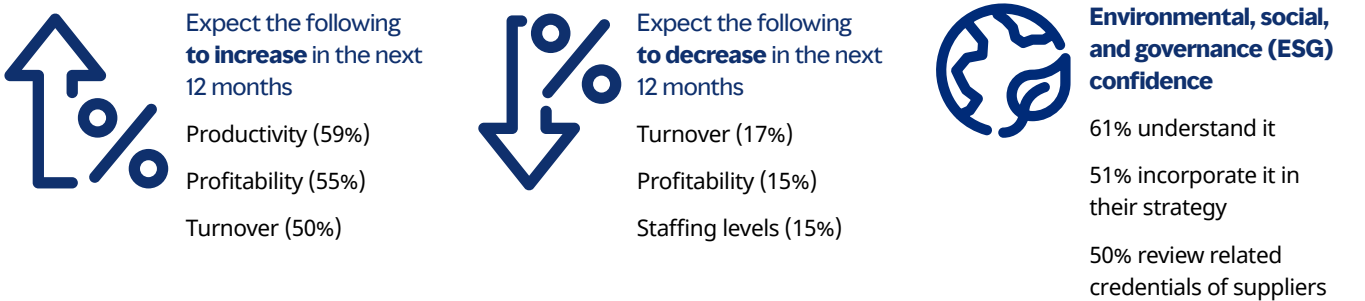
Business leaders **have reviewed** the following in the last 12 months:



Business leaders **plan to review** the following in the next 12 months:



Sector confidence



Firms across the professional and business services sector are facing significant transformation, a continuing uncertain economic environment combined with the accelerated need for digital transformation whilst building a workforce who have the skills for future ways of working.

Financial uncertainty and concerns regarding cash flow continues to be a concern. Lost income from postponed projects, unpaid invoices, or insolvent clients all exert a downward pressure on margins. Firms could look to utilise trade credit insurance which can be utilised to strengthen cash flow as well as protecting businesses from unpaid invoice losses. To help manage costs firms could look to premium finance to spread the cost of insurance protection – paying in monthly instalments rather than a single annual payment.

Customers of the sector are prioritising speed, efficiency and personalisation when buying services, so firms are increasingly utilising data-driven processes such as Artificial Intelligence (AI) and Robotic Process Automation (RPA) to automate tasks, freeing up professionals from mundane, repetitive tasks. An increased dependence on technology and data brings greater risk of cyber-attacks and cyber security incidents. Professional services firms are a particularly attractive target for cyber criminals because as client-focused organisations, they hold a great deal of sensitive data, any breach of which results in a loss of trust and can significantly impact their reputation.

Firms need to be more pro-active to build resilience. With insurers taking a much more cautious stance — requiring specific cybersecurity controls to be in place – taking steps to mitigate ransomware risks and improve cybersecurity are critical. Investing time to better understand and quantify cyber risks and vulnerabilities also warrants increased assessment.

Many companies are finding it challenging to retain staff and recruit with a major war for talent. Continuing to offer increasing salaries is unsustainable and businesses need to look beyond base pay as an attraction and retention tool. Firms are increasingly looking to their reward and benefit programmes, undertaking reviews and audits to ensure they align to their purpose, business objectives and the employee experience is energised, competitive and cost effective. Benchmarking reward and benefit programmes is essential to know what your peers are offering so you know to what degree you are competitive. Similarly, listening to your employees to understand what resonates is crucial, especially as the modern workforce is more motivated by a company's purpose and doing the right thing."

Rory Cobb
Professional & Business Services Industry Leader



Download the full report here



This is a marketing communication.

The information contained herein is based on sources we believe reliable and should be understood to be general risk management and insurance information only. The information is not intended to be taken as advice with respect to any individual situation and cannot be relied upon as such. Statements concerning legal, tax or accounting matters should be understood to be general observations based solely on our experience as insurance brokers and risk consultants and should not be relied upon as legal, tax or accounting advice, which we are not authorised to provide. Marsh Ltd is authorised and regulated by the Financial Conduct Authority for General Insurance Distribution and Credit Broking (Firm Reference No. 307511). Copyright © 2023 Marsh Ltd. Registered in England and Wales Number: 1507274, Registered office: 1 Tower Place West, Tower Place, London EC3R 5BU. All rights reserved. MC230927507