PCER GUIDANCE NOTES

Stakeholder relationship management

Think Ahead

Stakeholder relationship management

Unit PC2 – Maintain confidentiality and develop working relationships

The first element within this unit is about maintaining confidentiality, including meeting the requirements of data protection legislation. The second element is about developing professional relationships both within the organisation and with external contacts.

Element reference	Demonstrated behaviour and examples
Element 4 **Maintain the confidentiality of internal and external information**	Follow organisational procedures and legal requirements for the confidentiality of information Keep up to date with the legal requirements regarding data security and storage Only disclose information to those who are entitled to receive it Clearly mark information with its confidentiality rating and store it appropriately Share information in a concise and informative manner Take action where there are breaches of confidentiality
Element 5 **Establish and maintain effective and ethical business relationships and networks**	Develop effective business networks and maintain relationships with colleagues, clients and other external contacts and relevant bodies Refer matters outside your own responsibility to senior colleagues or external sources Request assistance in a manner sensitive to the needs and workloads of your colleagues Act as a professional role model to junior colleagues and encourage them to develop their professional network Take effective action to resolve disagreements or disputes with colleagues or business contacts Introduce contacts to clients

Please click **here** to see an example of confirmation statements relating to stakeholder relationship management.

Stakeholder relationship management

Unit PC3 – Attract and screen clients

This unit is about promoting the organisation's services to both new and existing clients, agreeing service details and completing letters of engagement. You are expected to conduct any vetting procedures and confirm that the organisation is able to act on behalf of prospective clients.

Element reference	Demonstrated behaviour and examples
Element 6 **Promote services to existing and potential clients**	Regularly promote the organisation's services to existing clients Ensure that clients are aware of new services that the organisation is able to offer Identifying cross-selling opportunities Take opportunities to promote the organisation in new markets or to prospective clients Ensure your key contacts are aware of the services the organisation can offer and the value that the organisation can bring to its clients Maintain a network of contacts with client specialisms that are different from your own
Element 7 **Evaluate potential and existing clients**	Record details about clients' businesses including the size and type of each business and their accounting function Obtain sufficient information from clients to confrim that their service requirements can be met without prejudicing the organisation's independence and/or objectivity Ensure that the organisation has sufficient resources and technical expertise available to meet clients' service requirements Ensure that professional clearance routines are conducted and satisfactorily concluded before engaging clients Review the existing client portfolio on an on-going basis
Element 8 **Agree service details and engage clients**	Discuss and agree all relevant details and an estimate of costs with clients prior to issuing an engagement letter Identify and agree clients' service expectations Follow internal procedures prior to acceptance of a new client Prepare and provide a letter of engagement to clients Preparing revised letters of engagement where services are altered/extended Terminate professional engagements where continuing to act would be prejudicial to the organisation

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Stakeholder relationship management

EXAMPLE 1

I am responsible for our firm's GDPR and have established a data sensitivity grading which is noted on all documents. Where information is noted as confidential or private it needs to be fully encrypted and shared via our secure server. I trained all our staff, explained the firm's data protection procedures, and arranged for everyone to complete a module to ensure their understanding of the procedures.

I have a client portfolio; I recently held a management meeting with my hospitality client to discuss their results. During the discussion it became apparent that they wanted to fund an expansion. I discussed the options around financing and potential for business grants. I introduced them to our Corporate Finance Partner, which helped the firm gain a government grant to fund the expansion and lowering their debt requirement.

I also have an objective to grow our fee and client base. To achieve this, I attend networking events. Recently I provided a free workshop to the local chamber of commerce on family business tax planning. Following the presentation, I introduced myself to several small business owners, resulting in several leads.

I arranged follow up meetings and converted some of the leads into new clients, including a local property developer and a family run engineering company. The success of this event gave me more confidence and drive to seek further opportunities to grow our firm.

EXAMPLE 2

In my position as head of client services, it was important to maintain effective relationships:

- I recently had a bank request my client's last 3 months accounts in order to support a loan application. I contacted the client first to ensure I had permission to share the details with the person making the request. The client confirmed it was okay to share the details. I therefore emailed the accounts over to the bank, ensuring the email was encrypted and marked as confidential as per firm policy.
- I attended a networking event in the local area and got chatting to someone who worked in a firm who specialised in probate services. This was something our firm doesn't currently offer, so we exchanged business cards and kept in touch. This proved valuable when a new client was looking for these services and I was able to recommend my new contact. This relationship has continued to grow and now we recommend this firm to any of our clients who need probate services.
- During onboarding of a new client, they advised they were looking for a variety of services – I ensured that I checked that we had the capacity to take on this client. I then provided a detailed quote to the client breaking down our fee for each of the services they required When the quote was accepted, I issued a letter of engagement and ensured this was signed prior to commencing any services.

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