



THE SPRINT TO AI

New research shows client service firms are scrambling to adopt AI — but bloated “Frankenstacks” and bad tools are blocking success.

THE AI OVERWHELM IS REAL

“Flying by the seat of my pants.”

That’s how most client service firms describe their approach to AI. The hype, the pace of change, and the sheer amount of fluff circulating online make it hard to know which tech to invest in, and how to keep AI-giddy clients happy right now.

We asked **1000+ senior leaders** from client service firms about their struggles with ‘Frankenstacks’ (bloated tech stacks), AI hype, and how they’re cashing in on the next big digital gold rush. Hold on to your undies, because you’re about to learn the truth about the silent saboteur of AI success — and how to fix it.



IN THIS REPORT



001	How ‘Frankenstacks’ cost you client work, and more
002	New client AI expectations to watch out for
003	The hidden data gaps that could sink your AI plans
004	The reason many client teams are hiding AI use
005	Simple, actionable steps to start your AI journey
006	+ Bonus insight on competitor strategy, spend, and sentiment





WELCOME TO THE AI GOLD RUSH

AI is here, and everyone wants a piece of the pie. Unlike other big digital ‘breakthroughs’ (ahem, Metaverse, NFTs, we’re looking at you), most people don’t see it as a fad — this time they know it’s the real deal. But while some are raring to get started, others are paralysed by FOMO. It’s not a question of *if* they should adopt AI, but *how*, and whether they’re falling behind in the AI land grab.

AI is obviously a huge opportunity for the client services sector. But there’s still a nagging feeling among many businesses that they’re not truly ready to grab hold of AI with both hands and run with it. Why? Most assume it’s down to the AI learning curve, but the truth is, you can’t win the AI race if your current tech setup is already tripping you up.

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**Do I want AI?
Absolutely.
Do I know how
to use it?
Not really.**

MESSY TECH MEANS MISSED OPPORTUNITIES

Half of the senior leaders we spoke to confirmed that, in the past 12 months, they've missed out on client work or revenue as a *direct* result of their tech. Ouch.

The results also show that tools are falling short of performing all the necessary tasks. There are two possible causes for this.

Number one: they haven't moved on from basic task management tools. Which used to work fine, but now their business is more evolved, they can't handle the real complexity of client work.

Number two: they've inadvertently built their business on a 'Frankenstack', a.k.a. layers of scattered software duct-taped together to get the job done. This usually starts out as one generic tool, which eventually becomes the beating heart of the monster, with a hodge podge of point solutions tacked on at the sides.

Ultimately, both scenarios wind up with the same result: teams get fed up, and revert back to the 'old reliables' — like spreadsheets. Which aren't exactly famous for helping win new business or revenue. And so the cycle of missed opportunity continues.

**50% blame
their tech stack
for lost revenue
or client work**



CLIENTS WANT YOUR WISDOM ON AI (EVEN IF YOU HAVE NONE)



Most businesses now use AI in at least some capacity. And clients know it. So they expect faster answers, sharper insights, and more personalised experiences — all without sacrificing accuracy or trust. They want proactive solutions, not just reactive services. And they want outputs to be cheaper, better, and faster.

This makes winning work (and keeping it) harder than ever. Plus, it seems that as expectations rise, budgets are falling, and there's more pressure to do the same or more work for less.

43%



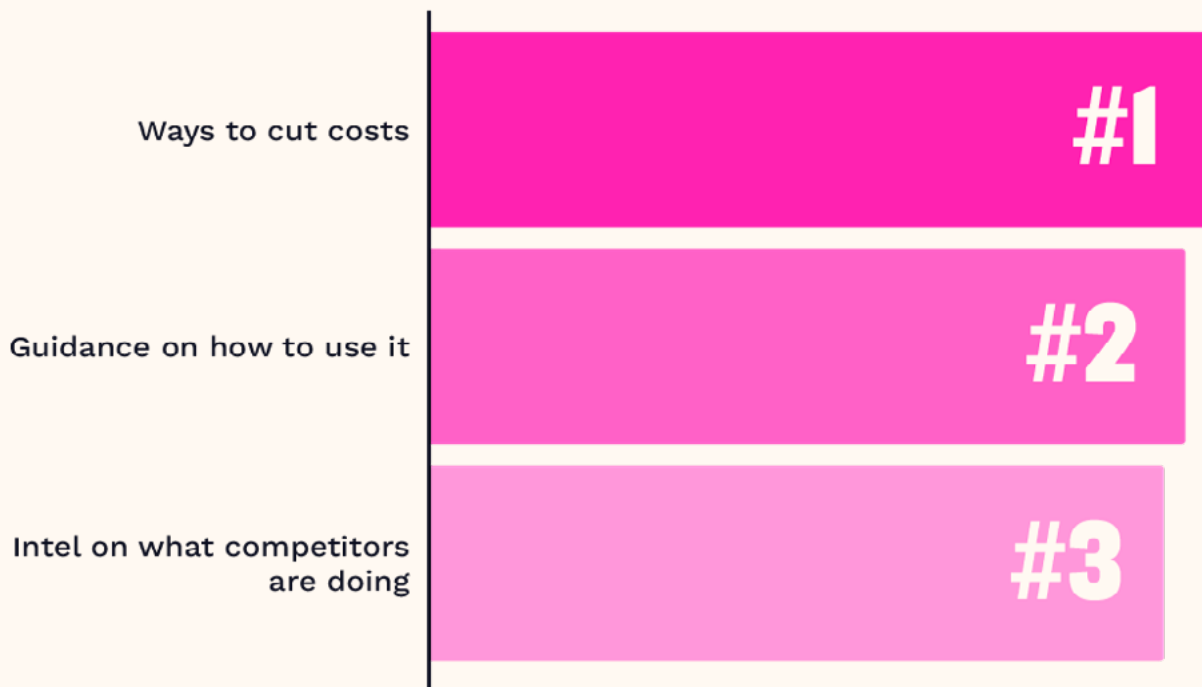
say clients now expect shorter timelines for deliverables

33%



say clients now think they can do more themselves with AI

Top 3 client asks about AI



With 33% saying their clients are more confident using AI themselves, there's also a new onus on project teams to demonstrate how they add value. And often, that means acting as a pseudo-AI consultancy service. Hardly anyone feels fully equipped to handle these new demands though, representing both a risk and an emerging opportunity for client service firms.

35%



say clients want help
leveraging AI

52%



said they feel ill-equipped
to support them



AI SHAMING, SCAREMONGERING, AND SHOWBOATING

Ahhh LinkedIn, the home of AI hype — and one of the main places people are getting their AI news. Feeds are awash with AI speculation-turned-gospel, so it's easy to understand why people feel worried about falling behind. Especially when it comes to choosing which tech to invest in.

Some AI tools are groundbreaking, like ChatGPT. Some features are just keeping up with the Joneses. And some are just AI Tokenism, or AI for AI's sake. For businesses, this makes it harder and harder to compare alternatives, to understand where you need that extra bit of wizardry, where the opportunities lie, or where it's just marketing fluff.

Right now, many folks feel AI-shamed because they aren't au fait with the newest and best tools to use. All they want to know is: *Am I ahead or behind my competition in the AI race?* We hear you, and we're here to help.

I feel on top of AI
- Said nobody

AI



What do you mean you're not using Perplexity yet?



Just built an AI workflow in 48 hours that'll change the world

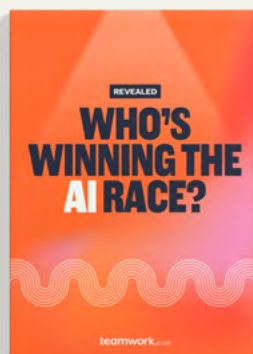


I used AI to write my wedding speech — here's what it taught me about B2B Sales

Are you ahead or behind with AI?

Get a peek at your competitors' AI homework

Get the report

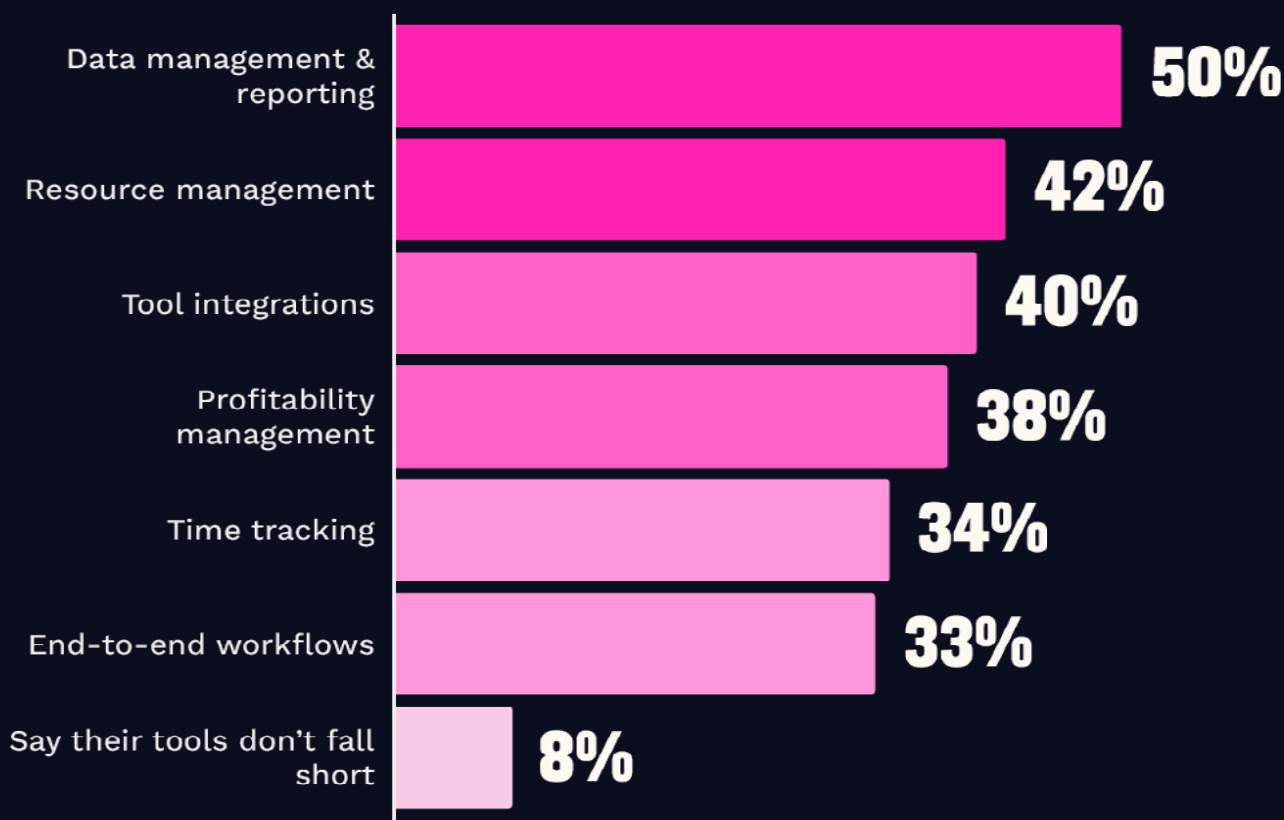


DATA BLACK HOLES ARE A GROWING CONCERN

In order to assess AI-readiness, we asked respondents to first evaluate how their *current* tools stack up when it comes to managing projects, people, profits, and more.

And the verdict ain't good.

Where teams say tools are falling short



Over 9 in 10 (92%) respondents say current tech is falling short, with data management/reporting (50%), resource management (42%) and integrating third party tools (40%) most commonly cited as the top failings.

92% say their current tech is falling short

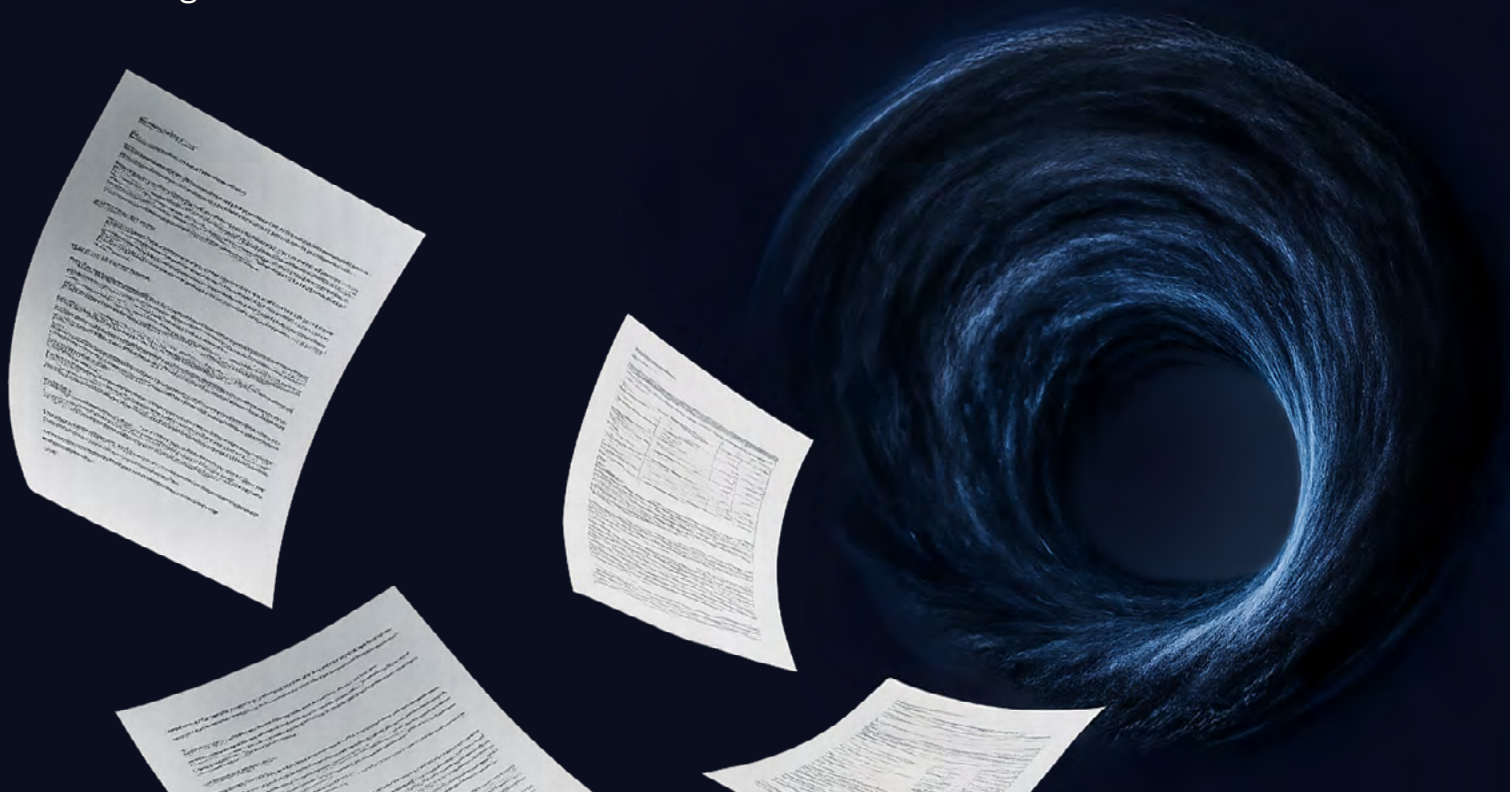
The reason? Like we said, most tools can't cope with the complex realities of client project delivery that go far beyond basic task management. The response? Pay for yet another tool to fill the gap. Our findings prove it: a whopping 58% confirmed they're now using 3-5 separate tools to get the job done. Over time, this keeps adding to the 'Frankenstack' — making it even harder to untangle.

When all these tools don't connect, the data becomes fragmented, creating blind spots that hide valuable insights and opportunities. Generic tools only make this worse, as they struggle with advanced reporting needs.

The true power of AI lies in working with unified operational and financial data, enabling smarter forecasting and better decision-making. But every additional tool you add scatters that data further, pushing more information into the abyss instead of unlocking its value.

**Only 1% can
manage data,
projects, profits,
and resources
in one tool**

**50% said data
management
is the biggest
problem with
their tech**





THE REAL COST OF THE REPORTING HAMSTER WHEEL

Obviously, issues with data management and reporting are never a good thing. But now, as businesses look to AI to spot new opportunities, it's becoming even more of a problem and a bigger cost to businesses, with some costs more obvious than others. For one, it comes with a hefty annual SaaS bill.

But here's the others:

1. The efficiency cost

Inefficiencies within teams mean lost revenue downstream. Just one example: tools that don't enable easy data and reporting cause highly skilled, expensive team members to spend more time on tasks that don't earn you a dime.

57% spend more time in the reporting hamster wheel vs. doing the work

2. The human cost

There's a real toll on your people. Chasing down missing data and fighting clunky reporting tools traps teams in a hamster wheel that never stops spinning. Deadlines slip, projects derail, and frustration builds. The result? Stress, burnout, and eventually attrition. It's not just annoying — it's a serious retention risk.

3. The client cost

And of course, let's not forget the impact on clients - the ones who pay the bill. The findings show that software gaps derail project timelines (33%), slow down reporting (30%), and even make it harder to manage client feedback (29%). And the kicker? The more tools you pile on, the worse the client experience becomes.

Where bad tech really hurts the client experience

33%

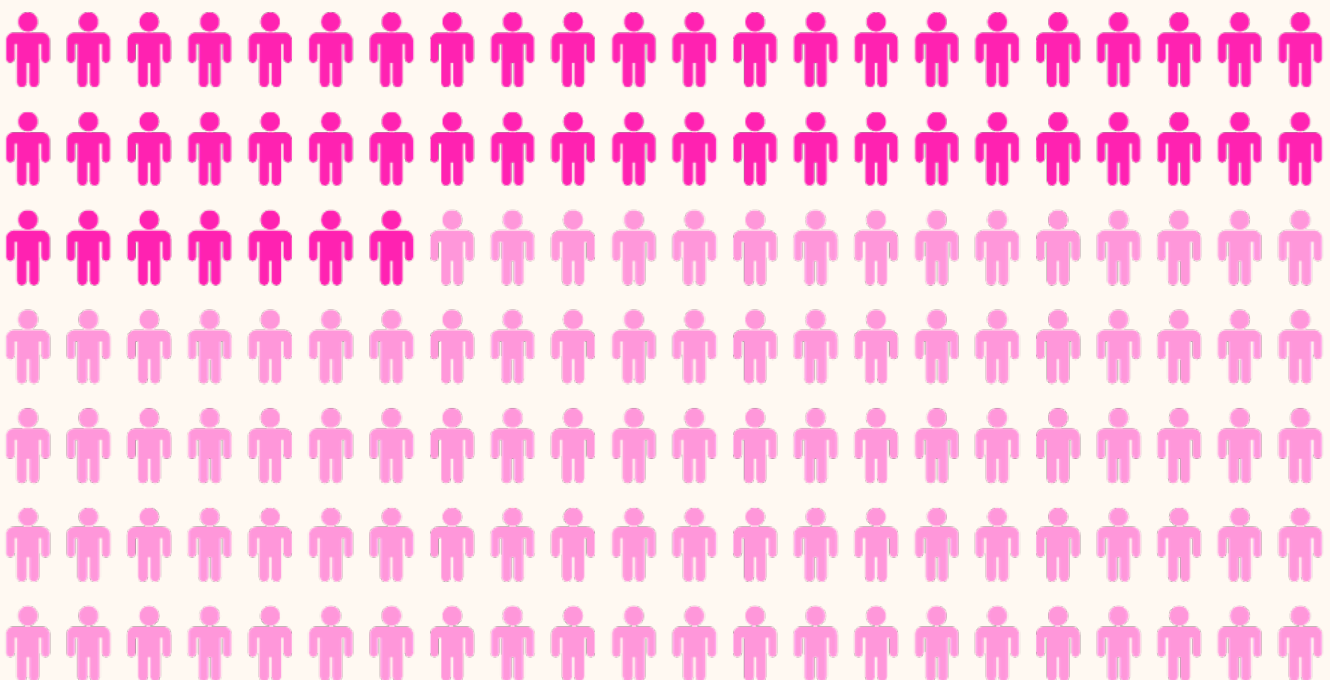


say they experience
derailed project timelines

30%



say they are frustrated
by slow reporting



AI: GARBAGE IN, GARBAGE OUT?

If big tech's mantra was 'move fast and break things', AI's should be 'move fast and *fix* things'. But although AI can do incredible stuff, it isn't a magic wand. With AI, you only get out what you put in. If your tech stack is a mess, adding AI on top is like putting lipstick on a pig. It'll still be chaos, only amplified, or potentially even worse as you layer AI on top of a messy foundation.

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Using AI to supercharge broken tech is like putting lipstick on a pig. It'll still be chaos, but amplified.

Scattered data? AI will churn out wrong answers. Fragile integrations or no single source of truth? AI will stumble — or worse, it'll give false signals. Slow or expensive systems? AI adds more layers and costs. No governance or permissions? AI will blow those gaps wide open. Broken processes? It can't automate what doesn't exist.

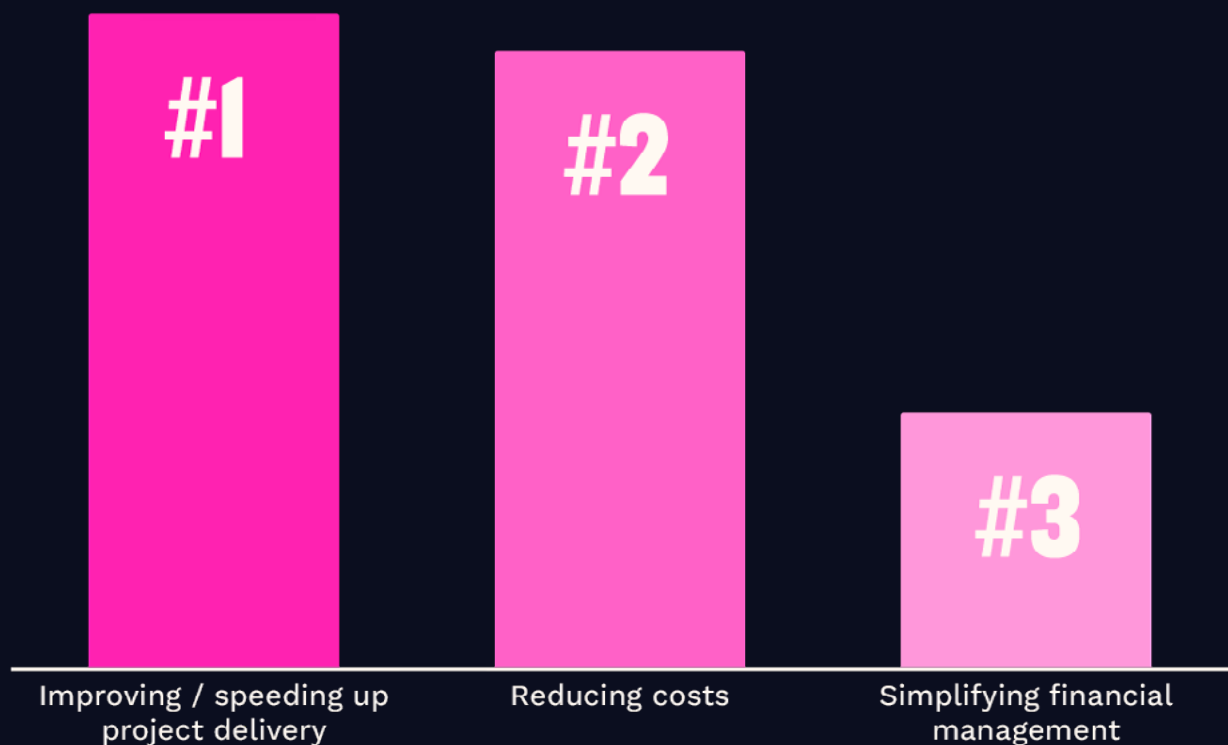
And if you can't accurately see what's happening inside your stack, you won't be able to figure out why AI is acting weird.



GREAT EXPECTATIONS: TIME, MONEY, AND FORECASTING

AI became widely available before anyone really knew what to use it for. Now it's here, everyone's scrambling to figure out the best ways to apply it, including in client services.

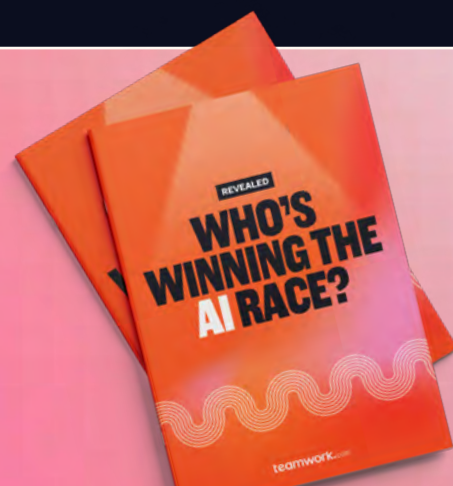
The biggest bets on AI success



Working on an AI Strategy?
So are your rivals.

Get the inside scoop on their plans.

[Unlock the findings](#)



BIG TAKEAWAYS

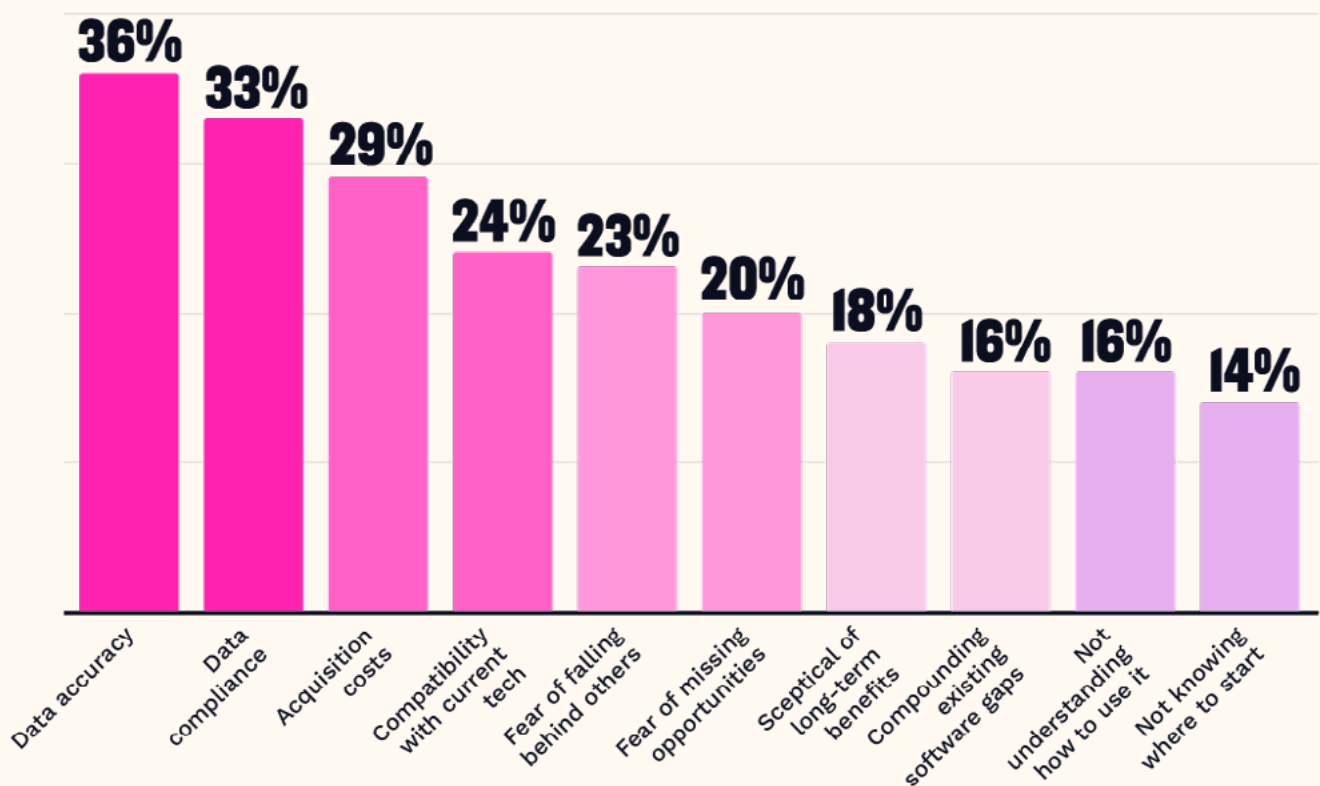
So, when asked what kind of opportunities they expect AI to unlock, respondents answered: ‘everything’. This points to a lack of strategy around AI and scattered approach that indicates uncertainty. But here’s our three big takeaways.

	<p>Time is on everyone’s mind</p> <p>People want AI to give them back more time and make things go faster. Whether that’s speeding up client project delivery times, or automating repetitive, low-value tasks, this is a big priority.</p>
	<p>Money comes next</p> <p>Clients want help cutting costs, so it stands to reason that businesses do too. Especially when it comes to tracking spend and assessing who, of the available team, makes most financial sense to assign to any given task. All this helps ensure profitability downstream.</p>
	<p>Humans still want to handle humans</p> <p>It’s really interesting to see that managing clients is the area respondents least want help with. This indicates that there are still things that humans want and need to handle, including other humans.</p>

But the results below show they're still worried too, and data emerges again as the biggest concern. Why? Because, according to experts, AI doesn't yet get an A in math — even the very latest iterations are still slipping up.

Regardless of which LLM you use, once AI goes beyond basic addition and subtraction, it's prone to making mistakes (and hey, who likes long division, right?). This is noteworthy for any general billing or forecasting needs, but particularly for accountancy firms, data-led professional services.

Top AI worries for client service teams



They're also concerned whether AI is even compatible with their current tool(s) — which makes sense given they don't think they're working right as is.

41%



say adding AI to their existing tech would be chaos

40%



feel their current tech stack isn't ready for AI

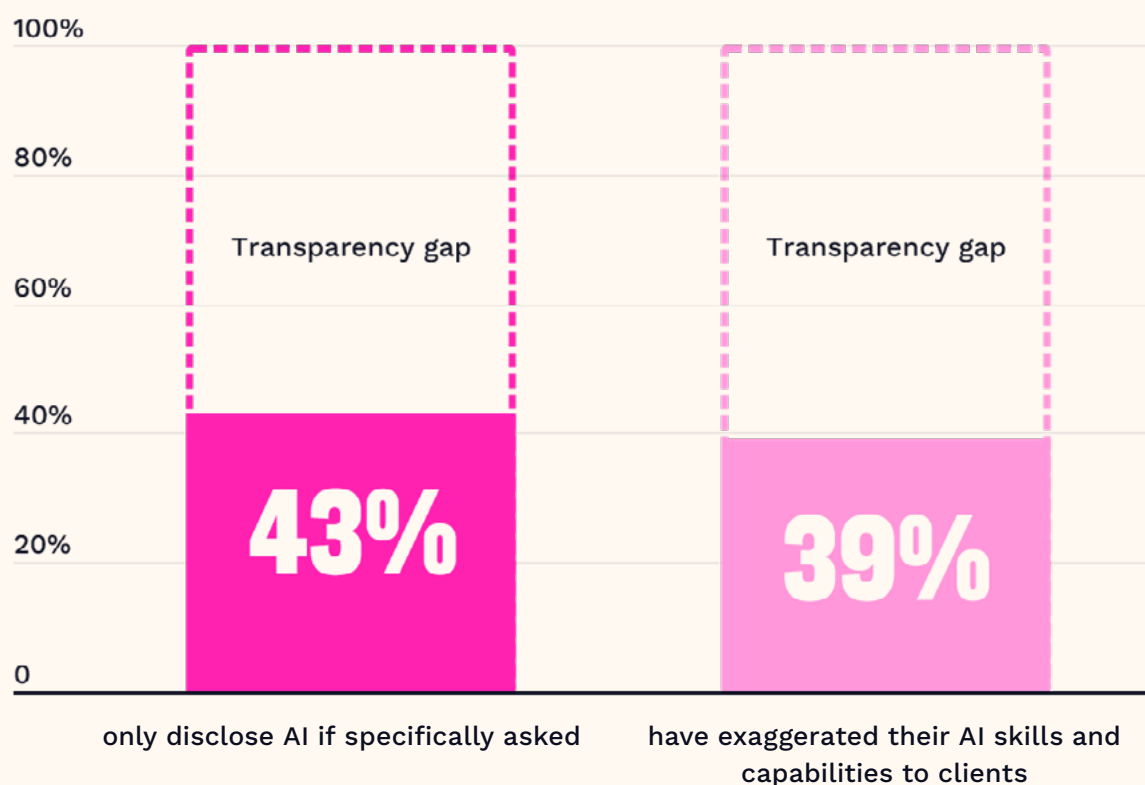
THE AI TRANSPARENCY GAP

Even though companies are now paying for premium AI tools, many individuals still feel that using them feels a bit like cheating. Plus, many agencies who specifically sell creative services don't want their talent to be attributed to AI. Perhaps that's why 43% said they only disclose when they use AI if a client specifically asks about it — or for fear this will spark demands for a slimmed down bill.

It was also interesting to see a large chunk of client-service firms feel the need to big up their AI skills and capabilities. This is understandable, given it feels now part and parcel of any technology and/or strategy conversations right now. This points to an AI transparency gap.

Businesses feel pressure to be seen to be using AI and offer strategic guidance about it. But when it comes to using it to save time, generate ideas, or cut costs, sometimes it's just simpler to say nothing to clients. It's a double edged sword.

The AI transparency gap



WHO'S AN **AI** SCEPTIC, AND WHO'S AN EARLY ADOPTER?

It's promising (and not surprising) to see that 37% are feeling optimistic about AI, with 19% hopeful that it can fix gaps in their existing software.

Optimism about AI is cross-generational. Younger cohorts associate it with empowerment and self-efficacy — they want to master AI. Middle-aged professionals are more results-driven, focusing on AI as a fix for existing pain points. Older respondents need reassurance about ethical impacts, risks, and real-world benefits.



HIGH HOPES FOR AI

37%

feel optimistic
about AI

A FIX FOR TECH GAPS

19%

want AI to fix gaps
in software



“I’m hoping it can fix the gaps in my current software” increases steadily from 18–24 to 45–54, suggesting that older professionals are more jaded by their current tools, and view AI as a welcome potential solution. Meanwhile, younger professionals are more bugged by hardware, with 15% of the 18-24 group citing they just wish the printer would work properly.

58%



confirmed they’re now using 3-5 separate tools to get the job done

“

**AI? I just wish
the printer would
work properly**
- Gen Z





WANT A PIECE OF THE AI PIE? DO THIS.

One of the key takeaways from these findings is that people know they have a problem, but they don't know what to do about it.

Don't panic, you don't have to dismantle your entire operating system before you can get stuck in with AI. But it would be a mistake to jump in without first strengthening your tech foundation.

Especially when you consider most businesses don't think their existing software is going to serve them, even in the medium term.

39%



don't feel their tech will support
their needs in 6-12 months

74%



don't feel their tech will support
their needs in up to 18 months

HERE'S THREE TIPS



Focus on tool consolidation

First address your operational backbone. Start consolidating and get software purpose-built for the type of work you do and that suits your unique needs: from project management, to resource management, to financial management. Data management and reporting capabilities are also critical.



Buy tech like you buy kids clothes

Be judicious. Choose tools in the same way you'd buy clothes for a toddler — anticipating growth and avoiding being caught out after 6 months. This is key to futureproofing your spend.



Beware of the false economy of the 'Frankenstack'

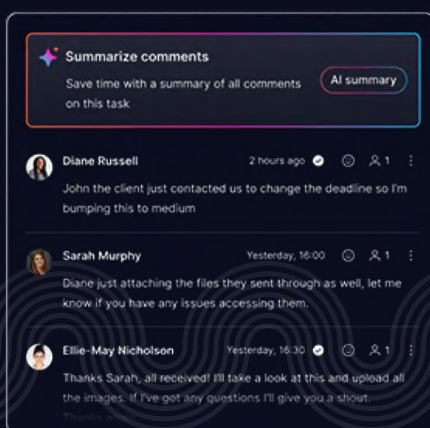
Businesses often avoid changing systems because they're worried about costs. But if you're paying for 3-5 tools that don't play ball together, this thinking doesn't add up. Not to mention, the opportunity cost of staying in a setup that you know isn't doing right by your business. Switching is easier than you might think, and it can be the first step in your AI journey.

TIME TO SYNC OR SINK

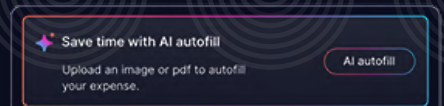
If you're reading this and thinking 'yep, that's us' — you're not alone. The good news is there's a way forward with AI that doesn't require a massive upheaval. And one that sets you up to win in this new era of AI. But now is the time to act.

For nearly two decades, [Teamwork.com](#) has been developing software designed specifically for the intricate complexities of client work — plus similar internal team needs. By using one easy-to-use yet comprehensive data-centric platform, our customers are now exceptionally well placed to get more from AI.

Because, like we said earlier, AI can only truly be as good as the technology that underpins it. If you've just realised you've got a 'Frankenstack' on your hands, we're here to help. Come see how our AI-powered platform can help you accelerate client success, and prepare you for the next era of project work.



AI Project Wizard



Ready for the future of
AI-Powered Client Work?

Watch a Demo