

INDUSTRY SPECIALIZATION AS AN ENGINE FOR GROWTH

Common Challenges To Industry Strategy Success and Best-in-Class Solutions

Focus

Specialize

Differentiate

Industry Is a Multi-Faceted Strategy

Industry specialization should be integrated throughout the firm

- **Service Offerings** Services' growth leverages industry expertise to win new clients and enhance and expand existing client relationships.
- **Firm Offices & Markets** will thrive by cultivating local industry talent while leveraging industry talent across other firm locations.
- **Recruiting and M&A** focus on strategic industry experienced hires and targeted M&A opportunities to enhance industries.
- **Sales, Marketing & GTM** create the institutional reputation of deep industry experts and thought leaders in the marketplace and within the firm community; **Sales Team aligned to industries.** Provide bonus incentives aligned to each BDs chosen industries.
- **Talent Development/Learning** Attracting and retain professionals by supporting career paths through industry specialization and investment in their training
- **Change–Communication-Culture** Shift the culture to raise awareness and adoption of the vision to grow the firm and its people through industry specialization.



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Challenges	Solutions
Prioritized over Industry when making staff assignments to industry engagements	
Talent Shortage – Since firms are resource constrained, highest priority is high utilization and billable time, resulting in limiting time invested in professional growth, and industry focused learning, networking and experience.	



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Challenges	Solutions
Office or Regional Managing Partners often own the P&L, which drives short-term results rather than long-term investment in industry	
OMPs and/or RMPs often given autonomy to reward partner behaviors and revenue results. The outcome can result in inconsistent standards applied across the firm, numbers driven versus behavior driven KPIs on partner scorecards, and undermines industry.	



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- **Recruiting and Corporate Development** focus on strategic industry experienced hires and targeted M&A opportunities to enhance industries

Challenges	Solutions
M&A and Executive Recruiting is so competitive that industry can't be prioritized	
Other business considerations override the importance of industry specialization considerations.	



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Challenges	Solutions
Incentives for Sales Team not aligned to motivate industry specific sales targets. Sales territories impede industry focus	
Marketing is handicapped due to a dearth of industry thought leaders and thought leadership	



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Challenges	Solutions
Soft skills trainings are often industry agnostic. Traditional training is highly technical or service line focused	
Resources constrained in HR, Talent and Learning shared services requiring trade-offs – shifting resources to industry learning takes resources away from existing learning strategies.	



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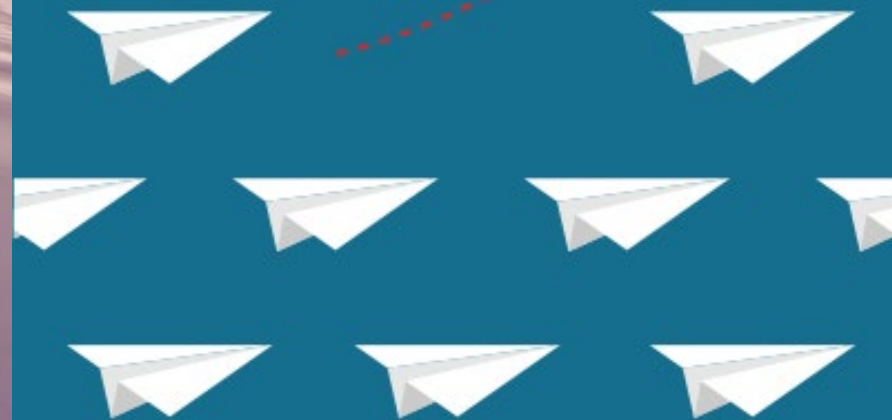
Challenges	Solutions
Highly successful “generalists” are firm leaders and role models.	
Change takes time and building industry specialization takes time. But firm leadership demands and rewards short-term results.	



THANK YOU

Accountants!
Go Narrow

Turn the Power of
Industry Specialization into
Profit for Your Firm



Alice Lerman, JD, MBA

