

# AT THE CROSSROADS EFFICIENT AND EFFECTIVE GROWTH

By  
Gale Crosley, CPA  
Crosley+Company  
"The Business Discipline of Practice Growth"





Exhibit A – Fat Cat

# COVERING THE FUNCTIONAL BASES

**Marketing**



**Product  
Management**

**Rainmaking**



# THE RAINMAKING PROCESS



# THE PRACTICE GROWTH MODEL<sup>SM</sup>

Marketing

1

Segmenting  
Targeting  
Positioning

- **Partner's role in marketing**



# THE PRACTICE GROWTH MODEL<sup>SM</sup>

Industry Niche Management

1



2



3

Segmenting  
Targeting  
Positioning

Lead  
Generation

Opportunity  
Development

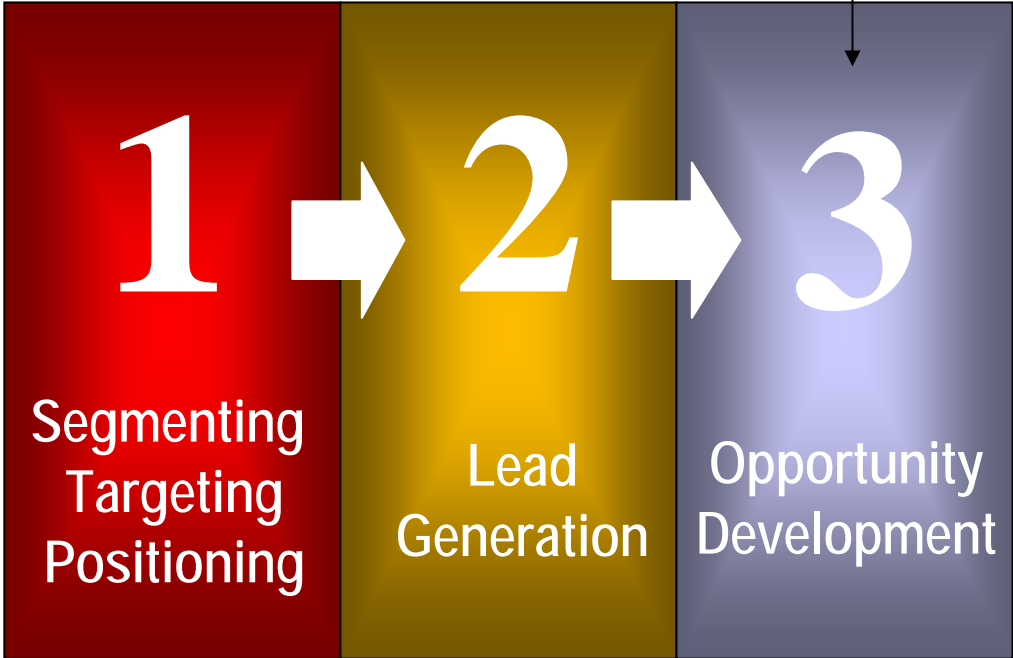
- Job of niche leaders
- How to develop niches



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# THE PRACTICE GROWTH MODEL<sup>SM</sup>

Large Opportunity Management



- Increase win rate
- Enhancing quality of pursuit



# THE PRACTICE GROWTH MODEL<sup>SM</sup>

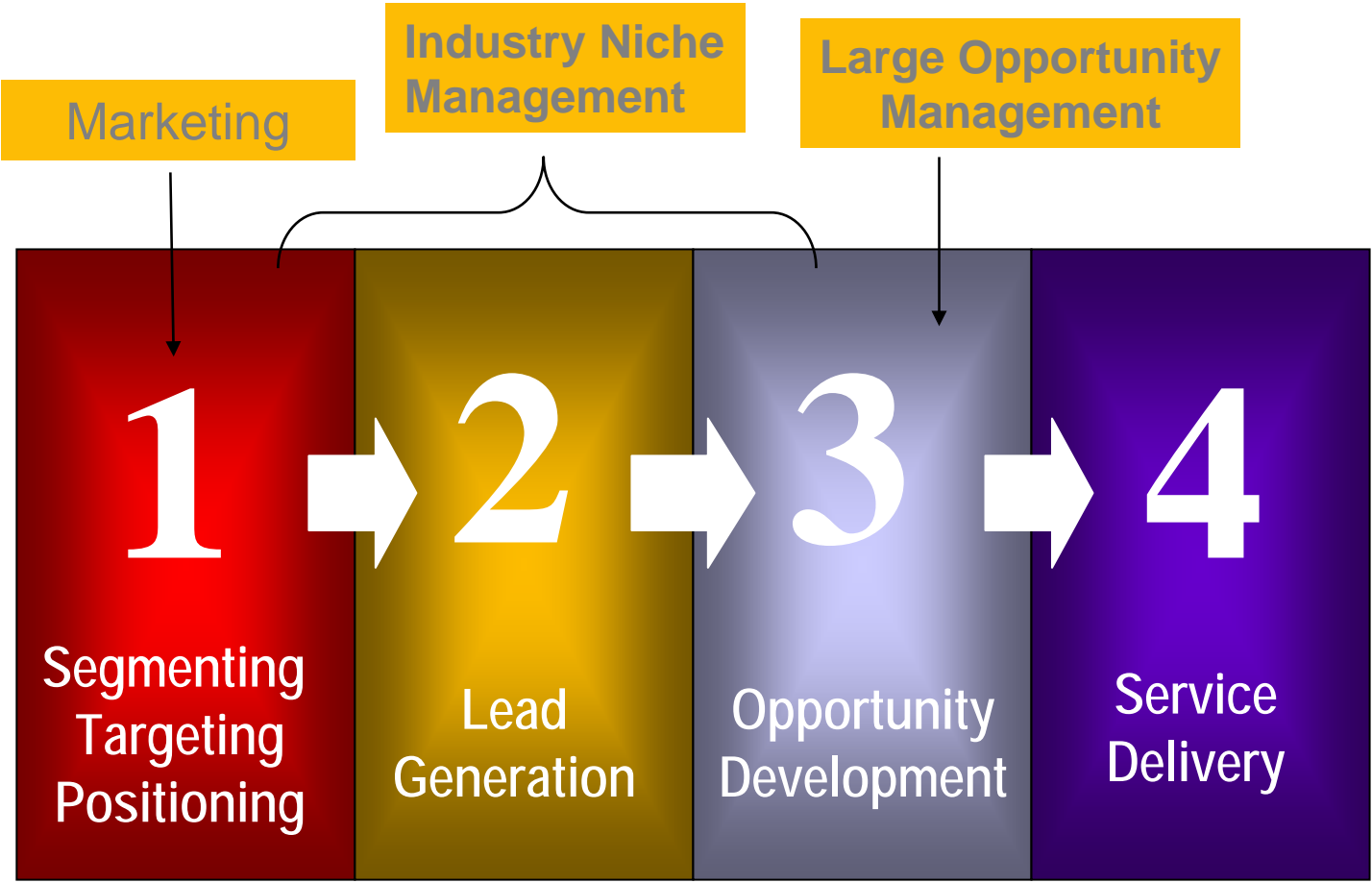
- Job of service line leaders
- How to develop and innovate services
- How to drive service line growth through industries



**Service Line Management**



# THE PRACTICE GROWTH MODEL<sup>SM</sup>



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**Marketing**



**Product Management**

**Rainmaking**

Marketing

Industry Niche Management

Segment  
Target  
Position

Lead  
Generation

Opportunity  
Development

Service Line Management



# BOOK OF BUSINESS MODEL

**Total Firm Revenue \$29,000,000**



**John**  
**\$1.5M**



**Denise**  
**\$.5M**



**Paul**  
**\$3.4M**



**Sharon**  
**\$.7M**



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# REVENUE SEGMENTATION MODEL

**Total Audit Revenue**  
**\$14,000,000**

**Total Construction Revenue**  
**\$7,630,000**



**Audit**  
**John**

**Construction**  
**Sharon**



**John**  
**\$1.5M**

**Denise**  
**\$.5M**

**Leslie**  
**\$3.4M**

**Paul**  
**\$.7M**



# INCONSISTENT NICHE PERFORMANCE

- On the Track



- Enjoying the Countryside



# REVENUE SEGMENTATION

Industries →	Industry	Industry	Industry	General	Total	% of Total	Ptr
Service Lines	Banking	Hospit'y	Construct				Leader
Assurance ↓	\$360	\$1,250	\$460	\$120	\$2,190	37%	John
General Practice	\$120	\$230	\$560	\$240	\$1,150	20%	Patrick
Tax	\$650	\$470	\$380	\$240	\$1,740	30%	Sue
BV/Lit Support	\$180	\$310	\$170	\$140	\$800	14%	Mark
Totals	\$1,310	\$2,260	\$1,570	\$740	\$5,880	100%	
% of Total	22%	38%	27%	13%	100%		
Partner Leader	Carol	Sam	Jack	Paul			



# BUILDING A SOLID FOUNDATION

- Knowledgeable segment builder
- Revenue growth goals
- Compensation tied to goals



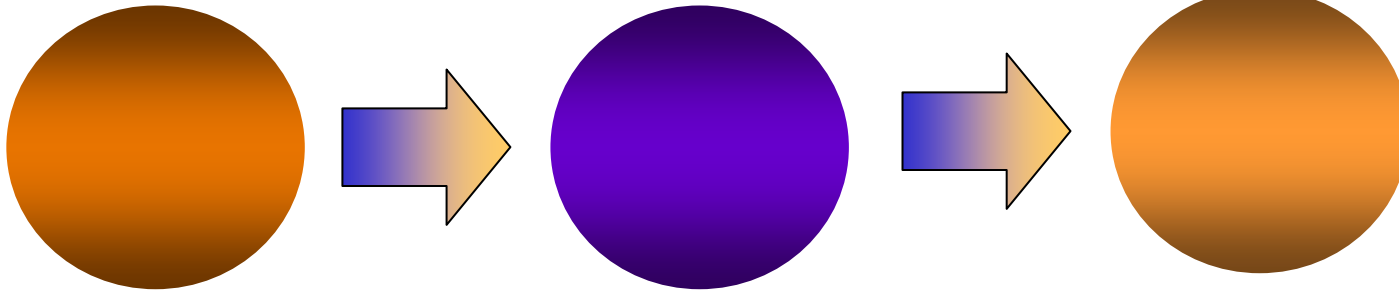
# PRODUCT MANAGEMENT

## Developing a Strategy

Services

Distribution  
Channel

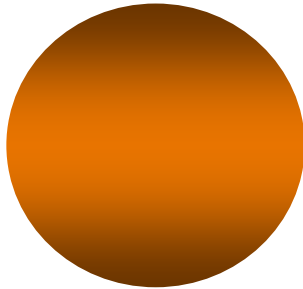
Target  
Prospect



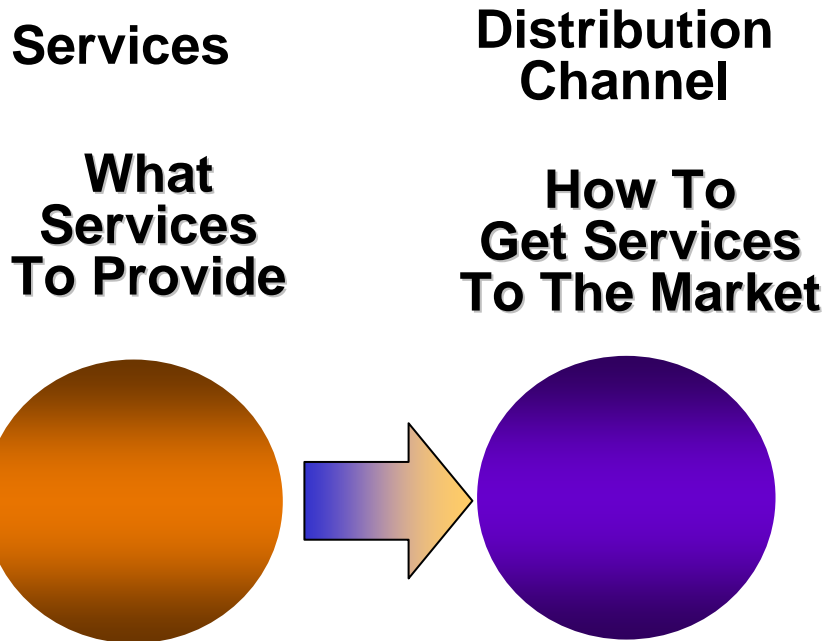
# PRODUCT MANAGEMENT

**Services**

**What  
Services  
To Provide**



# PRODUCT MANAGEMENT



# PRODUCT MANAGEMENT

**Services**

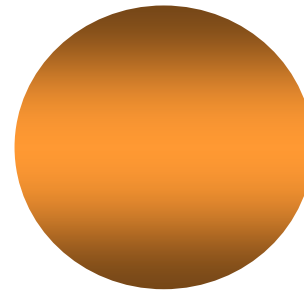
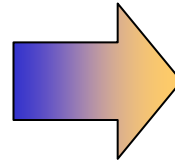
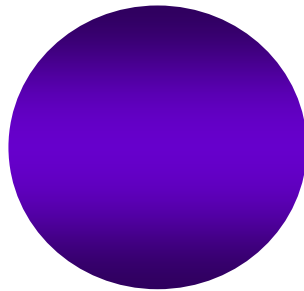
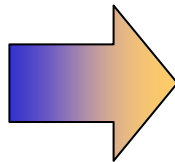
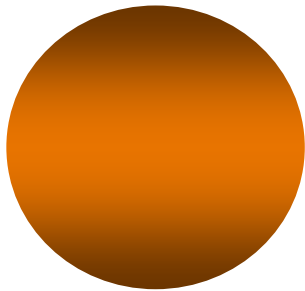
**Distribution  
Channel**

**Target  
Prospect**

**What  
Services  
To Provide**

**How To  
Get Services  
To The Market**

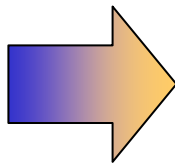
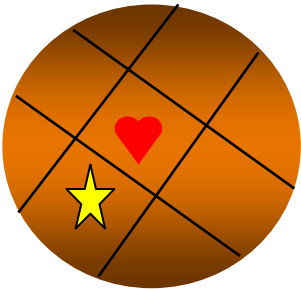
**Which  
Prospects  
To Get Them To**



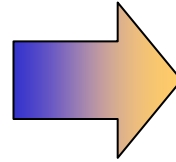
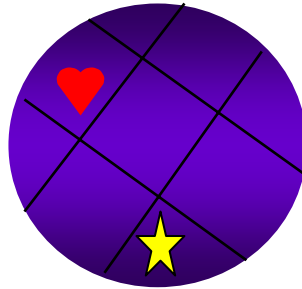
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# PRODUCT MANAGEMENT

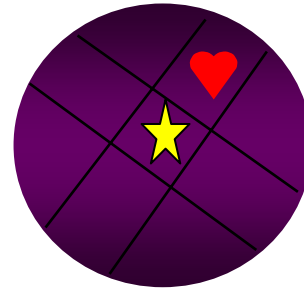
**What  
Services  
To Provide**



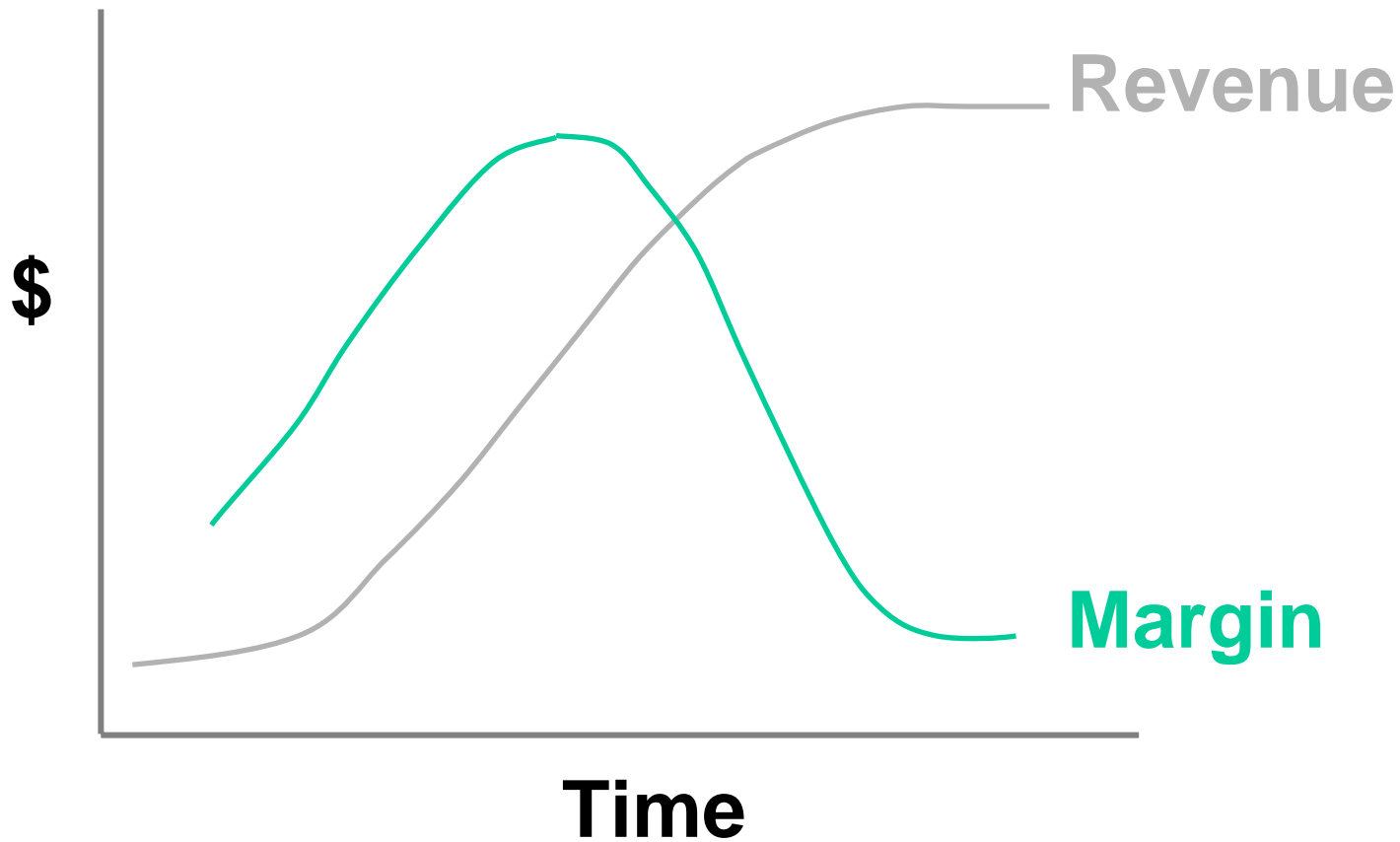
**How To  
Get Services  
To The Market**



**Which  
Prospects  
To Target**

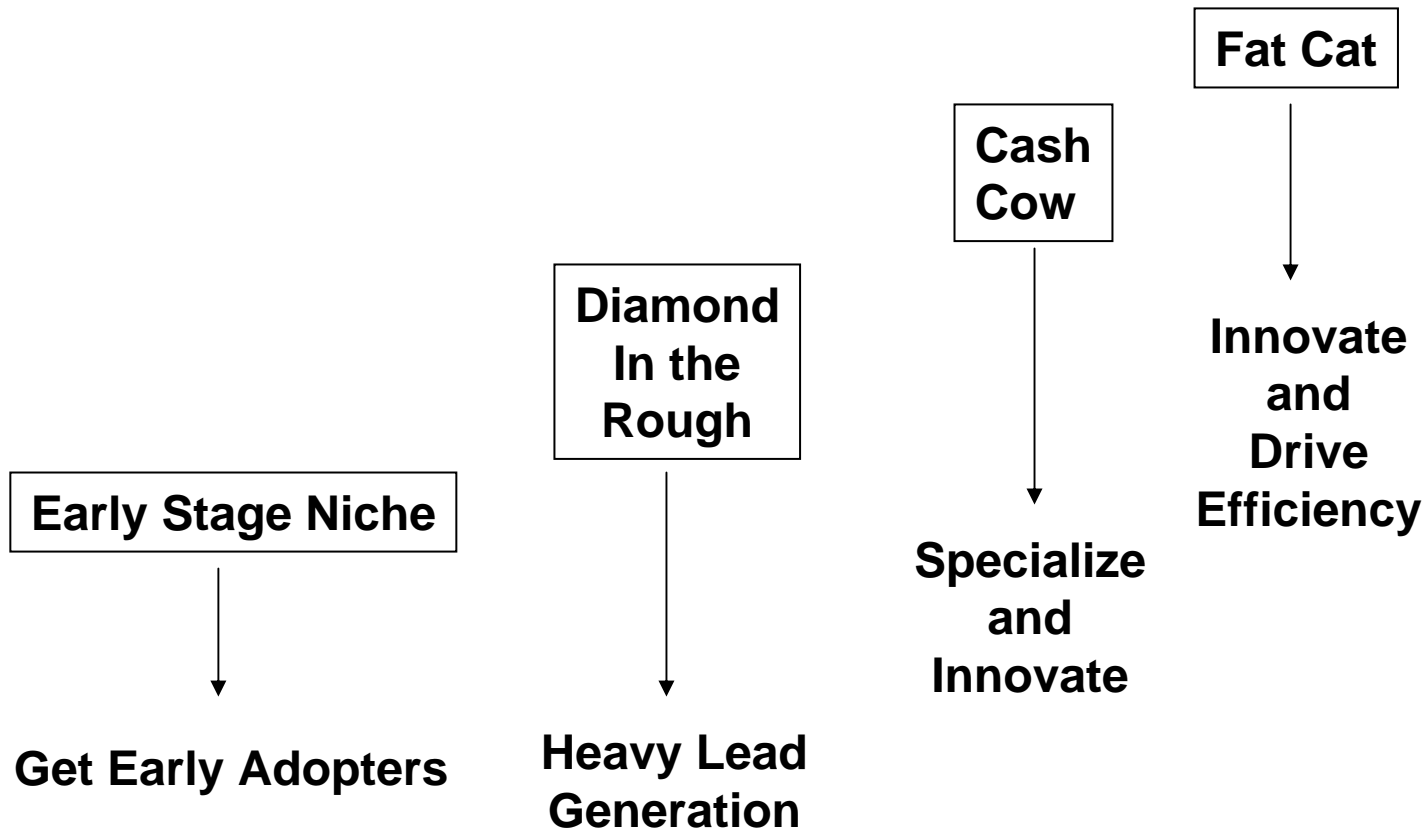


# LIFE CYCLES



# MANAGING YOUR SEGMENTS

## PRIMARY OBJECTIVES



# SEGMENT GROWTH

	% of Total	% Growth	Avg Trans Size 000's
Audit	31%	11%	\$4.4
Corporate Tax	32%	1%	\$2.2
Individual Tax	10%	-4%	\$ .5
Accounting	8%	11%	\$1.8
Other	18%	7%	\$2.0
Total	100%	6%	\$1.8
Manufacturing	20%	8%	\$12.0
Construction	16%	-3%	\$4.6
Healthcare	8%	12%	\$10.2



# THE PRACTICE GROWTH MODEL<sup>SM</sup>

Large Opportunity Management



# PIPELINE

*\$740,000 in Opportunities*

Top Opportunities	Partner	Lead Source	Description	Stage	Potential Revenue
Logicon	Johnston	Dixon-Attorney	Corporate Tax	Final	\$2000,000
Fairfield Comm	Murray	Crawford	Audit	Final	\$120,000
				<b>Total Final</b>	<b>\$320,000</b>
Farm Bid	Maxwell	Sun Trust-Copland	Valuation	Proposal	\$95,000
				<b>Total Prop</b>	<b>\$95,000</b>
Inter-Sport	Axton	Small & Wood	Financial Plan	Qualified	\$225,000
				<b>Total Qual</b>	<b>\$225,000</b>
Becks Beer	Small	Axton-neighbor	Cash Mgmt	Unqual	
College TV Netwk	Johnston	Murray-relative	Audit	Unqual	\$100,000
WCLO	Page	Powell	Not yet known	Unqual	
				<b>Total Unqual</b>	<b>\$100,000</b>



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# PIPELINE REVIEWS WORK!

Pipeline Review Date	# of Opport	Total Dollars
July 25th	79	\$1,340,900
August 8th	101	\$1,643,850
August 22nd	105	\$1,931,150
September 12th	109	\$2,252,300



# PIPELINE GROWTH

Large Opportunity Win Rate	55%
Number of Opportunities in Pipeline	67
Dollars in the Pipeline	\$1.2M
Pipeline Dollars as % of Annual Revenue	17%



“The way you develop opportunities  
*is* your competitive advantage!”

Gale Crosley, CPA



# SELLING “NEXT STEPS”



# GUIDING THE BUYER



# YOUR TRAINING INVESTMENT

3

Opportunity  
Development

2

Lead  
Generation

1

Segmenting  
Targeting  
Positioning

Foundation

**Nearer term  
return**

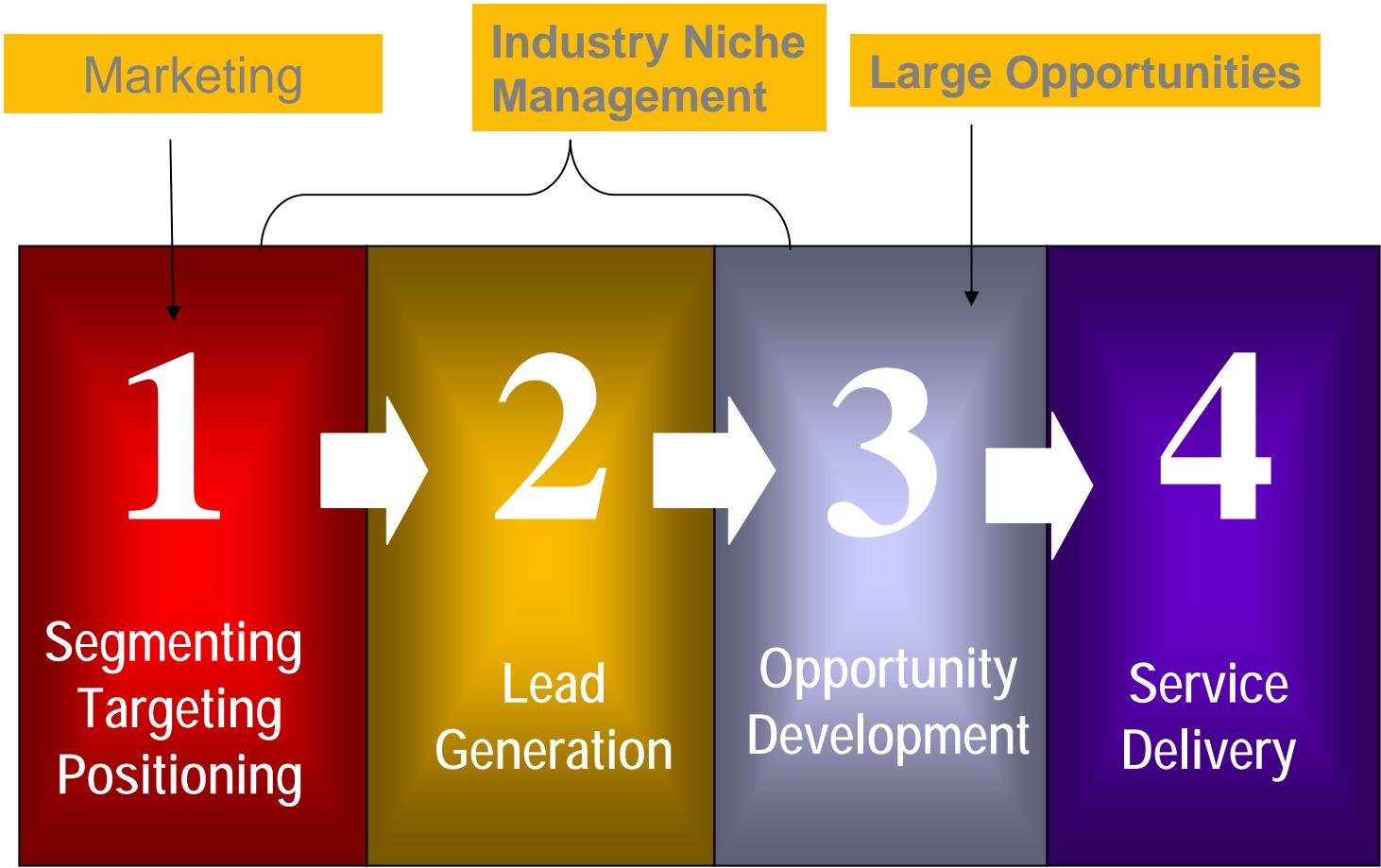


**Longer term  
return**



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# THE PRACTICE GROWTH MODEL



Service Line Management



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