

WHAT'S THE ONE THING, THE ONE ESSENTIAL INGREDIENT, FOR SOLID, SUSTAINING ORGANIC GROWTH?

The one most fundamentally right thing to do is *specialize*.

Why is it that specialization is the single most important strategy for IT services firms?

We think it's because what professional service practitioners are selling is trust and credibility. If the question is who to trust when buying an infrequent product or service that is complicated and expensive, the answer is you trust authority, and you trust evidence. The way you command authority and demonstrate evidence is by "doing the one thing for which you are naturally suited and doing no other," and doing it better than anyone else.

The other more practical reason, specific to IT services, is that your customers – already a skeptical bunch – are taking a harder line when it comes to selecting the IT services companies entrusted with managing their technology investments. The IT services companies that get their attention, and to whom they will grant an audience and award their business, will be those that can speak from a position of authority, with unqualified expertise and demonstrable proof-of-performance.

The three pillars around which an effective specialization strategy can be built are technology, vertical and geography. The key is to identify what combination of these pillars represents your best chance for success. The range goes from being a specialist in a specific vertical with a range of technologies to being a broad geographic

player with a single technology. Please be aware, however, it's not enough to just offer technical expertise around these technologies. You'll need to demonstrate that you have the requisite business acumen to justify the use of the technologies. But whatever you do, do not become a geographic generalist, which is to be anything for anybody, anywhere, and is the surefire path to nowhere.

The obvious advantage of a specialization strategy is that it separates you from the pack. You reduce the number of rivals and better insulate yourself from competitive

threats, you attract and retain better talent, you command higher billable and utilization rates from buyers who are less sensitive to price for effectively differentiated products and services, you generate greater demand more efficiently, thereby increasing revenue and profit, and you significantly enhance the value of your company.

If you're looking for some perspective on how to create a specialized offering, please contact Revenue Rocket's CEO, Mike Harvath at 612-298-7737, or via email at mharvath@revenuerocket.com.

