

Well Positioned for Growth

An Interview with Barry Salzberg, Chief Executive Officer, Deloitte LLP

EDITORS' NOTE Barry Salzberg was elected to his current post in June 2007, after serving as the U.S. Managing Partner from 2003 to 2007. He also is a member of Deloitte's U.S. Board of Directors, the Deloitte Touche Tohmatsu Global Executive Committee, and the DTT Global Board of Directors. He joined Deloitte in 1977 and was admitted as Partner in 1985. He has since held a variety of leadership roles including Tri-State Group Managing Partner from 1996 to 1999 and National Tax Deputy Managing Partner from 1999 to 2000. In 2000, he assumed full leadership of the Deloitte Tax LLP practice, which included regional responsibility for the Americas tax practice. Prior to his leadership roles, Salzberg was a lead client service partner and tax partner and became an acknowledged authority in the areas of personal tax and partnership tax matters. He is a member of the New York State Bar Association and the American Institute of Certified Public Accountants. Salzberg received his undergraduate degree in Accounting from Brooklyn College, his J.D. from Brooklyn Law School, and his LL.M. in Taxation from New York University School of Law.



Barry Salzberg

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Were you surprised at the speed and severity of the global economic crisis, and where do you see us today in regard to recovery?

I wouldn't say I was surprised by the global economic crisis, but we certainly didn't expect to see the level of severity. We actually began planning for the downturn in 2006, including a

worst-case scenario that anticipated a severe downturn. This planning proved essential in helping navigate our organization through the recession.

I believe we have essentially reached the end of this economic crisis, but I see a longer road ahead for the recovery. It is important that businesses remain cautious while still capitalizing on strategic opportunities that may help them grow. For example, we made a bold move in 2009 when we acquired substantially all of BearingPoint's public sector practice.

What impact has the economic crisis had on Deloitte's business, and how is the firm positioned for growth?

Clearly the economic crisis has had an impact on our organization; it forced us to realign talent with business demands. Certain service lines slowed and, in some instances, saw declines in growth, mainly due to the fact that some of our large client organizations virtually stopped or significantly decreased their spending on professional services. However, other parts of our portfolio, like our consulting practice, continued to grow and outperform our competitors.

Overall, I am proud of our performance in FY10. We managed to close our fiscal year with a slight increase over last year through our strategic actions and investments in bold plays that fed our growth.

Deloitte is well positioned for growth as the economy begins to rebound. Our plan is to drive growth by focusing on four key objectives including continuing growth as the market leader, focusing on providing quality services and developing the best talent, broadening our services and reach, and driving "as one" behavior cross borders.

How important is corporate responsibility to the culture of Deloitte?

Corporate responsibility is an inherent quality of any sustainable business and especially for organizations like Deloitte, where being worthy of public trust is essential. We see it as a strategic imperative that is critical to both our people and our clients.

Our approach to corporate responsibility starts by looking inward to our values and our people. Unlike the world around us, Deloitte's core values have not changed, and provide both a moral compass and the institutional strength that allows us, with confidence and conviction, to go where our responsibilities lead us.

Beyond the borders of our workplace, our commitment to corporate responsibility includes the advice we provide to others. Deloitte's Sustainability & Climate Change practice allows our people to not only live the values of sustainability in their personal lives, but also as their chosen profession by helping our clients make their organizations more sustainable.

How do you focus your philanthropic efforts, and do they align with Deloitte's business strategy?

At Deloitte, we're committed to helping people and communities thrive by using our best thinking to build stronger nonprofits. It is very important that our community involvement programs align with business strategy, and we believe community involvement is good for society and good for business.

We essentially help our communities and people thrive in three ways: First, Deloitte uses its best thinking to help nonprofits with strategic, operational, and financial challenges so they can help more people and communities faster and better. Our people use their professional talents to help nonprofits in many ways including pro bono account work, nonprofit board services, and skills-based volunteerism.

Second, Deloitte complements its best thinking with the financial resources needed to help people and communities thrive. We provide large-scale national grants and regional donations and place emphasis on programs committed to increasing college access for low-income students.

Finally, Deloitte shares its best thinking to spark advances in supporting communities and skills-based volunteerism through advocacy, awareness, influence, and example. We regularly create and share new research, content, and insights on ways organizations can leverage skills-based volunteerism. In addition to building a healthy environment for a business to operate in, the benefits from helping the local community can be even more immediate. It helps communicate what a company stands for; it helps attract, develop, and retain talent; and it helps us showcase our values and our talents in the marketplace. Our best opportunities for community involvement are when the social impact and the business value come together in a way that allows us to use our best thinking to help people and nonprofit organizations thrive – that's really the beauty of our emphasis on skills-based volunteering. ●