

# Breaking new ground:

What it takes to open an  
innovation center in a new market

Establishing an innovation center in a new market is a bold and ambitious endeavor, offering immense opportunities alongside unique challenges. Success in such a venture requires meticulous planning, a long-term vision, and a commitment to operational excellence from the outset. Drawing on insights from global expansion experiences, this article explores the key considerations for navigating market entry, building credibility, and achieving operational excellence from day one.

#### Defining a strategy and building a multi-year investment case

Before breaking ground, the foundation of any successful market entry lies in a robust and comprehensive strategy. This strategy must align with the overarching goals of the organization while addressing the specific needs and opportunities of the new market. It is not just about establishing a physical presence but about integrating the new entity into the broader delivery model, ensuring its value proposition resonates with clients, employees, and stakeholders.

A well-defined strategy should articulate the firm's unique capabilities, target market, and long-term growth trajectory. This clarity not only guides investment decisions but also ensures alignment with the organization's broader objectives.

Significant upfront investment is often required to bring such a vision to life. A robust multi-year investment case is essential to secure the necessary resources and demonstrate the long-term value proposition. Beyond the tangible costs of securing office space, renovations, and operational overheads, the most substantial investment is often in talent acquisition. Building a skilled and motivated team is the cornerstone of success.

Treating the establishment of the firm as a project in its own right is a critical success factor. This involves creating multiple workstreams, each with dedicated leadership, integrated plans, and strong governance. This structured approach ensures that every aspect of the setup is meticulously planned and executed.

#### Maximizing location potential

Selecting the right location is a pivotal decision that extends beyond the physical office space. It requires a thorough analysis of factors such as talent availability, infrastructure quality, cost of doing business, and government support. Engaging with local government agencies and understanding their incentives can significantly influence the decision-making process.

Conducting comprehensive site visits and benchmarking against existing and emerging competitors provide invaluable insights into the local landscape. This hands-on approach helps identify potential challenges and opportunities, ensuring that the chosen location aligns with the firm's strategic objectives.

#### Navigating local realities and building credibility

Success in a new market hinges on understanding and adapting to local realities. Experienced local leadership is essential for navigating regulatory hurdles, cultural nuances, and operational challenges. Local leaders bring invaluable knowledge, networks, and insights, enabling the firm to respond effectively to market shifts and disruptions.

Complementing local expertise with experienced personnel from established offices ensures the seamless transfer of best practices and the embedding of the organization's culture. This dual approach fosters collaboration and accelerates the integration of the new entity into the broader organization.

Early project success is critical for demonstrating the firm's capabilities and building credibility. Engaging key stakeholders in initial projects generates valuable feedback and showcases the firm's value. Proactively promoting these successes through case studies, client visits, and participation in industry events builds confidence and trust, attracting new business and solidifying the firm's reputation.

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#### Cultivating a thriving culture and balancing sustainable growth

Establishing a strong organizational culture from the outset is non-negotiable. This involves defining the values and behaviors that will shape the firm's identity while incorporating local nuances to foster inclusivity and belonging. Leadership plays a crucial role in embodying and promoting these values, ensuring they are embedded in the organization's DNA.

The initial hires are instrumental in shaping the culture and setting the tone for the organization. Careful selection, comprehensive onboarding, and ongoing mentoring are essential to building a cohesive and motivated team.

Sustainable growth requires a balanced approach that considers both business needs and employee well-being. Expanding capabilities and headcount should be done strategically, ensuring that employees remain engaged and challenged. Providing ongoing professional development opportunities and fostering strong relationships with key stakeholders are critical for maintaining morale and building a positive reputation in the local market.

Proactive engagement with local educational institutions and universities is another key strategy for building a robust talent pipeline. By promoting the firm's technical capabilities and career opportunities, the organization can attract top talent and establish itself as an employer of choice in the new market.

#### A long-term perspective

Establishing an innovation center in a new market is a complex and demanding journey. It requires meticulous planning, significant investment, and an unwavering commitment to building a strong team and culture. Success is not achieved overnight but through a sustained focus on strategic location, talent acquisition, operational excellence, and brand building.

With the right approach, an innovation center can not only establish a thriving presence in a new market but also contribute significantly to the organization's overall success. By fostering innovation, creating opportunities for local talent, and delivering exceptional value to clients, the firm can become a cornerstone of the local business landscape and a key player in the global market.

Breaking new ground is never easy, but with the right strategy, commitment, and vision, it is possible to turn challenges into opportunities and lay the foundation for long-term success. 

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