

## EXECUTIVE PROFILE

# Matt Armanino wants family business to focus on tech

Matt Armanino took the reins of the accounting firm Armanino from his brother Andy Armanino at the start of 2019. Their father founded the firm in 1969. Matt joined the firm in 2008 as chief operating officer. He previously worked as a lawyer before moving into the tech sector, working in the 1990s at Peoplesoft, where he saw the company's employee roster jump from 500 employees when he joined to 8,000 when he left a few years later. He also held senior executive roles at Zebra Technologies and WhereNet. He's tried to implement a faster-paced, tech-friendly mindset at Armanino.

**How's business?** Business is great. We're budgeting for 15.5 percent revenue growth this year, up from 12 percent growth last year. Over the past year, we created a new cryptocurrency practice and blockchain lab. That's been a cutting-edge area, where we've enjoyed a lot of growth.

**What's going to change at your company in the next year?** No change is having a greater impact on the markets and our clients than technology, including artificial intelligence, robotics, data analytics and automation. Companies are asking whether the technology is a threat or opportunity. That technology is also affecting our own industry.

**How is the accounting landscape changing?** There are two camps for firms like Armanino. One camp, in my mind, is putting their heads in the sand. They're hoping the changes won't affect them. The strategy of those firms is that what they've done in the past to drive their success will drive their future success. That's a bad strategy. The second camp sees the changes as real and is embracing those changes as an opportunity to transform their businesses. Armanino is definitely in the second camp. We want to see ourselves as leaning into change. I'm a big fan of Jeff Bezos at Amazon.

**What really strikes you about what Bezos has done?** He was once the largest online bookstore. Today, Amazon is the largest U.S. retailer. They've not only changed the world of retail, they've changed the entire world. I refer to it as the "Amazonification era" that we're



TODD JOHNSON

## MATT ARMANINO

**CEO and managing partner,**  
**Armanino**

**HQ:** San Ramon

**First job:** Butcher shop in San Rafael, cleaning the machines in back.

**Education:** B.A., business economics, UC Santa Barbara; J.D., Santa Clara University School of Law.

**Residence:** Danville

living in, where every customer and every client's expectations of what they want, how they want it and when they'll get it has been transformed.

**Guiding principles for good management?** We're an entrepreneurial firm. I've always had a philosophy that if we don't do it, someone else will. As a kid, I was afraid if I didn't eat my lunch someone else was going to eat it for me.

**Best way to keep competitive edge?** One way is to be customer obsessed and staying close to clients. Customers will tell you what you need to do to remain competitive. Companies that are focused on unique differentiation and how they're going to embrace big external trends are going to be competitive.

**Why do people like working for you?** People see me as a motivator and supporter of their personal growth. I encourage leadership and empowerment. I want to give people the space to win and build their careers.

**Why do people not like working for you?** I work at an incredibly fast pace and it can be demanding for people to keep up with me and where our vision is taking us.

**Best business decision?** The last place I thought I'd end up is Armanino. I grew up with the firm. Sometimes life conspires to give you what you need and not what you expect. I joined as our COO and as a leader to build our consulting practice. At the time that was a very hard decision, but it's unquestionably the best decision I've ever made.

**Hardest lesson learned and how you learned it?** Individual performers can be superstars and can have a positive impact on the organization, but their impact at the end of the day will be smaller than if they learn to transform themselves into a leader of people and teams and drive bigger impact through others.

**Toughest business decision?** The toughest decisions always involve people. In one case I had to let go of a high-performing person who didn't walk the walk on our company culture.

**Like best about job?** The ability to work with wickedly smart people.

**Like least about job?** There isn't much. If I had to nit-pick, it would be having to wait for change to permeate the organization as we get larger.

– Mark Calvey