

The Operational Plan for CFOs to drive Growth AND Cash-Flow



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CFNO

CFGROW

What has Evolved

- **Stages of Growth**
- **The shift from Investor Value to Customer Value**
- **The Business Funnel**
- **What Boards now want to see**
- **How to deliver**

Process Maturity Lifecycle

Stage	Use of funds	What to accomplish	Financial Processes	Key measure
Sale or IPO	Expand product line, go global, acquisitions	Move to adjacent markets and geographies	Acquisitions, International, Compliance	Net Profit
Series C-F	Grow to \$100M in gross profit	Predictable, Profitable, and Repeatable	FP&A and Customer Success	Gross Profit
Series B	Prove Net Expansion Revenue Model	Customers buying 2nd and 3rd time	Amendments, rev rec, closing, forecasting	CMRR per Customer
Series A	Prove revenue model	Growing 100%	Automate cash-flow and billing	Unit Economics
Seed	Product market fit	10 ecstatic customers	Manage cash & payroll	Cash

Investor Value

Customer Value

The easier route

The harder route

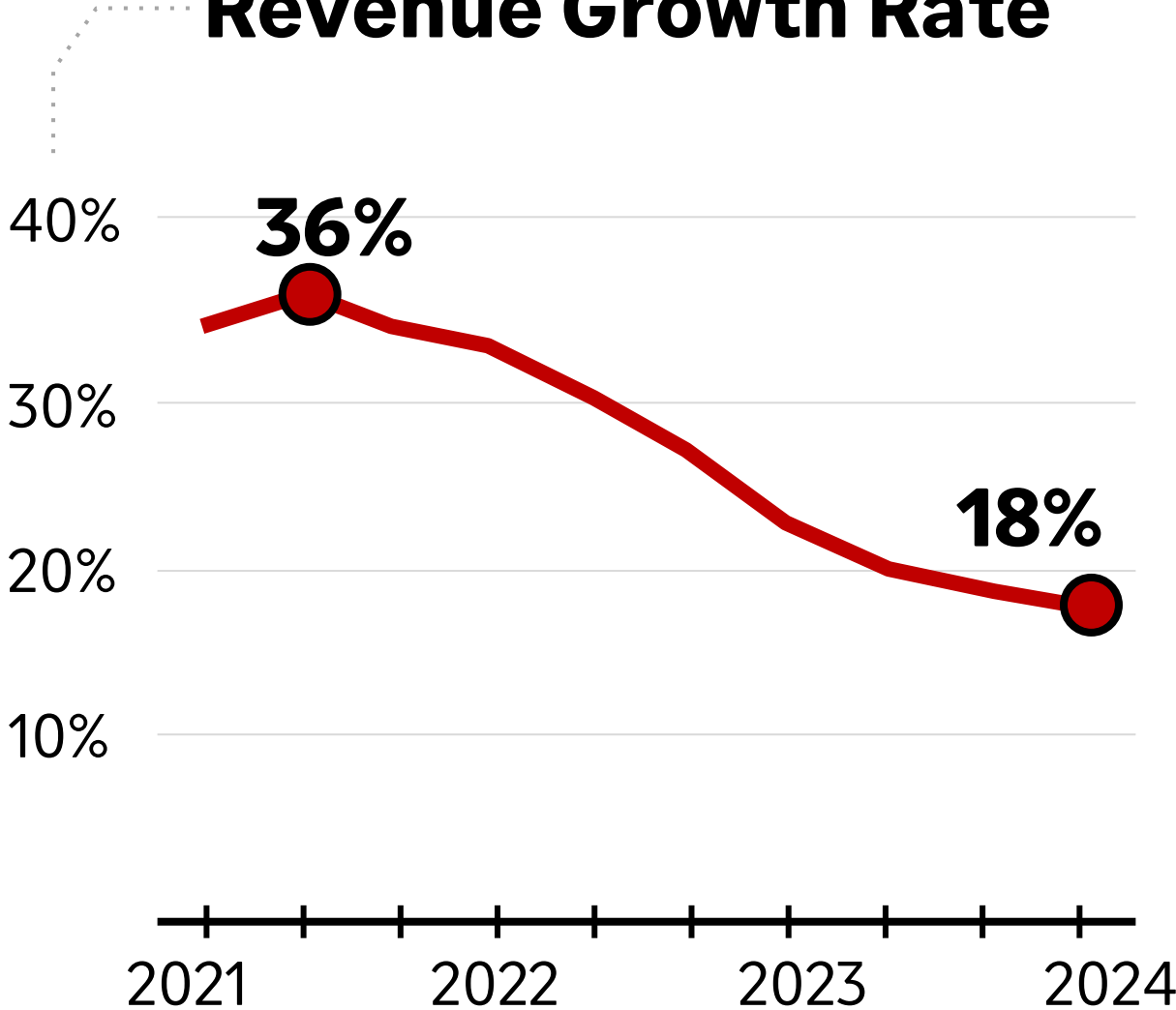


Grow at all cost

Since the summer of 2021, growth rate for high growth technology companies has been cut in half...



Annual Revenue Growth Rate



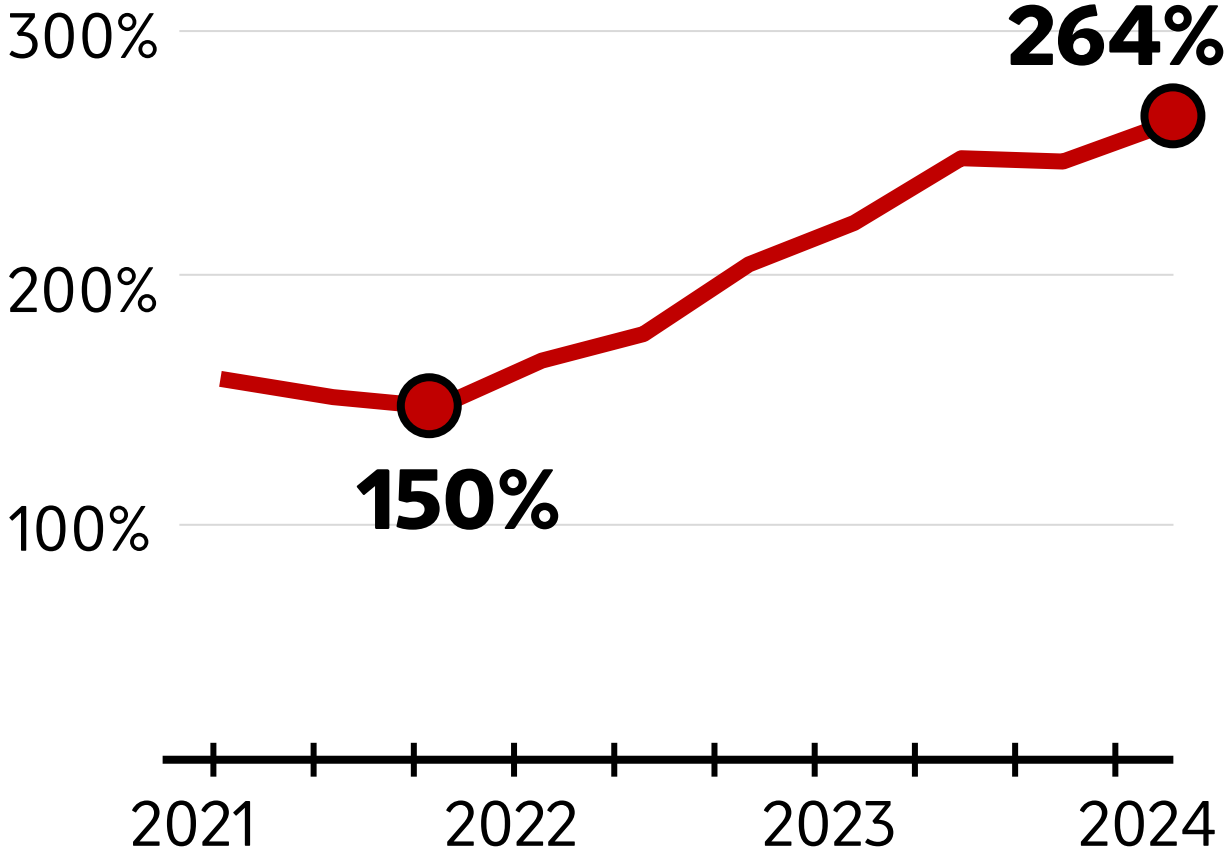
Grow at all cost

...and the cost of acquiring new ARR has nearly doubled.



Client Acquisition Cost

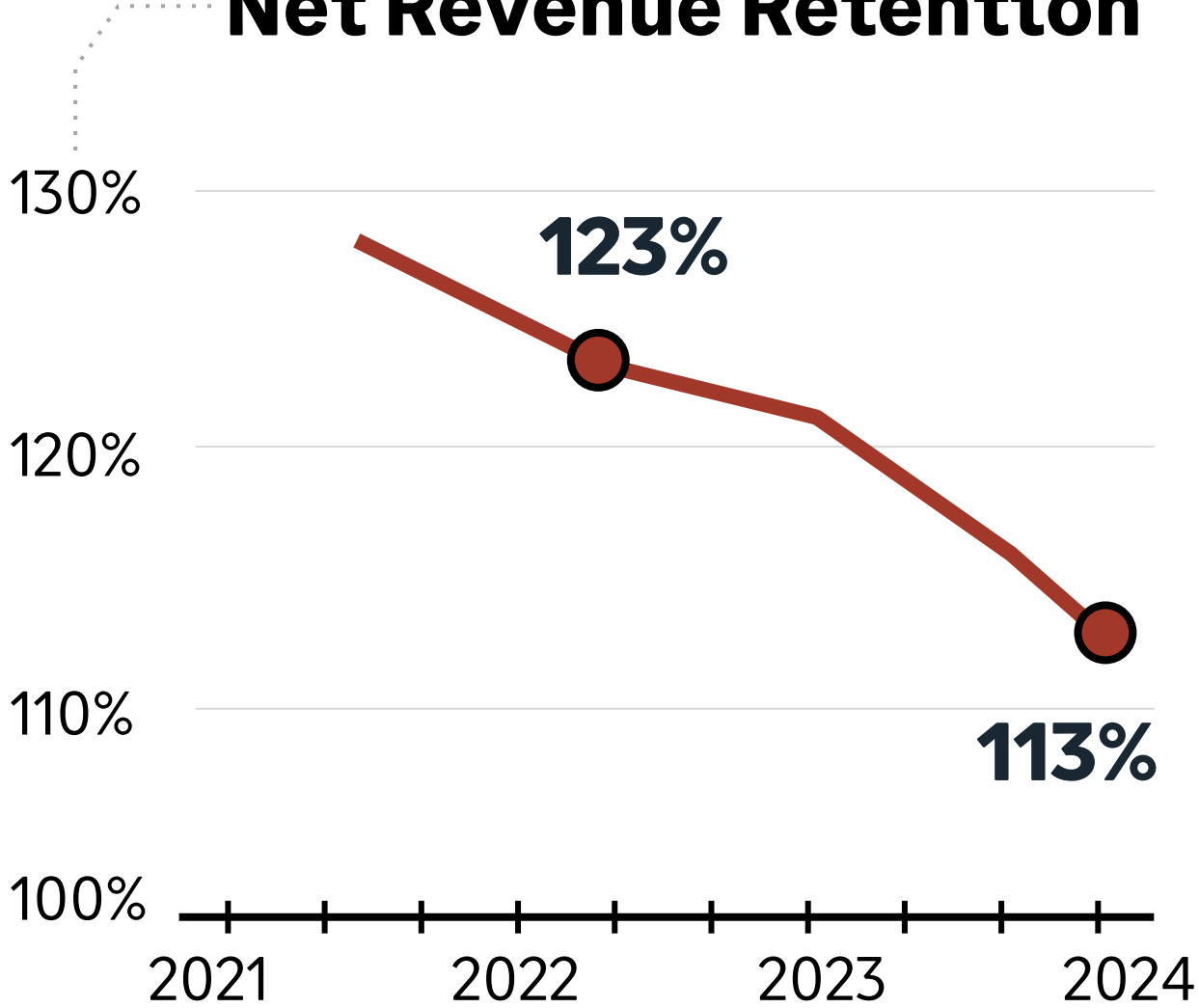
as a % of Net New ARR



Grow At All Cost

NRR is experiencing a sharp decline, which will ripple through the first half of 2024.

Net Revenue Retention





Retain And Grow Customers

Help Your Customers on What they Care About (which is what you care about!)



Growth

- Cross-Sell motion
- Providing more value to their own customers
- AI

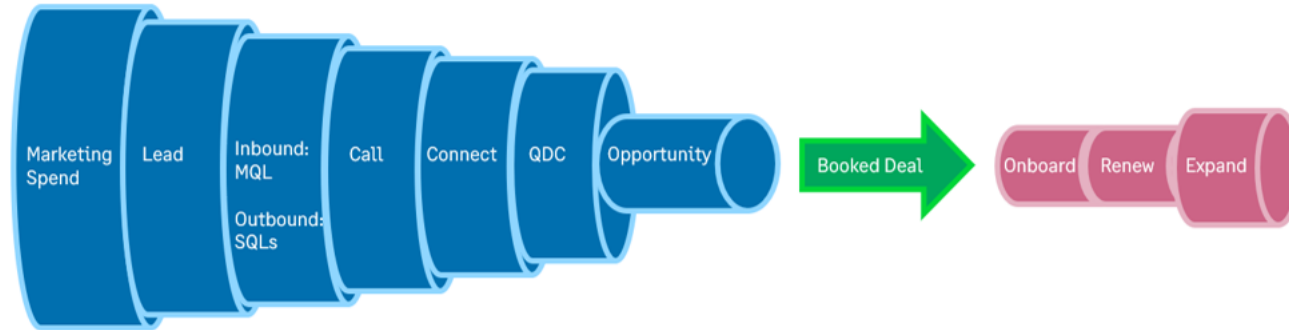


Expense Mgmt

- Streamlining solutions
- Consolidation
- Fewer people
- New processes/protocols

CFOs are helping sales teams more than ever as purchasing criteria gets more stringent. Focus on strategy and achieving metrics with customers - the solutions will naturally come up

Agreed model and metrics / single source of truth



- Agreed buyer's journey / model

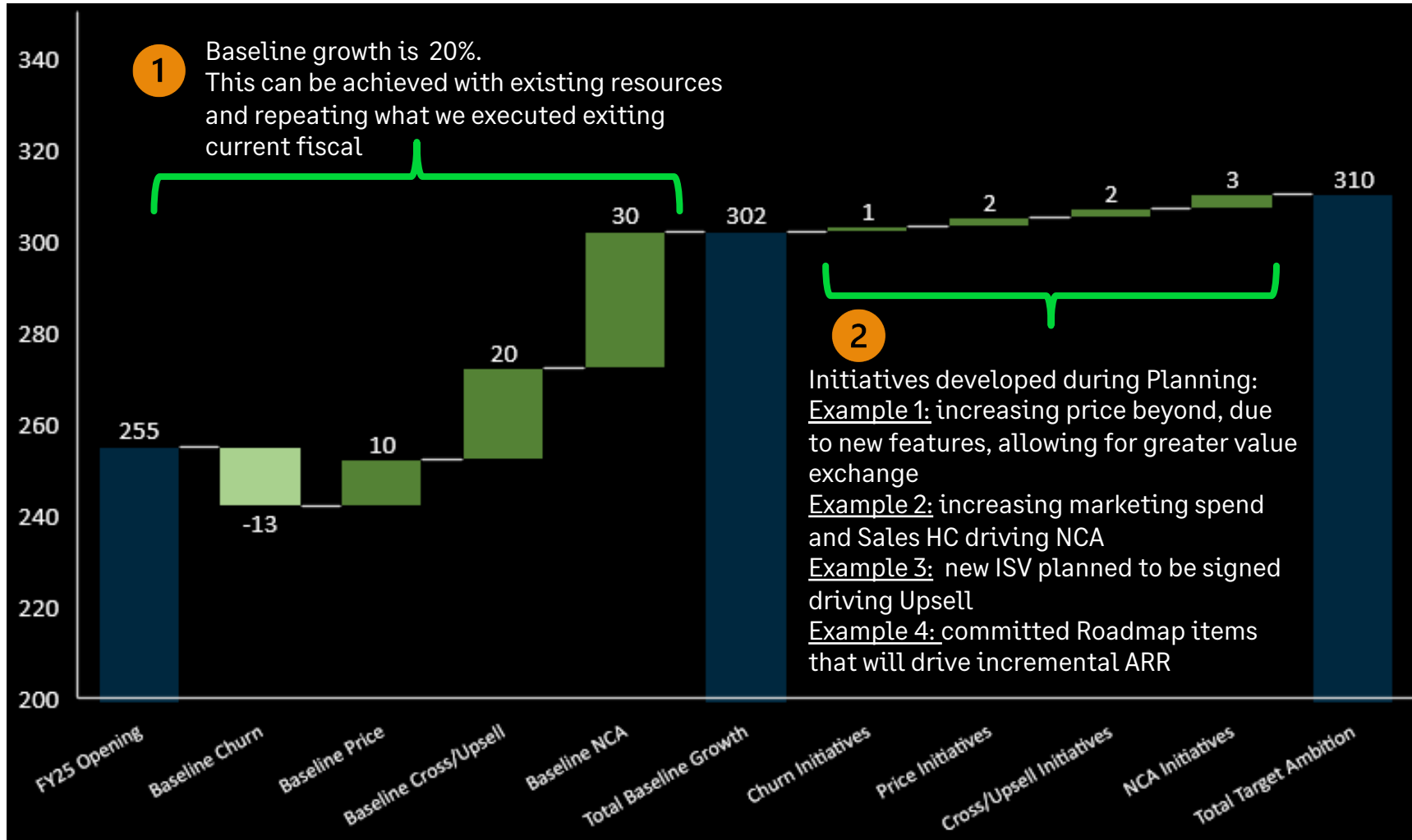
- Agreement on key metrics at each stage

Key Metrics

<u>Marketing</u>	<u>SDRs</u>	<u>Sales</u>	<u>Customer Success</u>
<u>Direct & VAR Push</u> MQLs Created Source Channel	<u>Direct & VAR Push</u> SDR Metrics - Calls, Connects, QDCs SDR scorecard MQL to Opp Conversion % Opps Created vs Plan QDCs Created	<u>Direct & VAR</u> QDC to Opp Conversion % Opp to Deal conversion % \$ Bookings \$ deal size Deal Volume Discounts / Promos given Win / Won Rates % Open Pipeline	<u>Direct & VAR</u> Renewals & Churn Add-ons Customer Count, Customer ACV Total ARR
	Full Funnel Analysis		<u>Product</u> <u>Direct & VAR</u> SKU penetration rate % SKU attach rate % SKU volume sold SKU ASP
Direct & VAR Push		Direct & VAR	

- Agreement on what the single source of truth for the data is

Shared understanding of risk

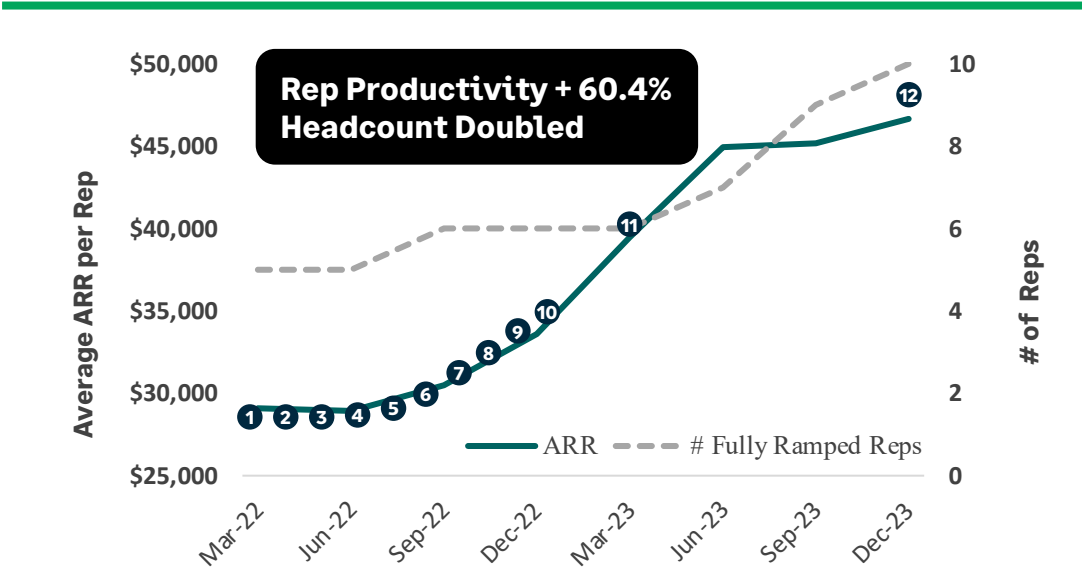


- **Methodical approach to risk**
- **Agreement on baseline (low risk / objective: what can we achieve today with existing resources)**
- **Initiatives that will accelerate growth (high(er) risk / more subjective)**

Go-To-Market Optimization

Driving sales efficiency and bookings performance by increasing productivity per rep while scaling the number of reps.

Sales Productivity & Headcount



Key Themes

- / Ideal Customer Profile
- / People / Talent
- / GTM Operations
 - Leads → Closed Won Deals
 - BDR expansion
 - AE coverage Model
- / Metrics
- / Pricing (& Packaging)

Value Creation Initiatives

- | | | |
|--|---|--|
| 1 BDR Assessment Begins | 5 VP of Marketing Starts | 9 Sales Leader Leads All Up-Market Opps. |
| 2 ICP Project Initiated | 6 ICP Phase 1 Complete | 10 Price Increase Implemented |
| 3 SEM, Social Optimization Project Initiated | 7 Comprehensive Win/Loss Analysis | 11 New Head of Sales Starts |
| 4 BDR Professionalization Project Begins | 8 ICP & Territory Design Info Completed | 12 Free trial reduced from 30 to 14 days |



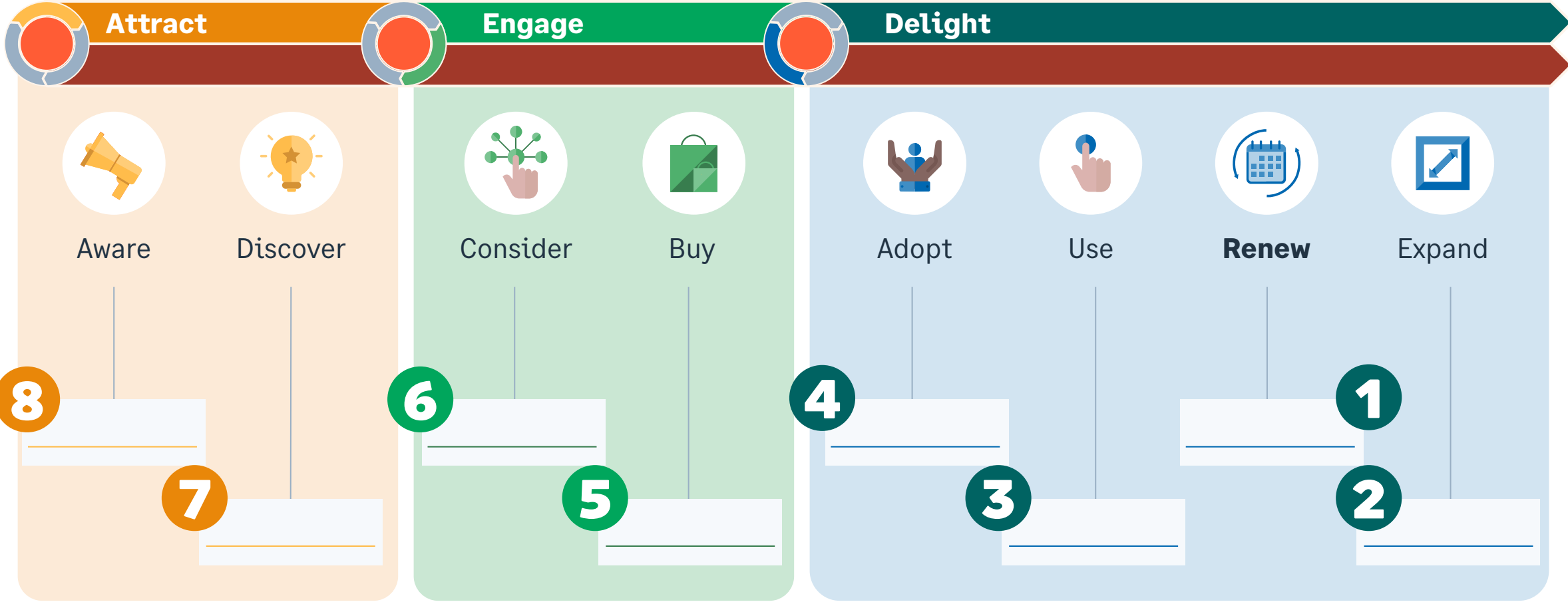
Retain And Grow Customers

PROACTIVE RISK MANAGEMENT & ACTION PLANS.

Account Name	ARR (CS + PX)	Renewal Date	Exec Sponsor	Risk Status	Deployment (DE...)	Engagement (DE...)	Full User Depth ...	ROI (DEAR)	Current Forecast	Path to upside	Downside (if churn)	Risk Reasons	Risk Mitigation Plan
[Account]	[ARR]	11/30/2022	Nick Mehta	NA	+20	+80	40	+100	95%	+0.1%	-1.8%	Adoption/ Sentiment Risk	Adoption Get Well Plan
[Account]	[ARR]	7/31/2022	Nick Mehta	+20	+100	-80	20	+20	83%	+0.3%	-1.5%	Adoption Risk	PBR/ Pam Playbook
[Account]	[ARR]	6/9/2022	Kellie Capote	+20	+40	+60	40	+100	70%	+0.2%	-0.4%	Product Complexity	Product Engagement
[Account]	[ARR]	1/31/2023	Nick Mehta	+20	+100	+100	20	+60	90%	+0.1%	-0.5%	Stakeholder / Sentiment Risk	New Exec Playbook
[Account]	[ARR]	6/6/2022	Kellie Capote	NA	+100	+80	80	+20	90%	+0.0%	-0.4%	Adoption Risk	Adoption Get Well Plan
[Account]	[ARR]	5/29/2022	Nick Mehta	+20	+100	+60	40	+100	33%	+0.2%	-0.1%	Adoption/ Sentiment Risk	Adoption Get Well Plan
[Account]	[ARR]	1/31/2023	Nick Mehta	+20	+100	+60	40	+20	80%	+0.1%	-0.2%	Adoption Risk	Value Playbook
[Account]	[ARR]	7/31/2022	Kellie Capote	+20	+20	+60	40	+100	80%	+0.0%	-0.2%	Adoption Risk	Adoption Get Well Plan
[Account]	[ARR]	8/29/2022	Kellie Capote	+20	+20	+60	60	+60	50%	+0.1%	-0.1%	Adoption/ Sentiment Risk	Adoption Get Well Plan
[Account]	[ARR]	10/31/2022	Kellie Capote	+20	+60	+100	60	+100	50%	+0.1%	-0.1%	Adoption Risk	Adoption Get Well Plan

This includes meeting new personas (CIO, CFO, new “heads of” during re-orgs)
This also includes getting everyone at the company involved (incl FINANCE!)

Moments that matter: start with delight





Navigating the Political Landscape

- CROs, CMOs, CPOs , CCOs will always want to maintain or increase budget
- As valuation is tied to profitability, valuation argument is the most compelling rationale for these executives
- Also engage the board and get agreement on overall expense targets
- Set ground rules around expense reductions (no moving around money to other departments, looking for net-net reductions)
- Hold the line for everyone to ensure some level of fairness although reality is some teams will need to reduce more
- Have Industry benchmarks as backups

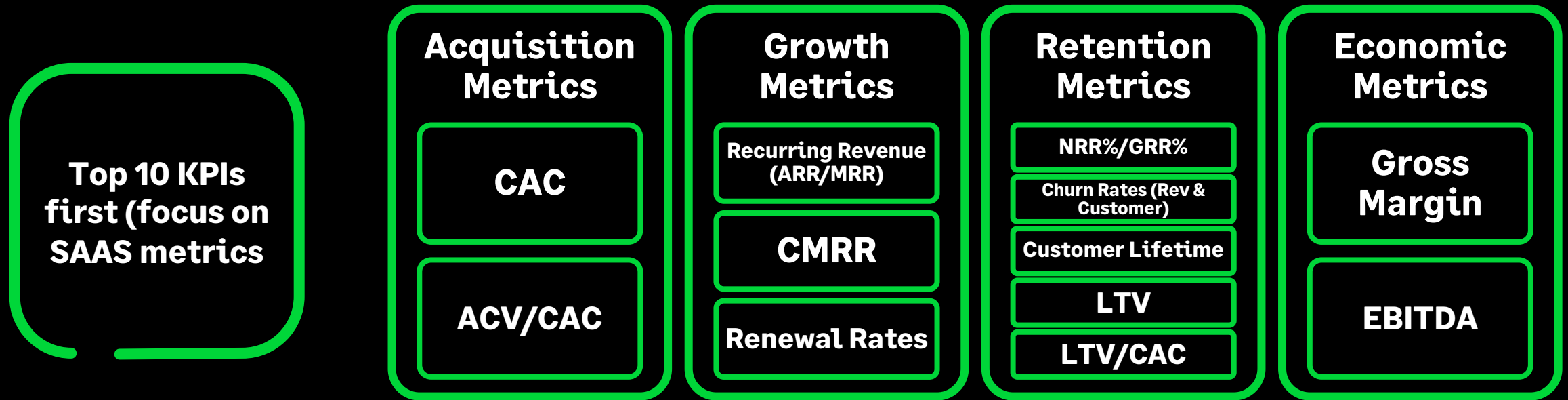
What a Board wants to see

They want both:

- **REVENUE and EBITDA**
- **Consistent double digit top line growth**



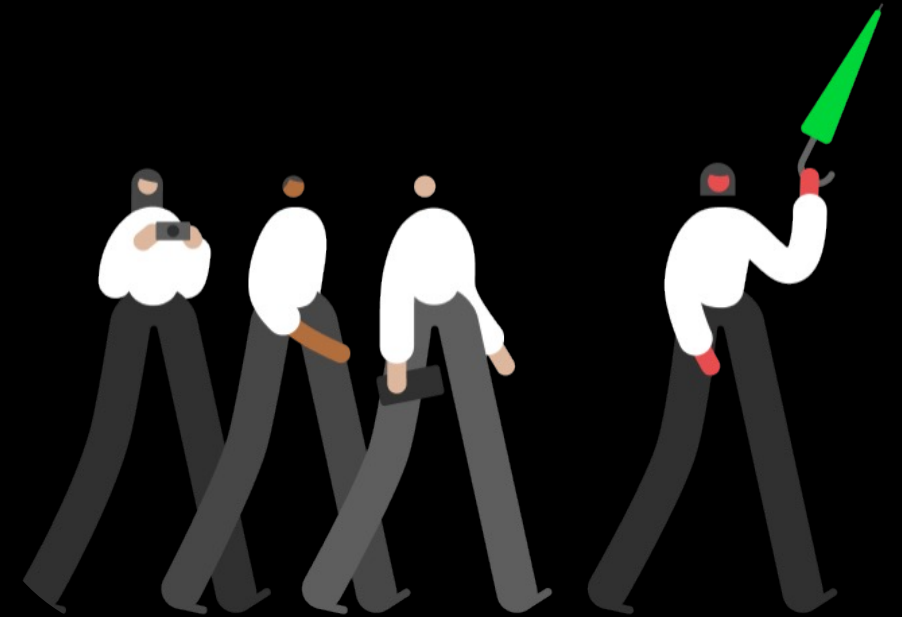
What to show





- Tactical KPIs as back-up (*Headcount metrics, product specific LOGO's, Lead conversion metrics*). Mix of **leading** and **lagging** indicators
- Don't open presentations with too much details -> start high level and click down
- Have back-up and ready to dive in, when hard questions come around
- Actions and **conclusions** from KPI & results **analysis**
- Always link back to the **strategic initiatives**
- Don't only show numbers, then folks come up with their own conclusions

How to manage the Board of Directors

- **Transparency**
- Here is what we're doing, here's how we're tracking, here are the **metrics**
- They want to be part of the **strategic** discussion
- Can't let the PE firm lead, if so, then the CEO & CFO are not doing their job
- They DON'T want to get into people management or day-to-day tasks, that's your job
- IF they get into detailed tasks, it could be a sign they have LOST trust in the management team



What not to do

- Never give a deck of numbers with **no narrative** 
- Don't act without knowing their investment, and growth thesis
- Don't call them into day-day tactical work
- Don't come with **problems**: Come with **Solutions**, Options and Pro's & Con's for each
- Transparency
 - Don't cover up mistakes, rather, own it and share a recovery plan/lessons learned
 - The struggle is often around 'how much' do you share? Learn and communicate with each other.
 - Not too hot, not too cold, just right
- Don't assume: The importance of self-respect in getting to know each other 
- Sort things out before it gets vulnerable
- Don't be afraid to **ask for help** , a second opinion or input on a strategy

The Finance Tech Stack Checklist

1



Set up your foundation:
Build your GL

4



Where is your data coming
from for Reporting

2



Know your billing use case

5



How to anticipate exceptions
in the selling process

3



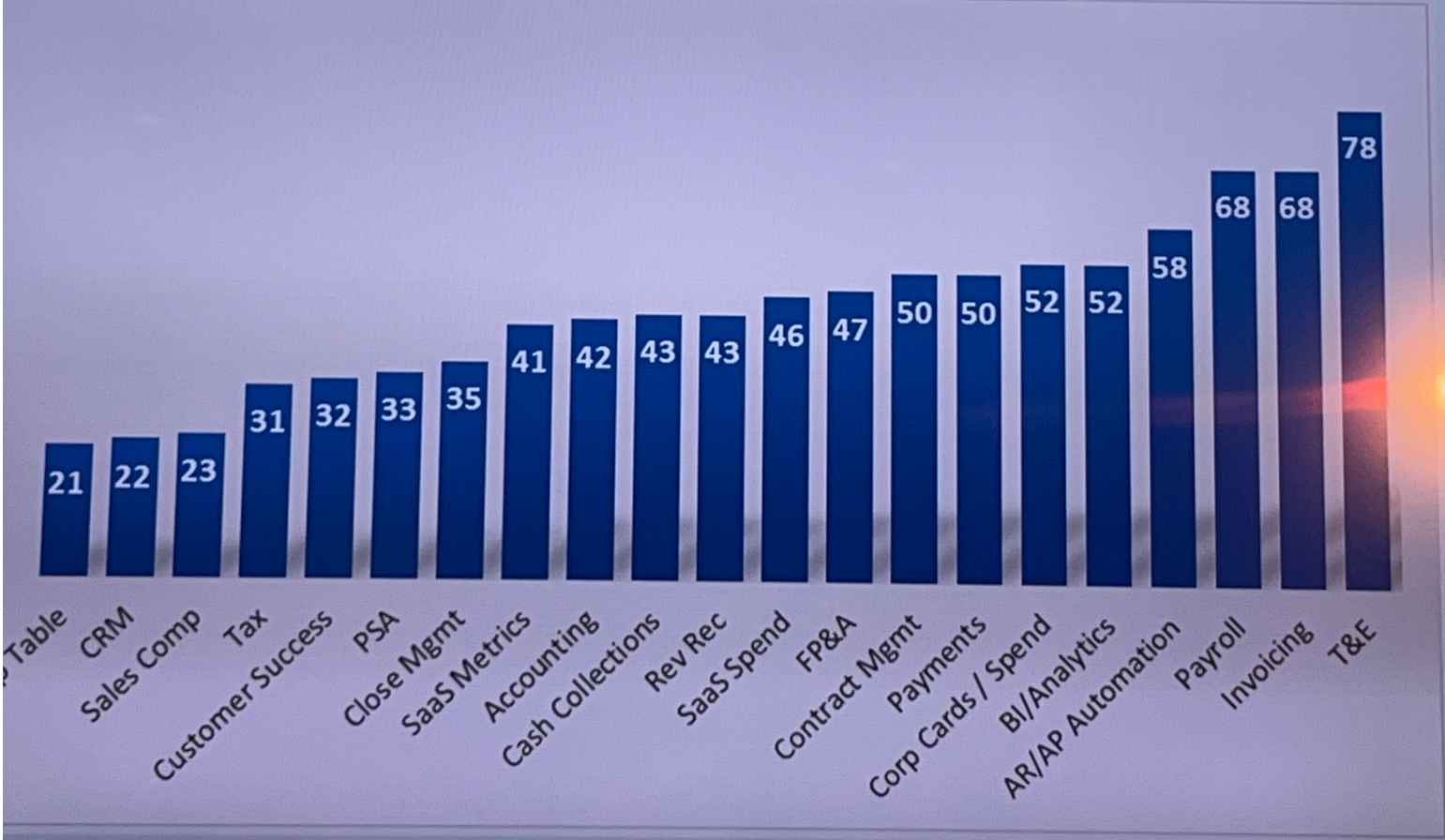
Know your revenue recognition
scenario

6



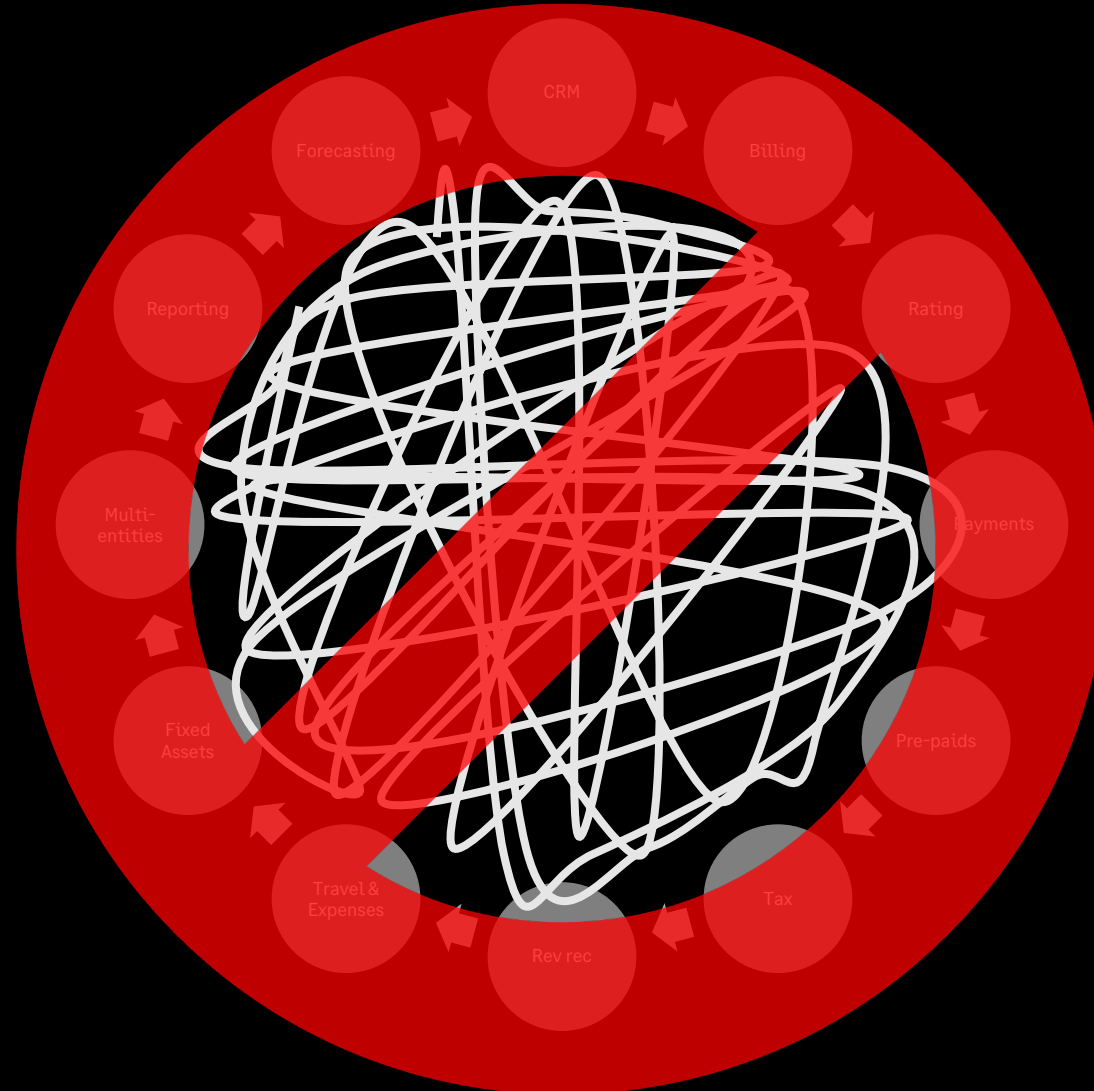
Compliance

21 Categories & 935 Solutions!



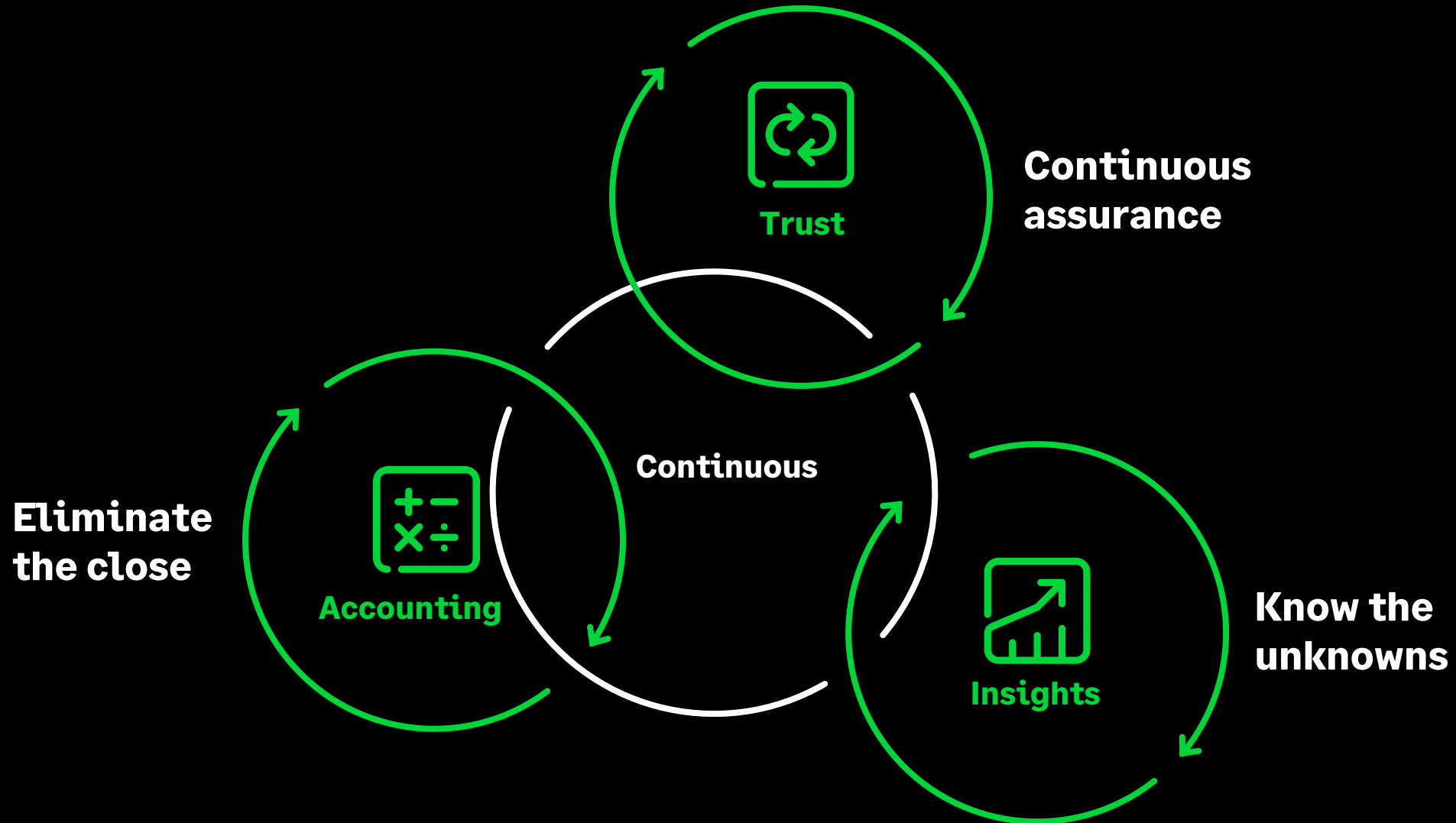
Avoid Manual Integrations

More integrations
=
More manual



No system of record
=
No accuracy

Leverage Automation with AI



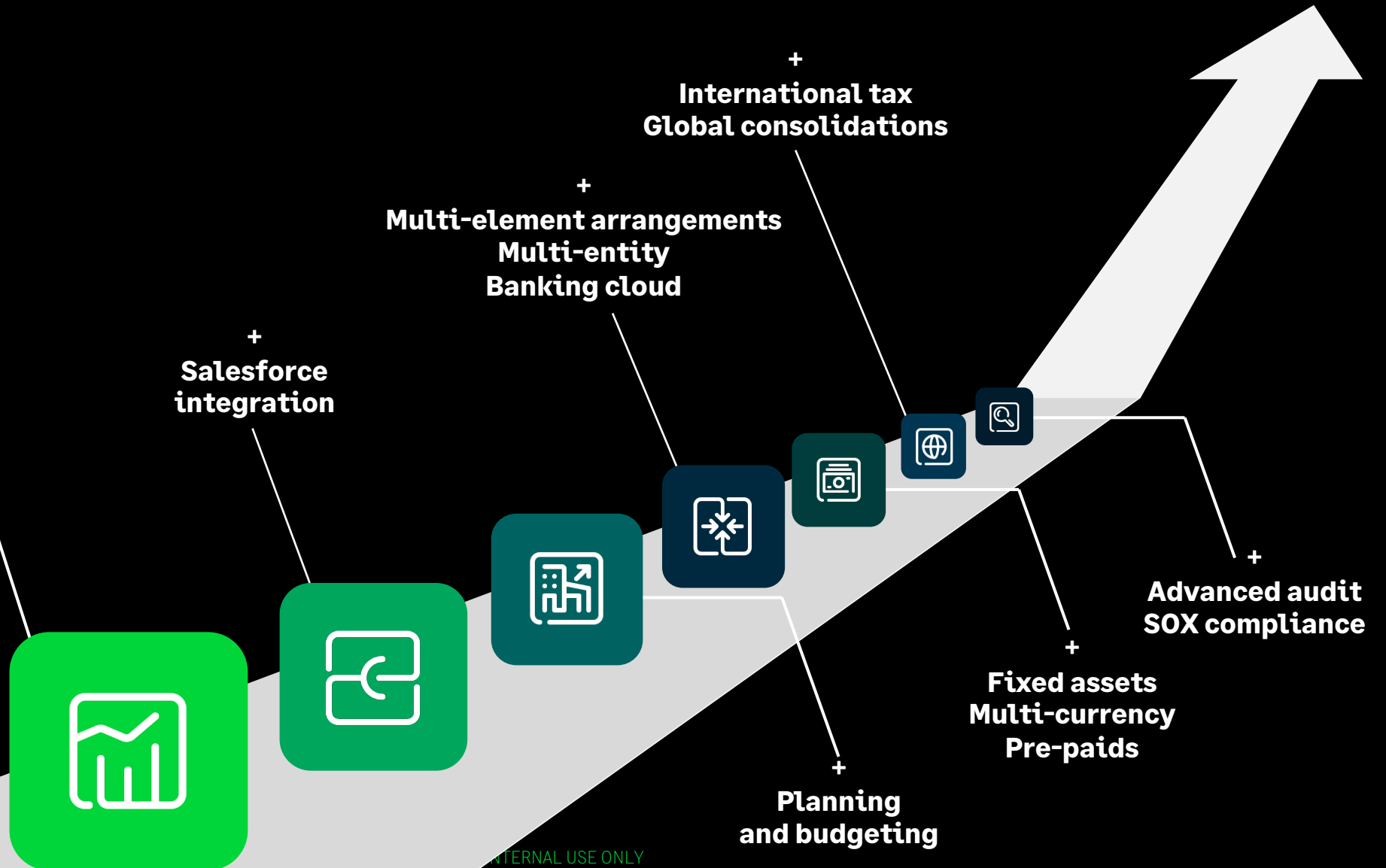
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Start simple, scale big

Start

- Core financials
- AI in the GL
- Subscription billing
- Usage Billing
- Revenue recognition
- Dimensional, interactive reporting with dashboards
- SaaS metrics
- FP&A





500+ SaaS, subscription, usage, and project billing scenarios, with rev rec



200+ investor metrics created up to 80% faster

The core essentials for every SaaS from startup to IPO and beyond

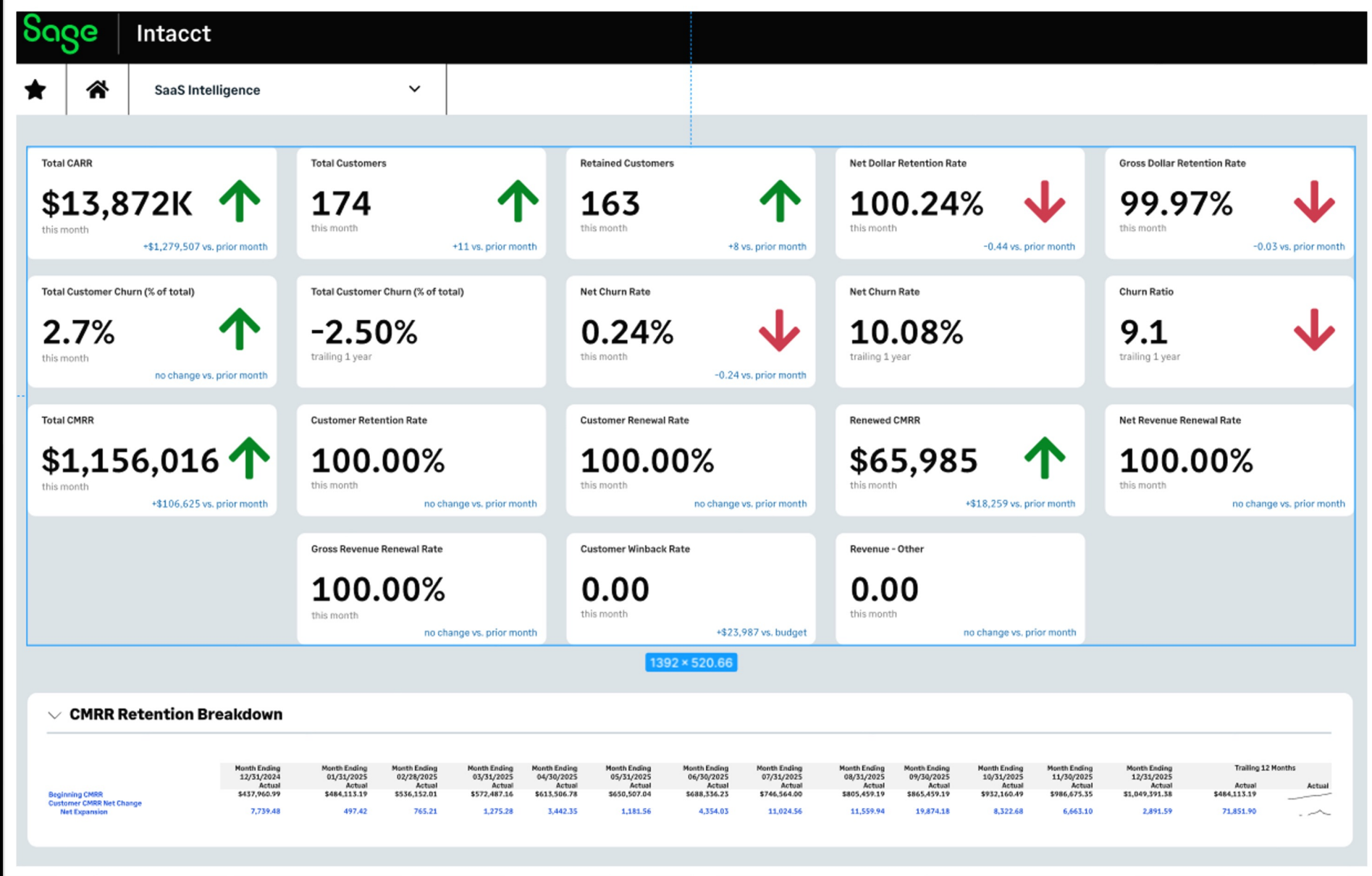


Up and running in as little as 60 days



Costing 40% less than buying the tech stack parts separately

When you get it right



The Billing Forecast

Transaction currency [Contract] USD Contract ID [Contract] All Month 1/1/22 - 12/31/23 Schedule status [Contract billing schedule] All GL group [Item] Licenses, Subscription Package Schedule status [Contract billing schedule] In progress, On hold, Renewal forecast

Schedule status [Contract billing schedule]: In progress

Billings by Revenue stream

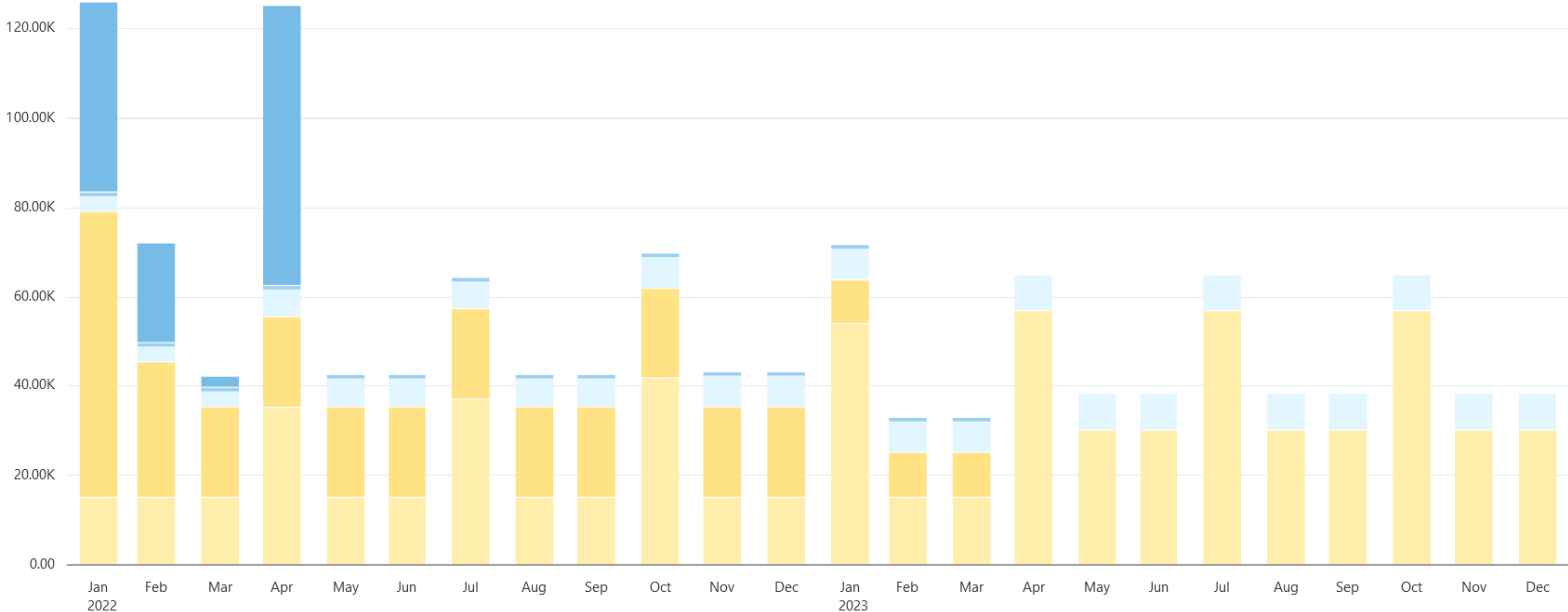
Booked Billings

456,344

Schedule status [Contract billing schedule]: Renewal forecast

Projected Billings

848,875



Billings by Revenue stream

	01/31/2022	02/28/2022	03/31/2022	04/30/2022	05/31/2022	06/30/2022	07/31/2022	08/31/2022	09/30/2022	10/31/2022	11/30/2022	12/31/2022	01/31/2023	02/28/2023	03/31/2023	04/30/2023	05/31/2023	06/30/2023	07/31/2023	08/31/2023	09/30/2023	10/31/2023	
Licenses	In progress	42,500.00	22,500.00	2,500.00	62,594.31																		
	On hold	750.00	750.00	750.00	750.00	750.00	750.00	750.00	750.00	750.00	750.00	750.00	750.00	750.00	750.00								
	Renewal forecast	3,600.00	3,600.00	3,600.00	6,475.00	6,475.00	6,475.00	6,475.00	6,475.00	7,100.00	7,100.00	7,100.00	7,100.00	7,100.00	7,100.00	7,100.00	8,225.00	8,225.00	8,225.00	8,225.00	8,225.00	8,225.00	8,225.00
Subscription Package	In progress	64,050.00	30,200.00	20,200.00	20,200.00	20,200.00	20,200.00	20,200.00	20,200.00	20,200.00	20,200.00	20,200.00	10,000.00	10,000.00	10,000.00								
	Renewal forecast	15,000.00	15,000.00	15,000.00	35,100.00	15,000.00	15,000.00	36,900.00	15,000.00	15,000.00	41,700.00	15,000.00	15,000.00	53,800.00	15,000.00	15,000.00	56,700.00	30,000.00	30,000.00	56,700.00	30,000.00	30,000.00	56,700.00
Total	125,900.00	72,050.00	42,050.00	125,119.31	42,425.00	42,425.00	64,325.00	42,425.00	42,425.00	69,750.00	43,050.00	43,050.00	71,850.00	32,850.00	32,850.00	64,925.00	38,225.00	38,225.00	64,925.00	38,225.00	38,225.00	38,225.00	64,925.00

Renewal forecasting to increase NDR

Transaction currency [Contract] USD Contract ID [Contract] All Months 1/1/22 - 12/31/23 Schedule Type [Contract revenue schedule] Revenue GL group [Item] Licenses, Subscription Package Schedule status [Contract revenue schedule] In progress, Renewal forecast, Terminated



Schedule status [Contract revenue schedule]: In progress

Booked Revenue

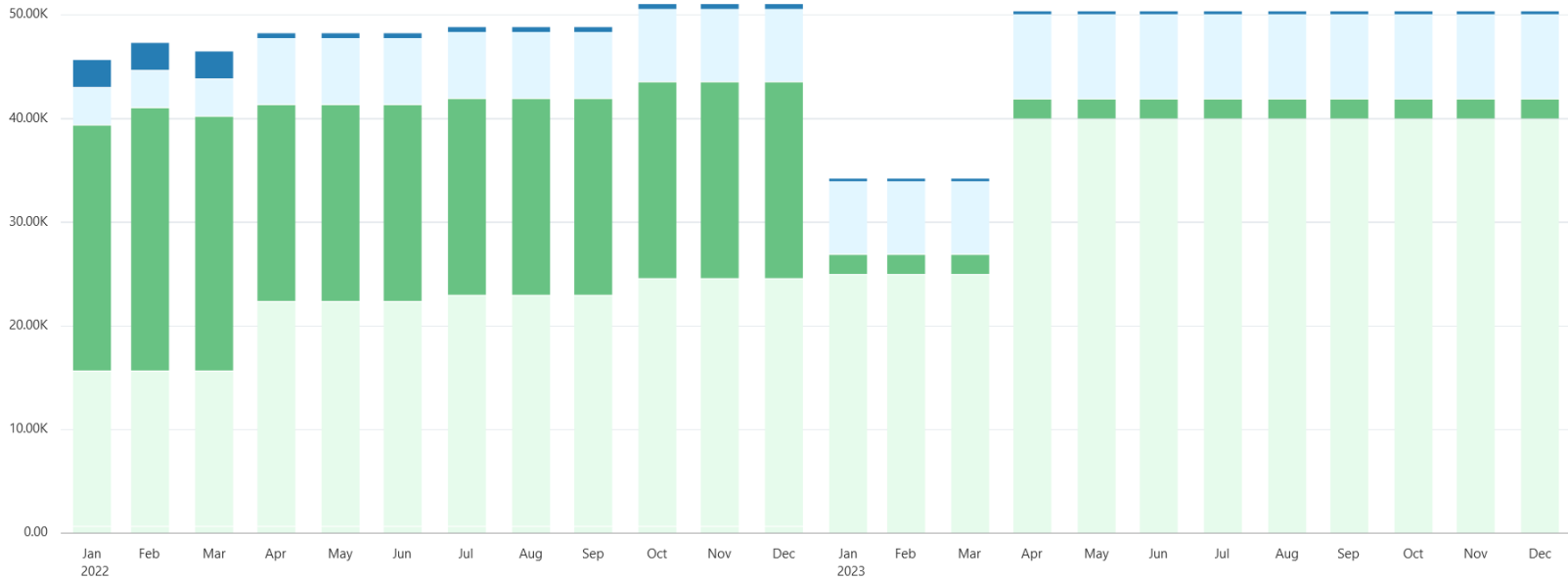
283,643

Schedule status [Contract revenue schedule]: Renewal forecast

Projected Revenue

848,875

Revenues by Revenue stream



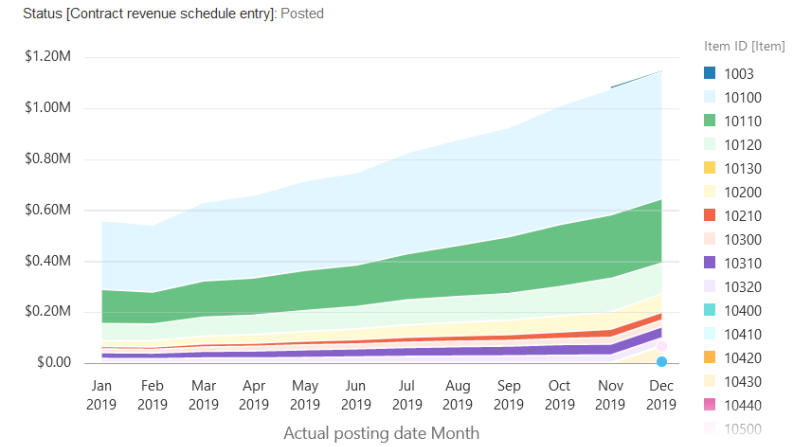
Revenues by Revenue stream

		01/31/2022	02/28/2022	03/31/2022	04/30/2022	05/31/2022	06/30/2022	07/31/2022	08/31/2022	09/30/2022	10/31/2022	11/30/2022	12/31/2022	01/31/2023	02/28/2023	03/31/2023	04/30/2023	05/31/2023	06/30/2023	07/31/2023	08/31/2023	09/30/2023	10/31/2023		
Licenses	In progress	2,708.34	2,708.34	2,708.34	468.98	468.97	468.97	468.97	468.97	468.97	468.96	468.96	468.96	260.63	260.63	260.63	260.63	260.63	260.63	260.63	260.63	260.63	260.63	260.63	
	Renewal forecast	3,600.00	3,600.00	3,600.00	6,475.00	6,475.00	6,475.00	6,475.00	6,475.00	6,475.00	7,100.00	7,100.00	7,100.00	7,100.00	7,100.00	7,100.00	8,225.00	8,225.00	8,225.00	8,225.00	8,225.00	8,225.00	8,225.00	8,225.00	8,225.00
Subscription Package	In progress	23,746.69	25,413.35	24,580.01	18,996.68	18,996.66	18,996.66	18,996.66	18,996.66	18,996.66	18,996.66	18,996.66	18,996.66	1,955.00	1,955.00	1,955.00	1,955.00	1,955.00	1,955.00	1,955.00	1,955.00	1,955.00	1,955.00	1,955.00	1,955.00
	Renewal forecast	15,000.00	15,000.00	15,000.00	21,700.00	21,700.00	21,700.00	22,300.00	22,300.00	22,300.00	23,900.00	23,900.00	23,900.00	24,908.34	24,908.34	24,908.34	39,908.34	39,908.33	39,908.33	39,908.33	39,908.33	39,908.33	39,908.33	39,908.33	39,908.33
	Terminated	600.00	600.00	600.00	600.00	600.00	600.00	600.00	600.00	600.00	600.00	600.00	600.00												
Total		45,655.03	47,321.69	46,488.35	48,240.66	48,240.63	48,240.63	48,840.63	48,840.63	48,840.63	51,065.62	51,065.62	51,065.62	34,223.97	34,223.97	34,223.97	50,348.97	50,348.96	50,348.96	50,348.96	50,348.96	50,348.96	50,348.96	50,348.96	

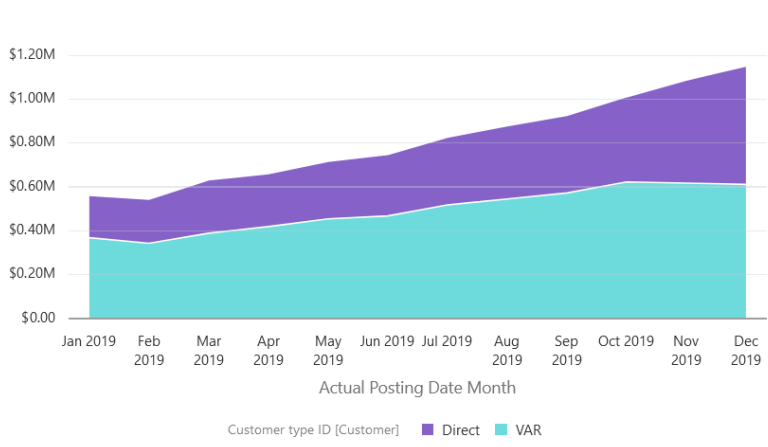
Revenues, over cohorts, over time

Scheduled posting date [Contract revenue schedule entry] 1/1/19 - 12/31/19
 Transaction currency [Contract] USD
 Schedule Type [Contract revenue schedule] Revenue
 Contract ID [Contract] All

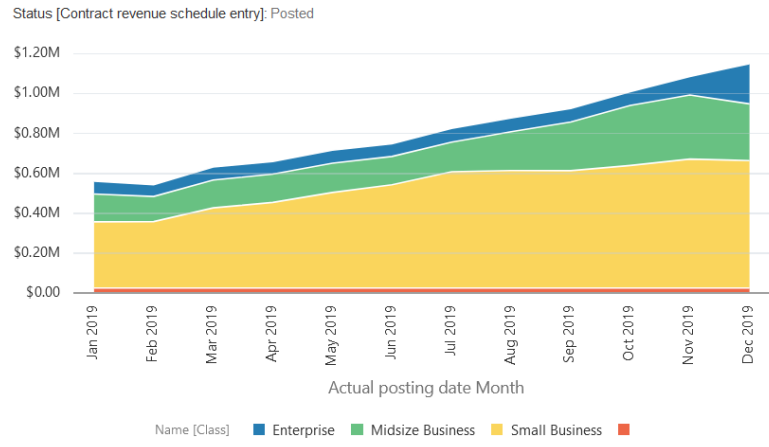
Actual Revenue - by Product



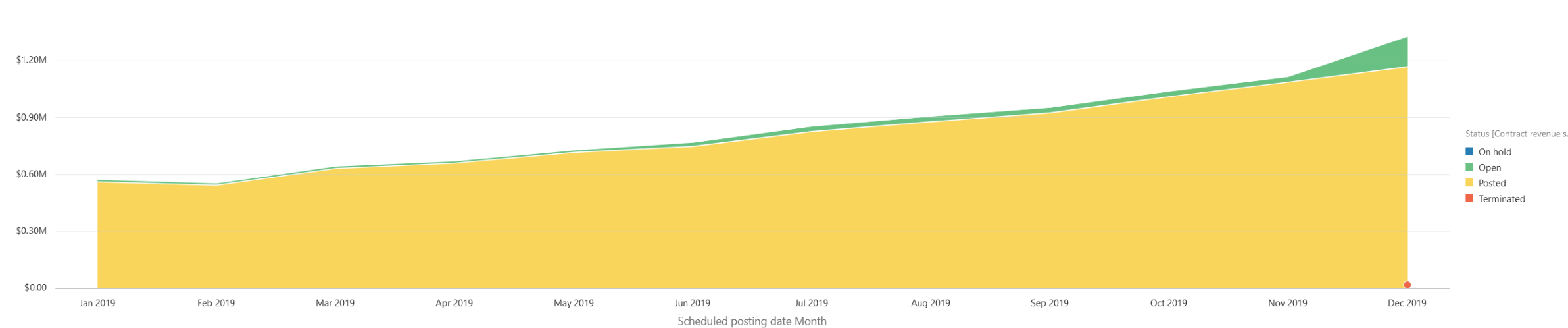
Actual Revenue - by Customer Type



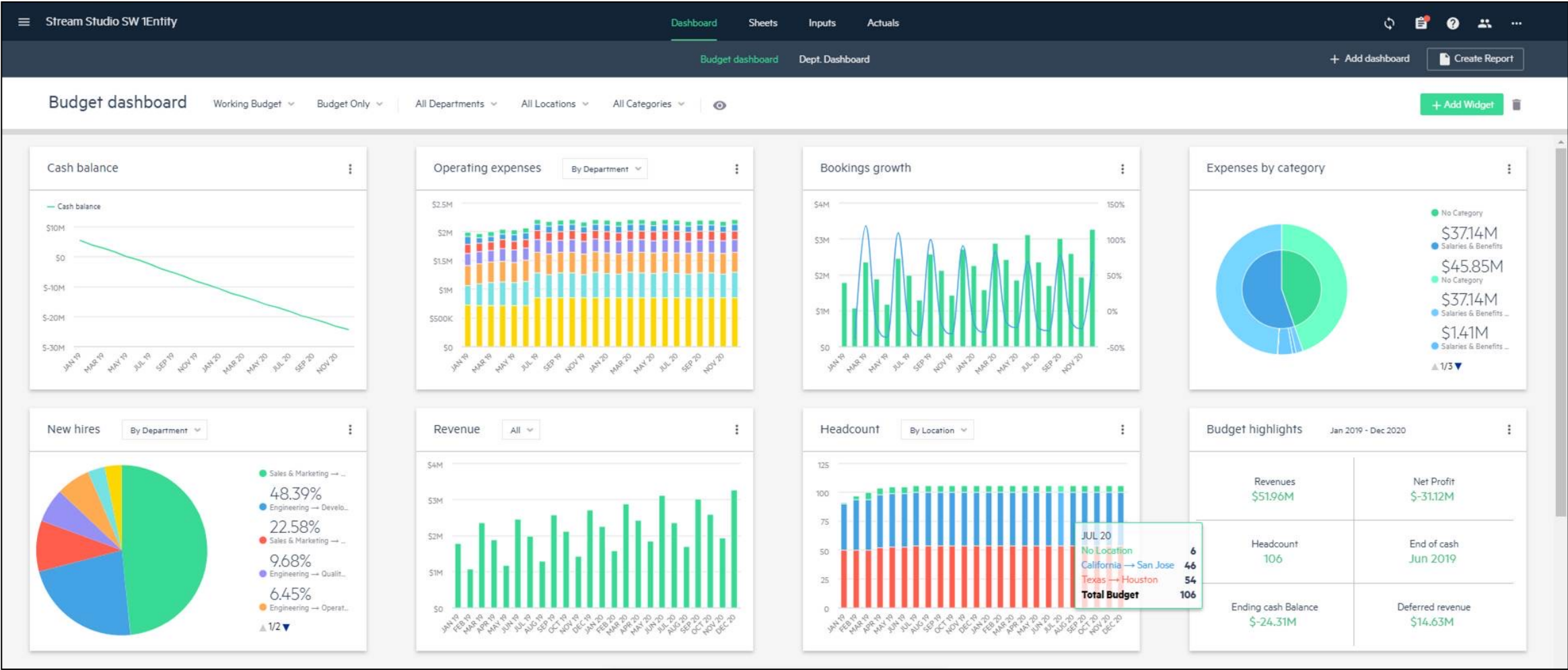
Actual Revenue - by Class



All Revenues



Budget vs. actuals



Cash forecasting

sageIntacct Budgeting and Planning SL_@taylor.brown Taylor Brown

SaaS Dashboard Sheets Inputs

Cash Profit & Loss Balance Sheet Bookings Headcount Model Create Report

Scenarios Acquisition (USA 2) Acquisition (USA 2) Only Monthly Numbers All Departments All Locations All Classes All Categories All Accounts

	JAN 2019	FEB 2019	MAR 2019	APR 2019	MAY 2019	JUN 2019	JUL 2019	AUG 2019	SEP 2019	OCT 2019	NOV 2019	DEC 2019	JAN 2020	FEB 2020	MAR 2020	APR 2020	TOTAL
Revenues	\$951,285	\$924,575	\$852,561	\$1,191,059	\$1,082,044	\$1,101,837	\$1,076,303	\$1,322,140	\$1,247,784	\$1,285,316	\$1,294,018	\$1,502,291	\$1,639,358	\$1,617,945	\$1,535,499	\$1,533,166	\$33,316,572
Revenue - Servic... (401001+2 more)	\$368,760	\$346,599	\$272,910	\$403,922	\$315,871	\$330,090	\$281,294	\$350,791	\$261,576	\$265,589	\$289,763	\$290,753	\$405,636	\$381,259	\$300,201	\$300,201	\$7,933,629
Revenue-Subs... (40500140800-102)	\$196,590	\$199,760	\$208,999	\$408,898	\$410,199	\$422,893	\$437,981	\$636,309	\$657,869	\$682,654	\$688,918	\$902,507	\$915,418	\$939,893	\$944,441	\$944,441	\$17,860,553
Copy of Revenue-Subscription	\$385,935	\$378,216	\$370,652	\$363,239	\$355,974	\$348,854	\$341,877	\$335,040	\$328,339	\$321,772	\$315,337	\$309,030	\$302,849	\$296,792	\$290,857	\$290,857	\$7,414,187
Revenue-Other (40900)	-	-	-	\$15,000	-	-	\$15,150	-	-	\$15,302	-	-	\$15,455	-	-	-	\$108,203
Cost of Revenues	(\$127,784)	(\$170,996)	(\$312,761)	(\$408,978)	(\$416,212)	(\$500,817)	(\$353,588)	(\$525,278)	(\$629,474)	(\$631,773)	(\$568,961)	(\$800,228)	(\$817,672)	(\$855,567)	(\$874,680)	(\$874,680)	(\$16,231,496)
Cost of Other Revenue (50900)	-	-	(\$68,900)	(\$76,320)	-	(\$73,140)	-	-	-	(\$75,260)	-	-	(\$66,780)	(\$79,500)	(\$73,034)	(\$73,034)	(\$751,137)
Cost of Goods Sold (50200)	-	(\$1,200)	(\$1,212)	(\$1,224)	(\$1,236)	(\$1,249)	(\$1,261)	(\$1,274)	(\$1,287)	(\$1,299)	(\$1,312)	(\$1,326)	(\$1,339)	(\$1,352)	(\$1,366)	(\$1,366)	(\$30,860)
Cost of Services Revenue (50300)	-	-	(\$65,000)	(\$65,650)	(\$66,307)	(\$66,970)	(\$67,639)	(\$68,316)	(\$68,999)	(\$69,689)	(\$70,386)	(\$71,090)	(\$71,800)	(\$72,518)	(\$73,244)	(\$73,244)	(\$1,590,653)
Contract Expense (50400160160)	(\$127,784)	(\$169,796)	(\$177,649)	(\$265,784)	(\$348,670)	(\$359,459)	(\$284,688)	(\$455,689)	(\$559,189)	(\$485,525)	(\$497,263)	(\$727,813)	(\$677,752)	(\$702,197)	(\$727,037)	(\$727,037)	(\$13,858,846)
Operational Expenses	(\$221,020)	(\$231,308)	(\$220,158)	(\$273,323)	(\$320,105)	(\$285,754)	(\$260,861)	(\$312,934)	(\$356,256)	(\$375,397)	(\$201,645)	(\$405,591)	(\$231,765)	(\$243,073)	(\$231,588)	(\$231,588)	(\$7,094,236)
Other income and expenses	(\$18,723)	(\$11,131)	(\$25,766)	(\$21,212)	(\$22,731)	(\$23,486)	(\$32,190)	(\$51,977)	(\$25,202)	(\$27,516)	(\$38,839)	(\$41,734)	(\$19,249)	(\$11,432)	(\$26,503)	(\$26,503)	(\$690,806)
USA 2	-	\$61,200	\$371,790	\$2,286,834	\$14,241,569	\$89,797,186	\$573,251,245	\$3,705 M	\$24,245 M	\$160,625 M	\$1,077 B	\$7,316 B	\$50,294 B	\$350,040 B	\$2,466 T	\$2,466 T	\$21 × 10 ²³
Cash Received	-	\$61,200	\$371,790	\$2,286,834	\$14,241,569	\$89,797,186	\$573,251,245	\$3,705 M	\$24,245 M	\$160,625 M	\$1,077 B	\$7,316 B	\$50,294 B	\$350,040 B	\$2,466 T	\$2,466 T	\$21 × 10 ²³
Subscription Revenue	-	\$61,200	\$371,790	\$2,286,834	\$14,241,569	\$89,797,186	\$573,251,245	\$3,705 M	\$24,245 M	\$160,625 M	\$1,077 B	\$7,316 B	\$50,294 B	\$350,040 B	\$2,466 T	\$2,466 T	\$21 × 10 ²³
Total	\$583,758	\$572,340	\$665,666	\$2,774,380	\$14,564,565	\$90,088,966	\$573,680,909	\$3,706 M	\$24,245 M	\$160,625 M	\$1,077 B	\$7,316 B	\$50,294 B	\$350,040 B	\$2,466 T	\$2,466 T	\$17,59 \$2.1 × 10 ²³
Cash Balance Total	\$12,530,758	\$13,103,098	\$13,768,764	\$16,543,144	\$31,107,709	\$121,196,675	\$694,877,583	\$4,400 M	\$28,646 M	\$189,271 M	\$1,267 B	\$8,582 B	\$58,877 B	\$408,916 B	\$2,875 T	\$2,875 T	\$20,46 \$2.1 × 10 ²³



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OneStream IPO Priced Above Views, Pushing Market Cap Above \$4.6 Billion

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Share AA Resize

By Colin Kellaher

OneStream's initial public offering was priced above expectations, giving the financial software company majority owned by private-equity firm KKR a market capitalization topping \$4.6 billion.

OneStream late Tuesday said the offering of 24.5 million shares was priced at \$20 apiece, topping the \$17 to \$19 range the Birmingham, Mich., company had telegraphed.

OneStream is offering nearly 18.1 million shares in the IPO, while current shareholders are selling another 6.45 million.

OneStream will have about 230.5 million shares outstanding after the IPO, giving the company a market capitalization of around \$4.61 billion at the \$20-a-share pricing.

OneStream shares are slated to begin trading Wednesday under the symbol OS.

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