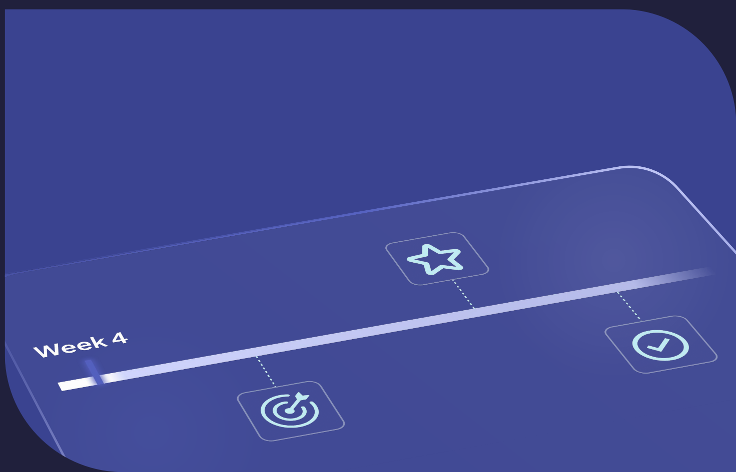
Cledara

# 90-Day Plan for a New Startup CFO

Crafting a Strategic Roadmap

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Introduction

# The role of a startup CFO

**Congratulations on your new role as the CFO!** You've risen to the highest rank a finance professional can achieve within an organization's structure, and it's worth celebrating—there's a rewarding journey ahead of you.

Yet as you're aware, this role is not for the faint of heart. **The company's financial success is, to a considerable extent, in your hands.** You're responsible for providing strategic guidance to drive growth, and will be involved in everything from financial planning and analysis to fundraising and investor relations. On top of that, you'll play a key role in ensuring compliance with financial regulations and managing risk.

It's probably an overstatement to say that your first month in this role is make or break, but **play the first 90 days well, and you'll set yourself on a trajectory for success.**

**This plan is structured into four weekly sprints, and how to create a plan for the following 60 days**, which will help you assess the business' current financial situation, build your reputation as a manager, develop short-term strategies, and keep one-eye on long-term goals. It'll also flag moments to touch base with important stakeholders, to ensure they're seeing your actions so far and hearing your ideas for long term success.

# A practical guide to your first 30 days as a startup CFO

## Week One

N°1

Your first week should focus almost entirely on learning. Tasks such as:

- Meeting your finance team
- Understanding current systems and processes
- Absorbing critical information about the business

During the first week, resist making changes or drawing conclusions.

In the long term,  the rest of the C-suite will be looking to you to advance the business overall, while keeping your house, finance, in order.  **Rush into decisions too early, and you risk making changes based on incomplete informatio**n, or that are  skewed towards the needs of the finance team.

# Meet your team

**Schedule 1:1 meetings with each person on your finance team** to understand their role, background, projects and concerns. Listen intently to build rapport and trust during these meetings rather than direct change early on.

Remember: this is the first and only time you'll be able to see the team dynamics with fresh eyes. Observations you make now will be useful to you for your entire tenure at this company. **Take extensive notes on any urgent capacity or capability gaps** that need your attention—who needs to be upskilled? Who is quietly overworking?

Set up regular 1:1 meetings with each member of your team to continue their coaching and development.

# Review finance systems and tools

Long gone are the days where a company's whole operations could be managed via immaculately maintained spreadsheets. One priority for your first 30 days should be to understand **which software your finance team relies upon every day.** Schedule demos and walkthroughs of tools that manage your:

1. General ledger
2. Budgeting
3. Equity management
4. Revenue recognition
5. Expense management
6. Financial reporting

Even if you plan to delegate the task a tool is used for, try out each piece of software your team uses. Through poking around, you will identify areas where you would benefit from more or better automation, as well as opportunities to integrate systems with connector tools.

Assess how the finance technology ecosystem impacts efficiency of key financial planning and analysis, auditing processes and the close calendar.

Common problem areas to check include:

- **Expense management across the company** —in many places, there's a lack of oversight and tracking.
- **Corporate accounts** with vendors like AWS
- **Fragmented SaaS subscriptions**—In many businesses, there are security issues over who can access sensitive financial information. Validate that single sign on (SSO) and two-factor identification (2FA) are in place wherever possible.

**Pro tip:** Now is the time to ask stupid questions. Do not shy away from admitting knowledge gaps, or asking basic questions about why certain tools were selected. Scrutinize inherited processes with fresh, objective eyes—and if you don't understand how something works, it's likely you're not alone.

Your team's technology landscape will continue to evolve over your tenure, but a thoughtful assessment of its current state will help you make the optimizations you need to improve productivity and reduce risk.

# Read relevant high-level financial documents

This week, your top priority should be ingesting historical information. Read critical materials such as past financial statements, budgets, audit findings, investor updates.

Focus on understanding the underlying performance of the business and noticing any patterns that jump out. Try to identify which parts of the business are performing, what risks are being talked about, what are the key levers of growth and performance.

# Week Two

N°2

Week two is all about **moving outside your team and into the business and understanding the market more broadly.**

During this week you should try to understand where your team sits within the organization, and  start to identify how finance can support other teams better.

Figuring this out is a crucial step towards improving the startups' prospects for success.

## Meet key business stakeholders

After the first flurry of team meetings and reading, actively connect with heads of departments from all teams that have a direct impact on the company's revenue, including technology, product, sales, marketing, people ops, and customer success.

Ask them about their KPIs and how finance can be a better support to achieve them. Solicit feedback on reporting or budgeting gaps, and take notes on any growth opportunities or risks they mention.

Informal chats can also be valuable in these introductory meetings. Building friends and allies across the company early on can set you up for success when you come to enact larger strategy changes.

# Conduct a deep dive on finances

After spending week 1 reading through the basics, it's time to get under the hood. Revisit your business' income statements, balance sheets, cash flow statements and past budgets/forecasts from at least the last 3 years.

If you're working for a SaaS company, you should also calculate historical SaaS metrics like growth rates, churn, CAC payback period, gross/net margins, churn and revenue retention and compare what your company achieved to past projections.

If there are any big discrepancies between the SaaS metrics you achieved and what had been forecast, question your team. Make notes on areas that need further financial modeling or scenario planning for the next planning cycles.

# Get smart on future funding needs

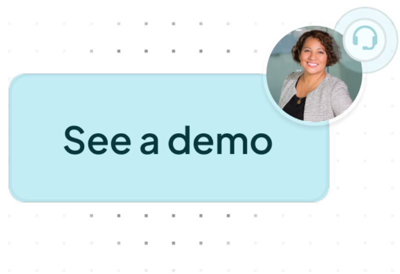
If the startup you're working for is pre-revenue or early stage, assess your current cash runway and assumptions on future financing needs.

Meet with executives and investors to get key information on the timing of potential rounds, and how much volume you could expect from them. Offer your perspective on any criteria VC partners will scrutinize, such as ratios, metrics benchmarks and milestones, and consider short-term actions that could improve fundraising prospects and valuation.

## Take a demo

Not all of your early work at a company should be on securing the big picture—some of it will necessarily be 'down in the weeds'.

The best startup leaders understand their product inside and out. Find an account executive on the sales team and get them to give you a customer demo. Take the time to ask as many questions as you need to understand it.




As your knowledge of the product deepens, you'll likely have more revealing questions. Don't be afraid to take multiple demos from different account executives to help form a full picture and get across all the relevant customer pain points and objections. Alternatively, you could request access to whatever your new company uses to record sales calls and watch a few sales calls - watching a number of calls at 1.5× is a super efficient way to learn a lot quickly.

# Talk to customers

Even though finance teams are not typically customer-facing, as a CFO you will be helping shape the business strategy. The only way to do that effectively is to understand your customers in depth—-who they are, how they perceive your product, and how it helps them achieve their objectives.

Instead of setting up meetings especially for this, try hopping in on customer calls that are already scheduled. For example, you could sit in on a sales calls with a prospect, or a quarterly business review between customer success and a customer.

> During the customer conversations, take advantage of being new to the business and ask fundamental questions about the customer and what they value—, even if these seem dumb or obvious. It's important to understand the customer's reality, rather than the perspective of it seen through a startup's reality distortion field.

**Brad van Leeuwen**
Co-Founder & COO at Cledara

# Week Three

N°3

You've now had the opportunity to form a reasonably full understanding of your new company and now it's time to start taking some decisions.

Week 3 is all about **consolidating your learnings** from your new team and the wider business,**identifying where you can bring value** and **formalizing the risks you need to manage.**

## Review internal processes

To avoid analysis paralysis, by week 3 you should move from learning mode into assessing mode. Evaluate the strengths and flaws of existing finance processes including:

- **Reporting cadences**—are you measuring your metrics too much or not enough? Budget owner input processes— is there a smooth process for your team to report expenses?
- **Internal controls**—are you too strict with the purse strings or too lax? Identify if these enable or hinder operational efficiency for your team.

Take notes on any gaps around headcount capacity, technical blocks or lack of standardization across tools.

# Identify top risks

You should now have clarity on the most pressing risks—whether runway, technical debt, personnel gaps or inadequate FP&A. Catalog and rank these risks in order of

- Priority—how soon you'll tackle them.
- Impact—the effect they'll have on the business.
- Effort—how much of an overhaul troubleshooting would require.

Then, take the top two or three issues and brainstorm potential solutions. You should prepare to present these to executives alongside honest estimates of resources and timelines to course correct. If any of the risks are tied to people or processes, be sure to discuss them with the relevant department leads.

# Uncover quick wins

While larger risks require extensive intervention, capitalize on “quick wins” as soon as possible. As a new hire, it’s important to demonstrate your value and show signs of early impact.

Quick wins might include:

> Overhauling reporting templates to clearly communicate KPIs
>
> Launching dashboards of metrics to boost transparency
>
> Fast tracking financial clean-up for a fundraiser
>
> Organizing finance team events to improve morale

A few quick hits can build your momentum and ensure you start off on the right foot.

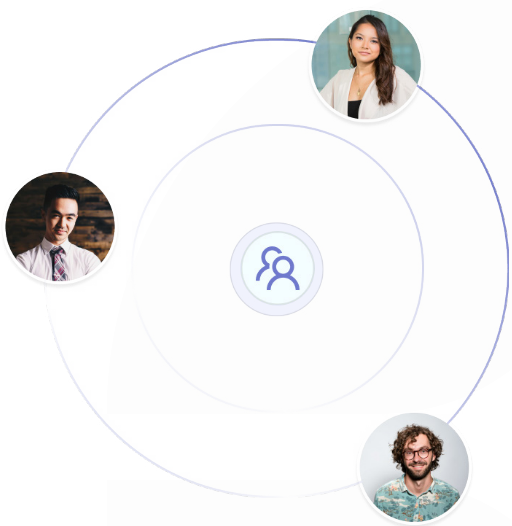
**Pro tip:** Optimizing tech spend is a tactic that CFOs often overlook—but it can quickly secure savings in the thousands. For many businesses, software is the biggest spend category after payroll, yet up to a third of this spend is wasted on unused, duplicate or unnecessary subscriptions.

# Talk to customers again

Talking to customers is not a one-and-done task: CFOs should talk to their customers virtually every week. This can keep them abreast of how the market is changing, so finance can proactively recognize risks and opportunities.

In week 3, you should set up a recurring cadence of customer conversations, either directly or in partnership with customer success or sales.

Following each customer conversation, think about what you've learned and how you can share that with the rest of the finance team and other executives. Customer knowledge is the lifeblood of any successful startup. Demonstrating customer understanding can help you build rapport with leaders in other parts of the organization and give you the opportunity to talk outside of the usual "budget-says-no" interactions that finance leaders have daily.



# Week Four

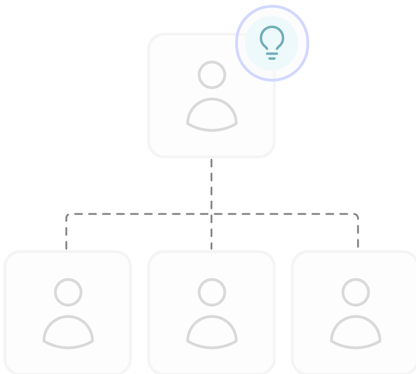
N°4

Week 4 should be dedicated to setting short-term goals and strategies beyond the first 30 days.

## Map your 90 day plan

Drawing together what you've learned, create an ambitious but realistic 90–day plan that articulates your North Star objectives, and strategies for hitting them. This plan will serve as your guiding light—it'll help you **prioritize your time** and **ensure that you have the greatest possible positive impact** on the team and the business in these crucial first months.

Your 90–day plan is also a tool to inform your CEO and other executives where you will be spending your time. Involving key stakeholders in your plan, such as the CEO, other members of the leadership team, and external advisors, **is critical for its success.** Their insights will ensure that your strategies are aligned with the broader organizational goals.



Given the limited timeframe of the plan, it is important to **prioritize tasks and objectives based on their urgency and impact.** Identify the key areas that require immediate attention and focus your efforts on those. This will help you make the most of your time and resources.

# Put out a fire

As a new CFO, you must scan all aspects of the company in the first 30 days to diagnose potential fires—areas of serious urgent risk that require addressing immediately. While longer-term strategic initiatives should form the bulk of your role, putting out a damaging blaze early in your tenure shows both vigilance and value-add beyond rearview accounting.

Return to the list of the top risks that you have assessed, and see if there are any broken processes you can address with relative speed. For example, you could:

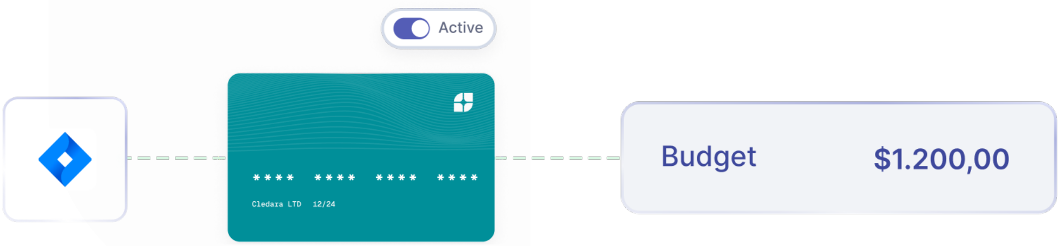
- Set up a SaaS management taskforce to identify duplicate or ineffective software subscriptions.
- Develop collector scorecards for your A/R team focused on aging buckets, to quickly capture thousands in overdue customer balances.
- Work cross-functionally to build ROI analyses on high burn products/campaigns which may justify throttling or pausing spend.
- If your business is cash poor, freeze extraneous expenses to extend the runway a few precious months and relieve pressure from the board.

You could offer to present your recommendations to executive leadership or, if your chosen fires are particularly critical, request an emergency board meeting to seek broad support.

Delivering a decisive triage plan to snuff out a problem burning precious resources demonstrates your leadership skills. This translates goodwill into hard dollars saved—an immediate win-win for company stakeholders.

**Pro tip:** If you don't know where to start, here's one common fire—and how to put it out. All too often, teams buy software by passing a single business credit card around the office. From a security perspective, this is every CFO's nightmare. The card details become vulnerable to getting lost or stolen and when that happens, every single subscription must be bought again.

A safer alternative? A software management tool like Cledara offers a secure way to pay for software, specifically designed with SaaS subscriptions in mind. Once you've set it up, you can pay for, cancel or renew tools at the click of a button, and even cap spending for particular tools so you can't be overcharged.



# Nail your elevator pitch

As CFO, you will serve as an ambassador for the company, fielding inquiries from investors, partners, and media. While founders typically deliver the visionary speeches, you must still be able to eloquently summarize the business case, traction, and future potential.

Treat the company overview deck as your bible—study it extensively until you can recall key facts and statistics. Time yourself delivering a 90-second pitch that crisply explains:

> The problem you solve
>
> Your unfair advantage
>
> Your core product offering
>
> Your user adoption metrics
>
> Your monetization model
>
> Your market landscape future vision

Refine this until the storyline flows confidently. As CFO you add credibility—leverage your position by drawing attention to financial highlights, mentioning statistics around revenue growth, margins, cash position, and operating metrics when called upon.

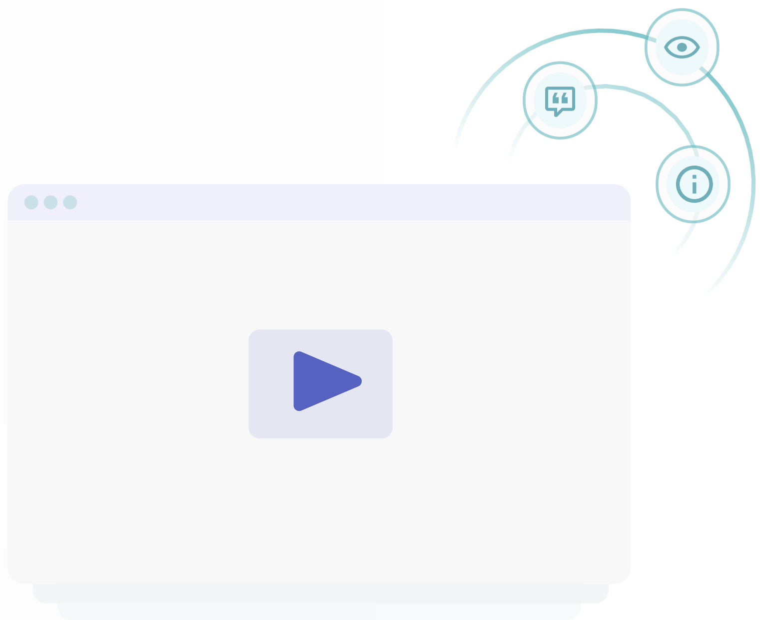
Over time, you'll be able to adapt this pitch to various situations, be they casual waiting room chats, investor meetings, partner calls or external speaking opportunities. You will be a polished ambassador ready to accurately represent your company's progress and passion to any audience.

# Become your own customer

As a leader in a SaaS company, you should make a commitment to personally use your product extensively alongside your finance team. This approach, known as “dogfooding,” **directly exposes you to the user experience while also letting you evaluate potential cost savings** or productivity gains for your own department.

Consume tutorial videos and engage live customer success representatives as often as you need in order to truly learn the platform. If your product is typically used by finance professionals, it’s especially important to share feedback with your product and engineering leads.

Your first-hand user perspective will lend helpful context when discussing churn drivers, new releases, and go-to-market plans with executives and the board. Fiercely adopting your own solution yields dividends spanning from **cultural empathy with the customer** to **profit and loss process optimization.**



# Beyond the 90-day plan

After an action-packed first 90 days in the trenches, it's tempting to keep your head down and plow ahead with your detailed to-do list. However, stepping back to intentionally reflect, recalibrate and refresh your perspective sets you up for even greater impact and influence in year one and beyond.

Leverage this transitional milestone—the end of your first 90 days in the role—**to cement early wins, course correct based on the lessons you've learned**, and **double down on your highest potential areas of contribution** over the next phase of growth.

# Reviewing Your Impact

In your first 30 days as CFO, some of the most important work you'll have done will be invisible. It's important to **evaluate your progress**, partly for yourself, but also largely to **demonstrate the impact you've achieved.**

- **Gather feedback** by interviewing key stakeholders like your CEO, Board members, and finance team. Ask what value has been delivered from your leadership and which initiatives made the biggest impact on risk reduction or spurring action.
- **Analyze** which actions had the most material impact to cash flows, profitability, or burn rate.
- **Document** key milestones you accomplished and quantify performance improvements to finances, reporting, forecasts or team capabilities.

Share this review with your key stakeholders to celebrate wins and to ensure you're still aligned on any priority gaps that still need your attention.

# Recalibrating based on lessons learned

Be introspective about strengths and weaknesses you exhibited in your first 90 days. Reflect on which relationships or situations brought out your best strategic thinking versus which made you feel overwhelmed.

Consider:

- What communication or leadership styles proved most effective with the key personalities on your team?
- How did your preferred working pace mesh or clash with the startup's cultural tempo?
- How is your working relationship with the CEO shaping up?

Surface these key insights by writing reflective memos, or talking to mentors who know you well.

This perspective can help guide any course-correcting you might need in terms of time allocation, the way you influence colleagues, or even shifts to your personal mindset.

# Removing Roadblocks

When companies have established ways of working, it can be hard to make lasting changes to their ways of operating.

If there are any specific barriers or blindspots that stopped you from fully executing your 90 day plan, document them to discuss with your CEO. Whether you face technology constraints, budget limitations, personnel gaps or cultural inertia, making these hurdles transparent is the first step to finding solutions.

Keep this list of constraints handy as you plan your objectives for the next phase objectives, whether that includes plotting workarounds or continuing to chase the art of the possible.

# Laying Out a 12 Month Vision

Now you've identified the areas of highest potential impact for this quarter, start framing a broader vision for evolving the finance function over the next year.

Create an empowering but realistic roadmap for the next year, considering accomplishments tied to team building, systems enhancement, strategic planning and governance policies.

Rally your team around this ambitious vision rooted in lifting financial performance and influence to the next stage of the company's maturity.

For a finance leader at a scaling startup, the learning never stops. Consistently synthesize your experiences into insights that help optimize how and where you drive change across this next inflection point and beyond.