What I Wish I Knew: Building for Scale from an Early Stage

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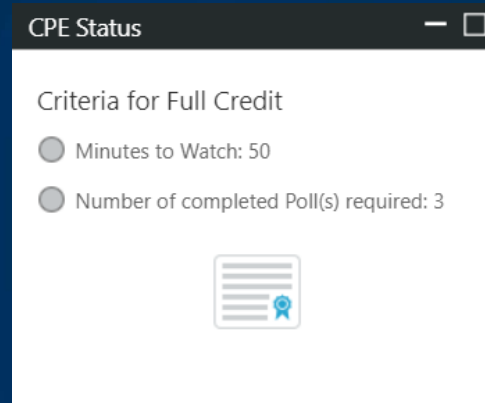# Webinar Features and CPE Credit

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Moderator

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Aneal Vallurupalli's Biography

- Aneal Vallurupalli is the Chief Financial Officer at Airbase. His background includes early to late-stage corporate finance, corporate development, operations, and M&A.

- Most recently, he was the Vice President of Finance & Operations at Mattermost. Prior to that, he was the head of Strategic Finance at Mapbox, and the founding member of the corporate development team at Guidewire (NYSE:GWRE).

- Aneal's career began in investment banking at Union Square Advisors in the technology M&A group.

Learning Objectives

1. Describe a framework to assess the challenges faced by the finance team as a company scales from early stage to early enterprise.

2. Identify the metrics and data that are important to help drive growth.

3. Recognize how to hire the right people, develop effective processes, and implement necessary systems to support scaling.

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Assessment: Business

Current

- Business Model
- Largest expenses (payroll, rent)
- Cashflow needs
- Runway and funding needs
- GL, chart of accounts

Assessment: Business

Plans

- Revenue growth
- Headcount growth
- Needs for modeling/analysis/data
- Transaction volume growth

Poll Question 1:

What current business issues should be understood to set up for scale? (Please select all that apply)

a. The company's business model
b. Cashflow needs
c. Runway and funding needs
d. All of the above

Poll Question 1 Results: (Placeholder)

Assessment: People

What are your own superpowers and what do you need to shore up?

- Accounting background

- Investment banking background

Assessment: Processes

- Where are the risks?

- What policies are in place?

- Where are the gaps?

Assessment: Systems

- What systems are in place?

- Are they sufficient to support growth?

- Are they too narrow?

- Are they overly engineered?

- What big systems projects will be required?

Poll Question 2

What future business needs should be considered?
(Please select all that apply)

a. Revenue growth

b. Headcount growth

c. Data needs for modeling, reporting, & analytics

d. All of the above

Poll Question 2 Results: (Placeholder)

Business

1. Define key metrics
2. Ensure that data is available and build needs into your system's plan
3. Develop reporting cadence
4. Find benchmarking sources

Know How You'll Measure Success

Anticipate Changing Needs

IPO +

Audit ready

Greater demands for real-time data
Focus on time-to-close

Complexity of company structure
International payments

Migrate to an ERP

Increasing booking complexity (amortizations, accruals, POs)

Budgeting and forecasting (FP&A) Support

Cash management (AR/AP)

Sales & marketing spend

Runway = payroll

STARTUP

TRANSACTION VOLUMES

NUMBER OF EMPLOYEES

Build Your Team

- In-house vs outsourced accounting
- First hires
- Avoid unnecessary hires with automation
- Hire strategic thinkers
- Hire others with an automation mindset
- Later hires
  - Leadership skills to take over different teams

Poll Question 3:

When building for scale it's best to choose systems…

a. That you've used in the past
b. That are free to use
c. That have functionality that will support a more complex organization
d. That are easiest to implement

Poll Question 3 Results: (Placeholder)

Processes

- Risk Management
- Roles and Responsibilities

- Bank accounts and moving funds
- Recording transactions
- Documentation
- Approvals
- Compliance
- Security
- Creating audit trails

Poll Question 4:

What are some of the risks that processes should address?
(Please select all that apply)

a. Ensuring creation of a clean audit trail
b. Evidence of approvals for spending company funds
c. Compliance with expense policies
d. All of the above

Poll Question 4 Results: (Placeholder)

Systems

1. Migrating to an ERP understanding when that is likely to happen

2. Key areas to automate:

   a. Payroll (some systems aren't efficient for international teams)

   b. AP (traditionally done with a series of point solutions that create inefficiencies)

   c. AR (depends on volumes and contracting complexity)

   d. Budgeting and forecasting

3. Avoid rip and replace costs with scalable solutions

Poll Question 5:

Would you like to get a demo from Airbase? If you check yes, please note that this will nullify any previous requests you've made to IMA to not share your contact information with Airbase.

a. Yes
b. No, thank you.

Questions and Answers

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Thank You to Our Featured Presenter!

Aneal Vallurupalli
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Final Reminders

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