

Portco Speed Rounds

Value creation through financial planning and analysis



Shape the future
with confidence

FP&A as a growth and value creation accelerator

When developing an effective financial planning and analysis (FP&A) function, cost should not be the primary focus but instead the value FP&A can deliver. When strategized well, FP&A is a force multiplier, paying for itself many times over.

Leadership considerations

- **Chief executive officer**
Are you getting the right financial insights you need to understand where the business is heading (and why) to make strategic decisions that are supported by a strong value story? How can you reduce the frequency of the “unknown knowns” that pop up – things you understand but don’t know about until it’s too late?
- **Chief financial officer**
How are you driving alignment and better decision-making for leaders across the company using data and insights? Can you provide the needed understanding of the company financials as well as what led to those outcomes to the board (and the deal teams and the operating teams)? How can you build and continuously improve FP&A capabilities rather than undertaking large-scale transformations that don’t last? How do you tackle the data challenge and build capabilities on your team to use and drive efficient and effective business forecasts and results?
- **Vice president of finance**
To deliver maximum value, are you verifying that accurate and insightful financial reporting is being delivered? Have you built integrated planning capabilities that connect the P&L statement with the balance sheet and cash flow statement to tell a holistic value story? Are you acting as a strategic advisor for value creation while also integrating operational and financial planning into the business? Are you able to provide timely performance insights that confirm the value creation plan’s trajectory and deliver precise course-corrections as needed? Are you effectively managing FP&A talent and attracting and retaining personnel to support the company’s strategic evolution?
- **PE deal teams and operating partners**
Are you receiving the level of financial data needed from the portfolio? Is management reporting giving you the insights into how value is being derived? How can you drive greater confidence in the Portco’s ability to see around the corner and flag key risks that could put the investment case or timeline at risk?

The fund perspective

It’s critical to your success to introduce strategic opportunities and effectively communicate current and future value to the market. How are you managing your mixed portfolio that is comprised of companies with diverse needs and at different stages in the lifecycle? How quickly can you generate insights?

The Portco perspective

Are you able to organize the right talent who understands where the profitability lies in the company? Have you matched the finance activities with your long-term finance strategy? With the transition underway, resources may be constrained – have you defined what their roles are and how to better serve the business going forward?

Takeaway

The key to driving maximum value is combining the capabilities at the sponsor level – talented, analytically driven people with a broad view of the industry and what drives financial outcomes – with the expertise of the Portco’s FP&A team – people with a deep understanding of the numbers and what operational choices are driving the outcomes. Fusing both sides enables optimal opportunity for driving growth.

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