

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?

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.

EY | Building a better working world

EY is building a better working world by creating new value for clients, people, society and the planet, while building trust in capital markets.

Enabled by data, AI and advanced technology, EY teams help clients shape the future with confidence and develop answers for the most pressing issues of today and tomorrow.

EY teams work across a full spectrum of services in assurance, consulting, tax, strategy and transactions. Fueled by sector insights, a globally connected, multi-disciplinary network and diverse ecosystem partners, EY teams can provide services in more than 150 countries and territories.

All in to shape the future with confidence.

EY refers to the global organization, and may refer to one or more, of the member firms of Ernst & Young Global Limited, each of which is a separate legal entity. Ernst & Young Global Limited, a UK company limited by guarantee, does not provide services to clients. Information about how EY collects and uses personal data and a description of the rights individuals have under data protection legislation are available via ey.com/privacy. EY member firms do not practice law where prohibited by local laws. For more information about our organization, please visit ey.com.

Ernst & Young LLP is a client-serving member firm of Ernst & Young Global Limited operating in the US.

© 2024 Ernst & Young LLP. All Rights Reserved. US SCORE no. 25239-241US. 2409-70958. ED none.

This material has been prepared for general informational purposes only and is not intended to be relied upon as accounting, tax, legal or other professional advice. Please refer to your advisors for specific advice.

ey.com