



CFOTHOUGHTLEADER

The Customer-Centric CFO

**Tools and Tactics for
Making Customer
Loyalty Central to the
Business Case**

December 10, 2015

Housekeeping:

- ⦿ This Event is Designed to be Interactive
- ⦿ Take Advantage of Real Time Q&A
- ⦿ Follow Us on LinkedIn



Who We Are: CFO Thought Leader

“Inspiring Finance Leaders to Drive Change”

- **MISSION:** To bring you personal firsthand accounts of CFOs who are driving change within their organization.
- **Selected A Top 50 Influencer In New Business Podcasts March 2015** By Driven to Better



Speakers

Marty Osterman

CFO

HireVue



Rob Markey

Partner

Bain & Company



Prepping Your Growth Engine

A Talk with Rob Markey,
Partner, Bain & Company

NPS: Not Just a Metric, But a Lever

- ⦿ NPS Introduced in 2003
- ⦿ Identifying Promoters, Passives & Detractors
- ⦿ The Impact of “Bad Profits”
- ⦿ Influencing Employee Behaviors From the Boardroom to the Frontlines.

Where NPS Champions Reside

- ⦿ Allianz & Schwab: CFOs Play Key Roles
- ⦿ Critical Linkage: Customer Loyalty & Financial Outcomes
- ⦿ Reliable Feedback Scarce Within Organizations
- ⦿ Providing an “Early Read” on Key Investments

Finance: An Impediment or Champion?

- ⦿ The P&L Expense Variance Discussion
- ⦿ A Focus on the Unexpected
- ⦿ Linking Customer Behaviors
- ⦿ A Familiar Tradeoff: Customer Loyalty vs. Near Term profit
- ⦿ Achieving a Desirable Double-Whammy

Linking NPS to the Business Case

- ⦿ Pervasive Tools Dominate P&L Owner's Attention
- ⦿ Conceive and Implement a “Tool” for Customer Lifetime Value
- ⦿ Providing a Full Picture of Costs & Revenues
- ⦿ Highlight the Differences Between Promoters, Passives and Detractors

The DNA of Customer-Centric Leadership

- ① Use Clear and Simple Math
- ① Competitive Benchmarking
- ① Decision Support Tools That Advance Discussion Beyond Monthly Budget
- ① Setting the Tone: Meeting Customer Needs Drives Revenue

CFO Debrief:

The Customer-Centric CFO

**A Talk with Marty Ostermiller,
CFO of HireVue**

Measuring the Customer Experience

- ⦿ **Identifying the “right customers”** - Those we know we can make very successful.
- ⦿ **Success vs. Churn:** Determining the activities and associated measures that lead to customer success.
- ⦿ **Using our reporting to illuminate** our successes and to highlight the areas for improvement that will help lead to stronger retention.
- ⦿ **Decide when to *cut your losses*** and when to pour on the love

Happy Customers

- ⦿ Renewals
- ⦿ Growing annuity streams
- ⦿ Referenceable customers
- ⦿ Growing customer-base
- ⦿ Growth in advocate-base and word of mouth
- ⦿ Lower acquisition costs of new customers
- ⦿ Happy Shareholders

Adopting a SaaS Mindset: Creating a Customer-Centric Organization

- ⦿ SaaS requires winning your customer's love each and every day.
- ⦿ SaaS requires a rabid focus on helping your customers succeed.
- ⦿ SaaS requires you to provide value that is commensurate to what you are charging customers

Decrypting Customer Success

- ⦿ Create visibility to the key measures at an appropriate and actionable cadence
- ⦿ Create and align comp plans to reward behaviors that drive stickier relationships with customers
- ⦿ Empower every person in the company to help improve customer success
- ⦿ Celebrate the successes and learn from the failures

All Eyes On Customer Loyalty

- Everything is intertwined; missed customer loyalty metrics are a leading indicator to missing budgeted numbers
- HireVue's Weekly Leading Indicator report highlights (among other things)
 - Customer Adoption and variance to trends
 - At-Risk Account
 - New referenceable customers

Triggering a Response

- Created a metric called “\$MRR per Interview” (the lower # the better as it relates to renewals)
- Highlighted “at-risk” customers to Customer Success team well in advance of renewals
- Used this as a driver for renewals forecasting... but more importantly, focused attention on creating more value for these customers

EPS & The Customer- Centric World

- ⦿ Happy Customers = Happy Shareholders (public or private)
- ⦿ What are the main customer-based drivers of value for a public (or private) SaaS company?
 - Growth and size of Recurring Revenue streams
 - Strong Customer Retention
 - Compelling Customer Lifetime Value
 - Strong economic models

Q&A

Marty Osterman

CFO

HireVue



Rob Markey

Partner

Bain & Company



Thanks for Participating

And don't forget to

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