CFO Roundtable Key Takeaways

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FinQore

Key CFO Strategies for Thriving in Complex Financial Climates

Donna de Winter, former CFO of Q4 Inc., Geac, and Varicent, kicked off the Toronto CFO Roundtable by emphasizing the critical role CFOs play as strategic operational leaders that actively balance rigor with empathy to drive sustainable success, even during complex financial climates. Drawing from her deep experience navigating turnarounds, IPOs, and rapid growth, her insights sparked a thoughtful and dynamic conversation among attendees. Key highlights from this discussion are summarized below:

1 Strategic Leadership Through Operational Insight and Effective Storytelling

Donna emphasized that the CFO role has evolved beyond traditional financial duties, requiring deep operational understanding to pinpoint exactly where value is created. She underscored the importance of CFOs serving as logical, transparent narrators of the company's journey, using clear, data-driven storytelling to build credibility internally and externally. As Donna shared, *"To be a great narrator of your story externally and to be credible, you need to start inside. The external story must align with how you operate."*

2 Fostering Healthy Friction for Robust Executive Decision-Making

Participants highlighted that CFOs should constructively challenge CEOs and peers, grounding discussions firmly in data and logic. As one participant noted, *"The best CFO I've worked with would consistently challenge assumptions."* Another participant added, *"Effective CFOs aren't afraid of constructive debates; they understand it's key to strong strategic alignment and sound decision-making."* Donna further underscored that such friction, handled well, strengthens trust and collaboration rather than eroding it.

3 Tailoring Financial Metrics for Sustainable and Efficient Growth

Donna cautioned against relying exclusively on standard industry metrics and benchmarks, instead advocating for metrics tailored to each company's unique strategy and context. CFOs should focus on the meaning behind the numbers, using deep, data-driven insights to guide decisions on capital allocation. As Donna noted, *"We only had a handful of metrics that really mattered to the business, and we watched them all the time."* This allowed the organization to scale and grow profitably.

4 Aligning Disciplined Capital Allocation with Strategic Goals

Disciplined capital allocation emerged as critical during the discussion. Donna emphasized that investments should align with strategic priorities rather than merely following market trends or reacting to external pressures. CFOs should advocate strongly for allocating resources to initiatives that genuinely advance business objectives, even when difficult trade-offs are necessary. Donna highlighted this clearly, *"The amount of money that follows priorities is shockingly unbalanced, and it's absolutely critical."*

5 Leading Through Change, Managing Team Fatigue, and Building Organizational Resilience to Future Risks

Participants recognized that continuous change can exhaust teams, not because of change itself, but due to unclear communication and poor visibility into the broader vision. Donna emphasized the CFO's role in proactively communicating the strategic roadmap and framing changes as meaningful milestones. Additionally, proactive risk management, which involves regularly assessing dependencies and potential vulnerabilities such as reliance on key clients, critical suppliers, or specific geographic markets, should become standard practice. Making risk reviews routine helps minimize disruptions, ensures preparedness, and boosts team confidence, demonstrating leadership ability to anticipate and manage challenges effectively.

6 Leveraging the Business Cycle Triangle To Drive Rapid Growth

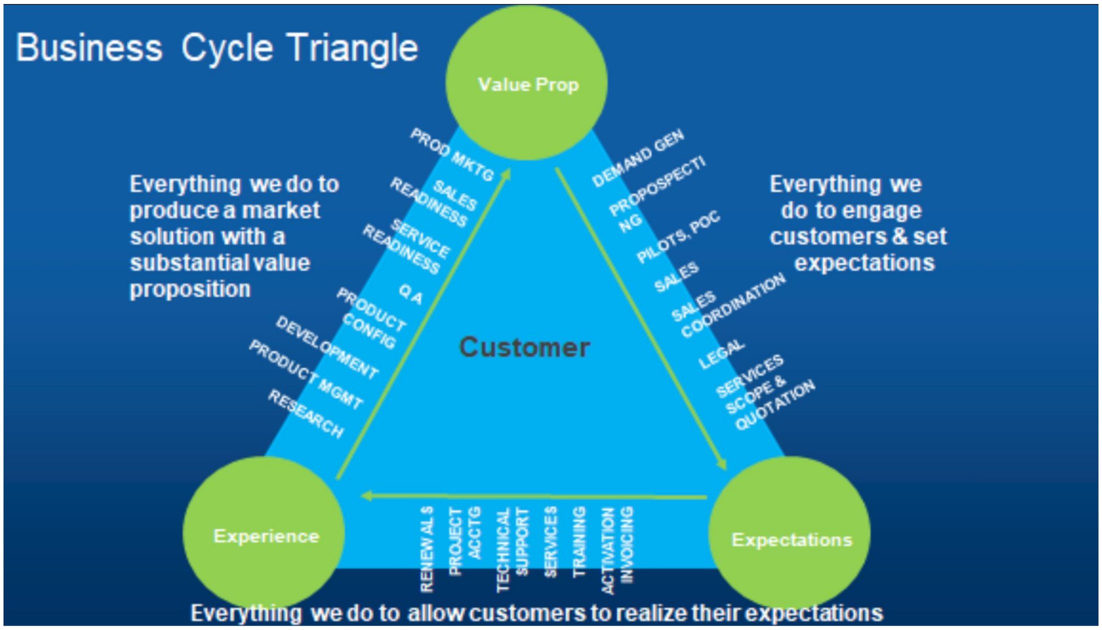

Image By - Donna de Winter

Donna emphasized the importance of understanding the business through a three-part framework: building a substantial value proposition, clearly setting customer expectations, and effectively delivering on customer experience. She highlighted that while specific methods and tools, such as AI, may evolve, the fundamental value proposition remains constant i.e.: solving a genuine customer pain point. Donna further underscored that companies achieve accelerated growth by swiftly moving through this cycle, quickly developing relevant products, effectively engaging and selling to customers, and consistently delivering on promised experiences.

Donna's insights reinforced a clear message: today's CFOs are pivotal in driving strategic clarity, operational resilience, and sustainable growth. By combining disciplined financial management, insightful storytelling, proactive risk assessment, and thoughtful capital allocation, CFOs can effectively navigate complexity, inspire organizational confidence, and ensure lasting success in an ever-evolving business landscape.

7 The Rule of 40: Balancing Growth, Profitability, and Sustainability

Vipul Shah, CFO and Co-Founder of FinQore, having spent a prior two decades as a Fintech Coder Co-Founder followed by concentration in Private Equity, facilitated a robust discussion among attendees on the strategic importance of the Rule of 40. CFOs expanded the dialogue into critical areas such as disciplined financial management, strategic customer selection, and notably, optimizing engineering productivity to achieve balanced profitability and sustainable growth in today's complex economic climate.

Operationalizing the Rule of 40/65 in Practice

CFOs emphasized the renewed importance of the Rule of 40, balancing profitability with growth, as essential in navigating economic realities following the end of the Zero Interest Rate Policy (ZIRP) era. With growth-at-all-costs strategies no longer viable, disciplined financial management, strategic decision-making, and selective customer approaches have become critical. Additionally, the Rule of 65 has emerged as a new benchmark signaling exceptional performance. As capital markets tighten, particularly affecting Series B to D companies, profitability has become paramount, with both private equity and venture capital investors increasingly rewarding sustainable growth and rigorous financial discipline. Achieving these benchmarks requires agile, real-time financial monitoring rather than traditional periodic reporting to swiftly address challenges and proactively manage growth and profitability.

Best Practices:

- **Continuously monitor key financial metrics.**
- **Clearly communicate strategic financial benchmarks internally.**
- **Regularly evaluate customer portfolios for profitability.**
- **Proactively exit unprofitable customer relationships.**

Optimizing Engineering Productivity and Accountability

Engineering productivity emerged as a critical focus for CFOs from technology-oriented, private equity-backed businesses. Recognizing engineering spend as a significant yet challenging budget item, attendees discussed complexities in balancing innovation investments, maintenance expenditures, and tech debt. Outcome-oriented metrics, particularly Revenue per Engineer and Net Dollar Retention (NDR), were recommended for tracking engineering effectiveness. Participants underscored the importance of aligning engineering closely with customer outcomes and market demands, cautioning against the common pitfall described by one attendee: "Engineering is coding what they think is necessary, not what customers are looking for."

Best Practices:

- **Track Revenue per Engineer and Net Dollar Retention to evaluate engineering productivity.**
- **Align engineering efforts directly with customer outcomes and market demands.**
- **Segment financial data and track performance by product to strategically allocate resources.**
- **Foster collaboration among finance, engineering, and customer-facing teams to enhance accountability and productivity.**

8 Deep Dive Into AI in Finance: From Hype to Pragmatism

Noah Finberg, Director of Applied-AI at FinQore led a grounded discussion on using AI in finance, moving beyond hype to focus on responsible, effective, and measurable applications. CFOs emphasized the need for clean data, clear use cases, and governance. What followed was a candid, experience-rich dialogue that revealed not just the excitement around AI, but the practical requirements for deploying it successfully in finance. From foundational data integrity to trustworthy tools and disciplined adoption strategies, here are the key takeaways from the session:

Ensuring Data Excellence and Infrastructure

Participants consistently emphasized that robust data infrastructure is the essential precondition for successful AI adoption. Noah Finberg, Director of Applied AI at FinQore, framed it plainly, *"None of this works if the data isn't right."* He elaborated further, noting that without a clean, modeled, contextualized, and well-documented data layer, none of the AI capabilities being pitched to finance teams would work reliably, *"That foundational piece is what unlocks everything else."* CFOs echoed this sentiment, sharing firsthand accounts of failed AI and analytics initiatives that stemmed not from bad models, but from bad data.

In response to this reality, FinQore has deliberately focused on solving the foundational data problem first. As Finberg described it, the platform uses financial experts, proven process, and advanced algorithms to automate the harmonization and normalization of financial data across systems. The result is a single, trustworthy source of truth—deeply segmented by revenue, customer, and product—that creates a reliable and structured data layer upon which AI is applied to extract actionable insights.

AI Tools CFOs Can Actually Trust

In a market saturated with over promises, Noah Finberg focused the conversation on AI tools that deliver tangible value for finance leaders. Rather than abstract capabilities, he highlighted three practical innovations worth CFO attention: micro-task AI agents, MCP protocols, and vector databases. Perhaps most compelling to the CFO audience was the discussion around vector databases, which are used to store and retrieve unstructured data efficiently. Noah described them as the "memory layer" behind agents and AI systems.

Best Practices

- **Few companies today have truly clean and integrated data. Prioritize data quality investments before considering advanced AI initiatives.**
- **Ensure robust, documented, and contextually accurate data infrastructure as a foundational imperative.**
- **Recognize that immediate investment in data management infrastructure is essential to future AI success.**
- **Clearly define and articulate business problems before exploring AI solutions.**
- **Start AI initiatives with small, measurable projects focused on automating repetitive, clearly-defined tasks.**
- **Establish formal AI usage policies and validation protocols to ensure reliable outputs and protect sensitive data.**
- **Combine specialized human expertise with targeted AI automation rather than pursuing full automation immediately.**
- **Rigorously evaluate AI tools based on measurable financial and ops returns.**
- **Integrate AI into existing workflows e.g.: Slack, rather than creating new interfaces.**

Notable Quotes From The Roundtable Discussions

Authenticity and Transparency

"I don't think your story has to be polished to the stakeholders. Just make it substance-rich and unpolished."

"Don't predetermine the exit. Don't decide you want to be public in four years—that's not a strategy. Set the course against a strategy, not against a financing outcome."

"If you're broken in a certain spot, be transparent...show self-awareness."

CFO Leadership

"Revenue grows, but the company scales. If the cost per revenue dollar is the same this year as it was last year, you're not scaling. You're only growing."

"Numbers don't lie. Your ARR number is irrelevant if you don't understand your ARR number."

"I'm shocked again and again that the money doesn't follow the priorities in a company."

AI Skepticism and Practicality

"It's not the tools replacing the human; it's one human doing the job of five people with a tool they are now becoming an expert at using."

"Before you invest any money...think about this [data foundation] first...the people who get this right are going to excel."

"None of this [AI potential] matters if the data isn't right."

AI Hype and Reality

"Some days I feel like, oh my god, this is changing the world. And the other days I feel like, oh my god, this is such shit."

"You don't really have a way to know if they're right...large language models are amazing at generating really convincing-sounding things, but they're designed to give you plausible answers, not necessarily accurate ones."

Rule of 40 and 65 Metrics

"The grow-at-all-cost era is just gone...you need to focus on customer selection and where you're spending money."

"If your business was founded before 2018 or 2019 because you raised at very high multiples, if you don't have sustainable profitability metrics, you're kind of screwed right now."

"For high-growth companies, if you're a Rule of 60 or above, those are 15, 25, 30 times revenue multiples."

General Insights on Financial Leadership

"Once a month you ought to have an event where you're willing to say something that will get you fired. Otherwise, you're probably not a good finance leader."

"Healthy friction is not a bad thing. The question is, does the CEO even respect where you're coming from?"