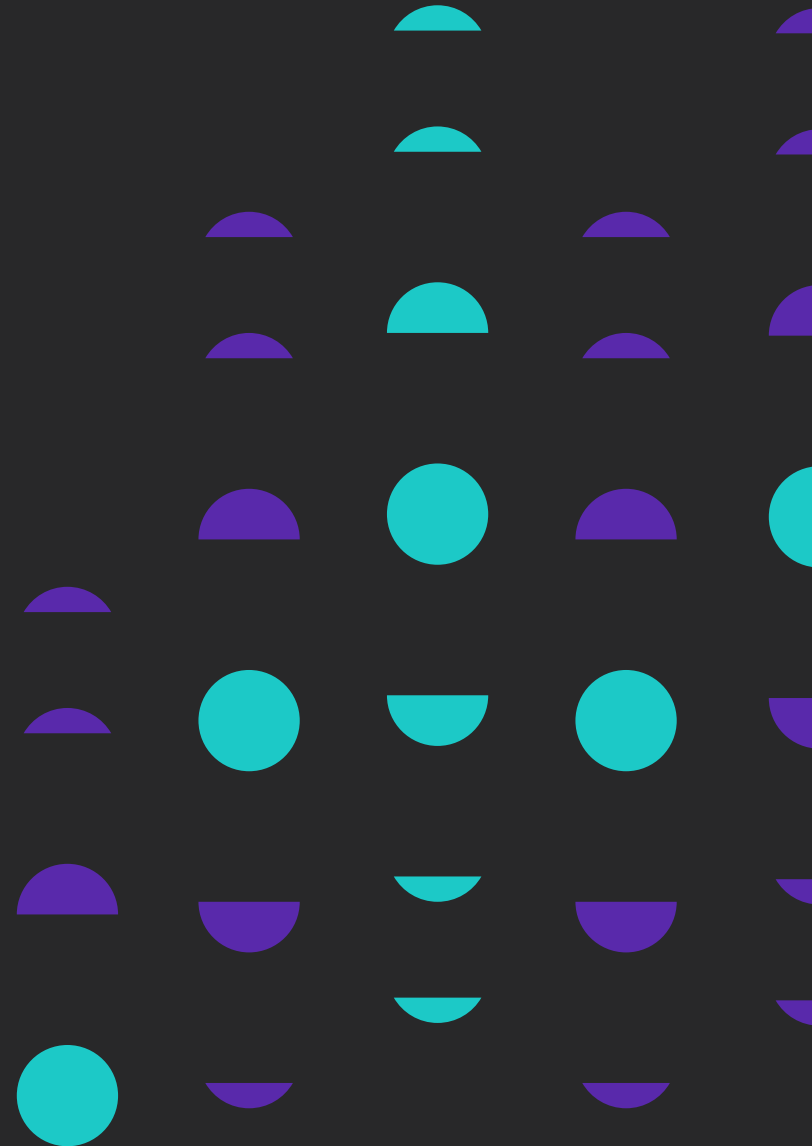


# How Data-Driven CFOs Navigate Revenue Uncertainty



---

## Table of Contents

Introduction .....	3
The Fiscal Impact of COVID-19 .....	5
The Top Challenge for CFOs—Even in Calmer Weather .....	8
What CFOs Need to Drive Predictable Revenue .....	10
The Solution CFOs Use for Forecasting Confidence .....	13
How 6 CFOs Leverage Clari to Steer Their Business .....	15
A CFO's Revenue Dashboard Deep Dive .....	18
Driving Predictable Revenue with Clari .....	20
CFO Checklist .....	22
Sailing Toward the Horizon .....	30

# Introduction



---

## The C in CFO should stand for captain.

Just like a captain, CFOs are tasked with charting the best financial course for a company's future. But, as a common proverb says, "a good captain is not made from calm seas."

Right now, the seas of our economic environment are roiled. The economy, according to the [National Bureau of Economic Research](#), entered a recession in February, and although we continue to forge a new normal, we are far from smooth sailing.

"This year has been a wartime for businesses," says Clari's Chief Financial Officer, Alyssa Filter. "What we're going through is a once-in-a-lifetime black swan event that is testing even the sturdiest of companies globally. No one could have expected to be in this position a year ago, but as CFOs, it's our duty to navigate our way through it. Whether your company is experiencing a headwind—lost business—or a tailwind—suddenly explosive business like Zoom or hand sanitizer—these extreme shifts in operations impact your business strategy."

In this ebook, top CFOs share how they are finding solutions to short term challenges related to COVID-19 and how they are preparing their companies for growth.

# The Fiscal Impact of COVID-19

---

COVID-19 has profoundly impacted our professional lives, including the ability to forecast accurately and drive predictable revenue. Those are two crucial metrics that help CFOs make business decisions.

Clari processes over \$600 billion worth of pipeline data annually, including 185 billion sales and marketing data points. We analyzed this data to understand the impact of COVID-19.

Our results were:

- In Q1, organizations slipped 8% more late stage deals compared to the same quarter last year
- Total forecasted revenue declined by 9% in Q1 compared to Q4
- Teams landed 24% below their March 1 sales forecast, on average
- Sent emails increased by 16% in Q1, but the ratio between sent emails and responses decreased by 8% (both compared to the previous quarter)

—These aggregate pieces of data, although surveyed in hindsight, are the types of data points I leveraged to make decisions in real-time to help navigate Clari through the first weeks and months of COVID-19. I also relied on full visibility into what state our pipeline was in.

I asked, ‘What is Clari’s AI forecasting versus what the reps are saying? What is the activity within key accounts? How are prospects and customers responding?’

Having these insights helped us make rapid, data-driven decisions.

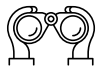
Alyssa Filter  
CFO @ Clari

---

After COVID-19 hit, we sat down with CFOs to learn what their key takeaways were, how they adjusted, and what they recommend CFOs do in the face of the unexpected:



**Leverage data to answer key questions.** The more you know, the more pathways you can chart, and the better decisions you can make.



**Keep an eye on key changes.** Visibility into data like current and out-quarter pipeline, historical close rates, and prospect engagement, allows you to spot risk or opportunities early so you can invest in the right areas of your business.



**Let constraints inspire innovation.** Inspect optimization from the top down and see where you can creatively become even more efficient than you were before.



**Communication and focus is key.** Stay transparent with your board of directors and employees so everyone from the top down can focus on working together, aligned under a single goal.

The truth is, even outside of a pandemic, business challenges that shift strategy happen all the time. And these best practices are evergreen. But they start with a key ingredient that most CFOs don't have.

# The Top Challenge for CFOs—Even in Calmer Weather



---

Over the past few months, we've spent time with executives, customers, and board members, sharing best practices for navigating through a pandemic. Almost everyone is looking for answers to the same question:

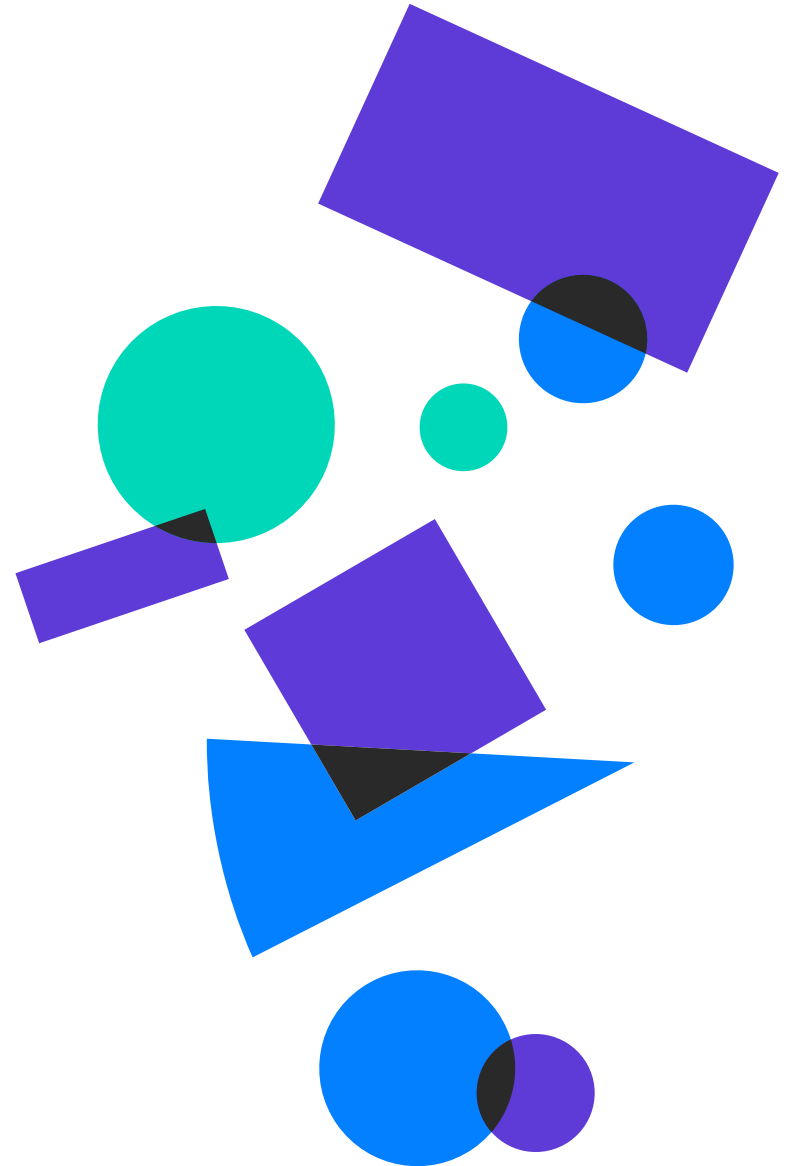
*How can they gain more confidence in their revenue predictions?*

For too many companies, sales forecasting is a complex, manual, and offline process that's full of uncertainty even in the calmest of economic times.

In fact, [Gartner's 2019 State of Sales Operations Survey](#) found that 55% of leaders say they lack confidence in the accuracy of their forecast. And forecasting is not just for sales. It's a critical map for CFOs navigating their business towards growth.

If sales leaders aren't confident in their sales forecasts, how can CFOs be confident in their operational plans?

Siloed sales forecasting housed in spreadsheets puts too much pressure on human-educated guessing. Sales moves so quickly that the datasets are outdated the minute they are pulled and put into a static spreadsheet. Without the right tools, CFOs do not have the data they need to evaluate pipeline activities and develop an accurately informed operational plan. That's a challenge that can sink your business.



# What CFOs Need to Drive Predictable Revenue

---

**Top CFOs are forging the path to forecasting with confidence. Here's what they are looking for in their tools to help them.**

—**Visibility** is super important. Our CRO and CFO partnership up-leveled when we began utilizing the same tool as a **single source of truth** to judge our revenue. It puts us in the same boat, helps us align on a goal, and makes it easier for us to row in the same direction and at the same cadence.

Todd Sanders  
CFO @ Planview

—I'm a big fan of **automation and AI**, and have seen firsthand the impact it can deliver to improve accuracy and increase selling capacity. When I joined Red Points, one of our top initiatives was to get revenue operations to the next level. This included more **disciplined deal management** for reps, **process optimization** from ops, and greater revenue visibility across the company. Our tool and process framework have kept us aligned through this economic change and give us visibility further out into our revenue risk and outcomes.

Lena Shishkina  
CFO & COO @ Red Points

---

—Having **easily accessible data** to support a forecast call has made our processes even better. It allows finance to strategically partner with the sales organization for improved planning and execution.

Brett Pollack  
VP Strategic Finance @ Outsystems

—As CFO, I make sure our investments are strategic. I'm here to be a supportive business partner. I need tools that give me the ability to **analyze our revenue data in real-time** so I can bring a strategic perspective to the table and we can make data-driven decisions.

Elisa de Martel  
CFO @ Carbon

—**Real-time access** to our data, and projections based on that data, allow me to take the most informed approach to our financial plan. Being able to **easily, visually track business changes** like pipeline, conversion rates, renewal rates, meetings scheduled, and early indicators in the pipeline gives me the most confidence in forecasting.

Alyssa Filter  
CFO @ Clari

# The Solution CFOs Use for Forecasting Confidence

---

The CFO must build speed and flexibility into forecasting, planning, and resource-allocation processes, [according to McKinsey](#), and also incorporate new technology and rapid decision-making protocols into the finance team's day-to-day work. To achieve this, they need a tool that can provide:

- ✓ Visibility into every aspect of their business in real-time
- ✓ A single source of truth to align with their counterparts in sales, marketing, and customer success
- ✓ The ability to easily and visually track and measure business changes
- ✓ Automation and AI to minimize room for human error
- ✓ Good data hygiene to help develop and track the performance of GTM strategies and financial plans
- ✓ Methods to create more disciplined deal management and process optimization for higher predictability
- ✓ Deeper ways to analyze their business that unlock agility

The CFO cannot steer the ship alone. They need the right tool to help them align with other leaders, the board, and their organization. Gartner agrees: "Organizations do not have to accept that sales forecasting has always been, and will continue to be, difficult."

In this research, [Gartner describes the newest technology for sales forecasting](#), including new tools for complex forecasting processes, pipeline inspection capabilities, and predictive forecasting capabilities. They highlight Clari as a best-of-breed forecasting management solution.

# How 6 CFOs Leverage Clari To Steer Their Business

---

## **Do your own data-driven validation**

—Clari gives me the real-time visibility I need into how we are tracking for the quarter without interrogating our sales team. The forecast, pipeline, and potential slips are right at my fingertips. I'm a big mobile user of Clari. I can get a quick update in the evening or over the weekend without bothering the team or even opening my computer.

Anup Singh  
CFO @ Illumio

## **A single source of truth helps optimize the revenue process**

—Clari gives us an increased level of confidence forecasting the growth of our business. The enhanced visibility provides additional insights that were previously tracked in various business intelligence dashboards.

Brett Pollack  
VP Strategic Finance @ Outsystems

## **Visibility unlocks efficiency**

—Clari gives us full visibility into our revenue performance from the rep all the way to our CRO and executive team, making our end-to-end forecasting incredibly efficient.

Mohit Daswani  
CFO @ Thoughtspot



---

## **Automation and real-time data improves forecasting confidence**

—We've completely transformed our revenue process with Clari, giving us confidence in how we'll perform against the revenue plan. We have a complete data set to analyze our business without the hassle of manually logging activities.

Todd Sanders  
CFO @ Planview

## **Business predictability fosters internal alignment**

—Predictability and sales forecast accuracy are essential to build a sustainable business. Clari has allowed the sales and finance teams to align ourselves on the same data and metrics around Carbon's revenue.

Elisa de Martel  
CFO @ Carbon

## **A connecting force between sales and finance**

—I'm not only in Clari during QBRs and forecasting calls but it's the first tab I open to see how we are trending for net new, renewals and out quarter pipeline. Clari has become the connecting force between sales and finance. We now operate as a cohesive unit to attain our revenue goals.

Russ Keefe  
VP of Finance @ Corelight

# A CFO's Revenue Dashboard Deep Dive

---

Alyssa Filter, Clari's CFO, has worked with venture-backed technology companies for over 14 years.

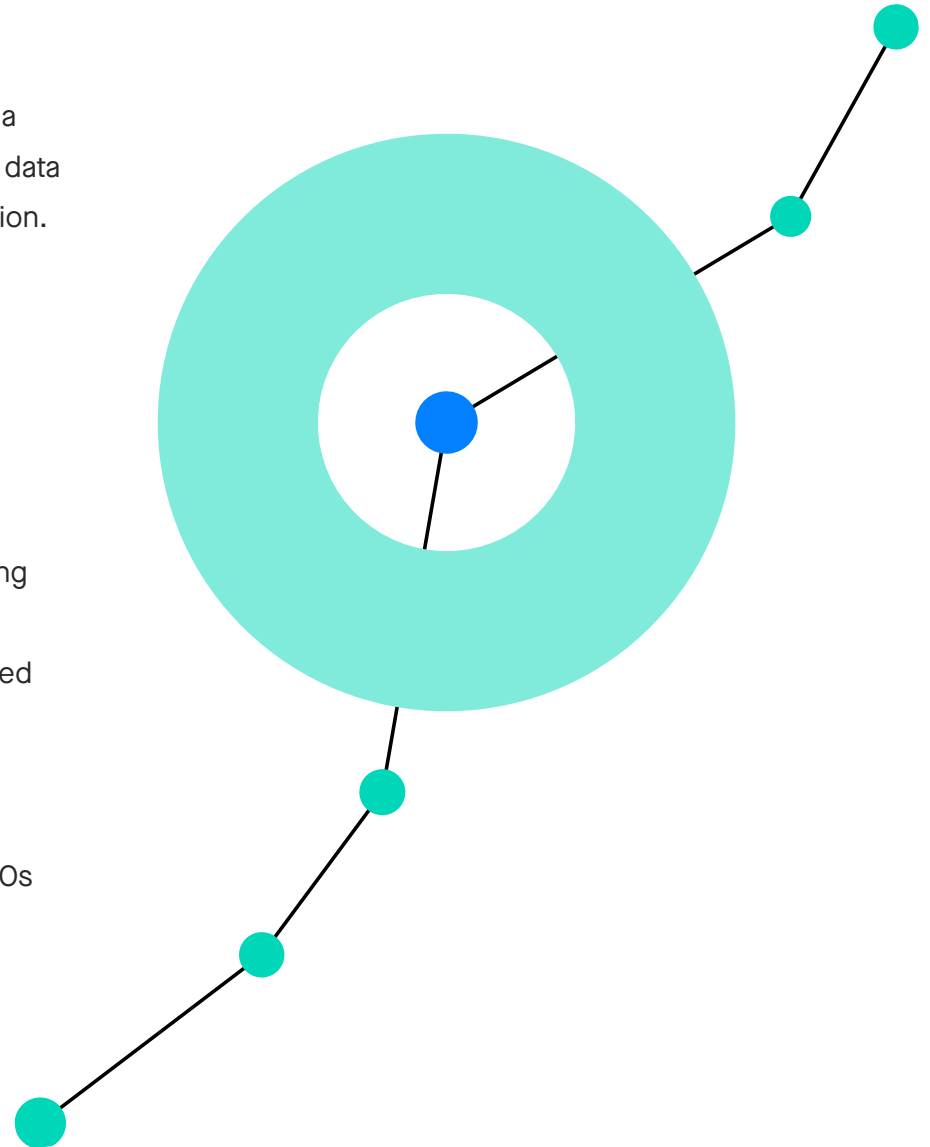
In a recent interview with [CFO Dive](#), Alyssa shared how she considers herself a "data-driven CFO." She leverages real-time visibility into pipeline and forecast data to make decisions about investments, cost management, and AI implementation.

"Having confidence in quarter outcomes means I can make earlier and more informed decisions on key strategic initiatives such as hiring and product investment," she says. "Visibility is key to understanding where we should be allocating spend to ensure we are getting the best return on our investment."

Leveraging data to make decisions has never been more important than during the uncertainty that COVID-19 brought to Clari. Filter developed, and earned approval for, a new operating plan in late March that led the strategy Clari used to hit our forecast in Q2 during the height of uncertainty.

Outside of a pandemic, unexpected events can throw a wrench into the forecasting machine at any time and on any scale. That's why it's vital that CFOs have a single source of truth and real-time access to sales data.

Filter shares how she leverages her Clari dashboard to uplevel her C-level conversations and steer the ship, no matter the economic weather.



# Driving Predictable Revenue with Clari

Clari's CFO Alyssa Filter shares how she uses the Clari platform to strategize and grow



---

## Unlocking more valuable conversations

Efficiency, accuracy, and alignment in the organization are more important than ever. The macro-environment changes daily. There is no room for leaders to spend their invaluable time in meetings merely reporting the news. Clari enables me to uplevel my conversations with my fellow go-to-market leaders in sales, marketing, and customer success.

**Real-time visibility** unlocks **data driven insights** and leads to **strategic partnership**.

Real-time visibility	Data-driven insights	Strategic partnership
<p>With Clari as a single source of truth for deal, forecast, and pipeline data, I can monitor the health of the quarter, track KPIs, and understand changes in real-time.</p> <p>Without Clari, I would have to write an email or schedule a meeting asking for the data. But with my dashboard I can get answers and make business decisions in less time than it would have taken to write that email.</p>	<p>I forecast with confidence because I can easily triangulate what sales is saying, what Clari AI is saying, and the broader operating plan data I have as CFO.</p> <p>This total revenue confidence means I can inform company strategy and actions with numbers I can validate and trust.</p>	<p>With my dashboard, I can have proactive conversations with my peers about the health of the business and potential risks.</p> <p>Instead of reporting the news, we know exactly what the status is of every opportunity so we can optimize resource allocation and efficiently support our revenue organizations.</p>

We rely on Clari for predictability even in the face of macro forces. These three pillars help change the tone of our C-level conversations because everyone is working with the same numbers towards the same goal. When doing internal calls there's a base level understanding and team spirit that you can't achieve if everyone is misaligned over the data.

# CFO Checklist

---

Here is my checklist as I inspect Clari's pipeline for business changes.

## Before and During the Quarter

### Pipeline Inspection

- ✓ What are the top deals in the pipeline? What is their deal score that indicates their likelihood to close?
- ✓ What is the balance of the pipeline? For example, are there a few large deals and not enough smaller deals, so that if a large one fell through it would cause too much risk?
- ✓ What is the sales team calling versus what is Clari's AI-based forecast projection?
- ✓ How are we tracking against our goals? What is the close plan to get us there?
- ✓ What changes have been made to the forecast and by whom? In Clari, I can easily see deal notes to get this information.
- ✓ Do we have any slipped deals we can creatively bring back into the quarter?

---

## Resource Inspection

- ✓ If I break down coverage and activity by territory, are there gaps?
- ✓ Where do we need to hire more or invest more?

## Renewal and Churn Forecast

- ✓ Has the churn forecast risen?
- ✓ What impact does churn have on my net dollar retention?
- ✓ What notes are there for potential churns?
- ✓ How can I act as a business partner to save potential at risk accounts?

## Pipeline Coverage

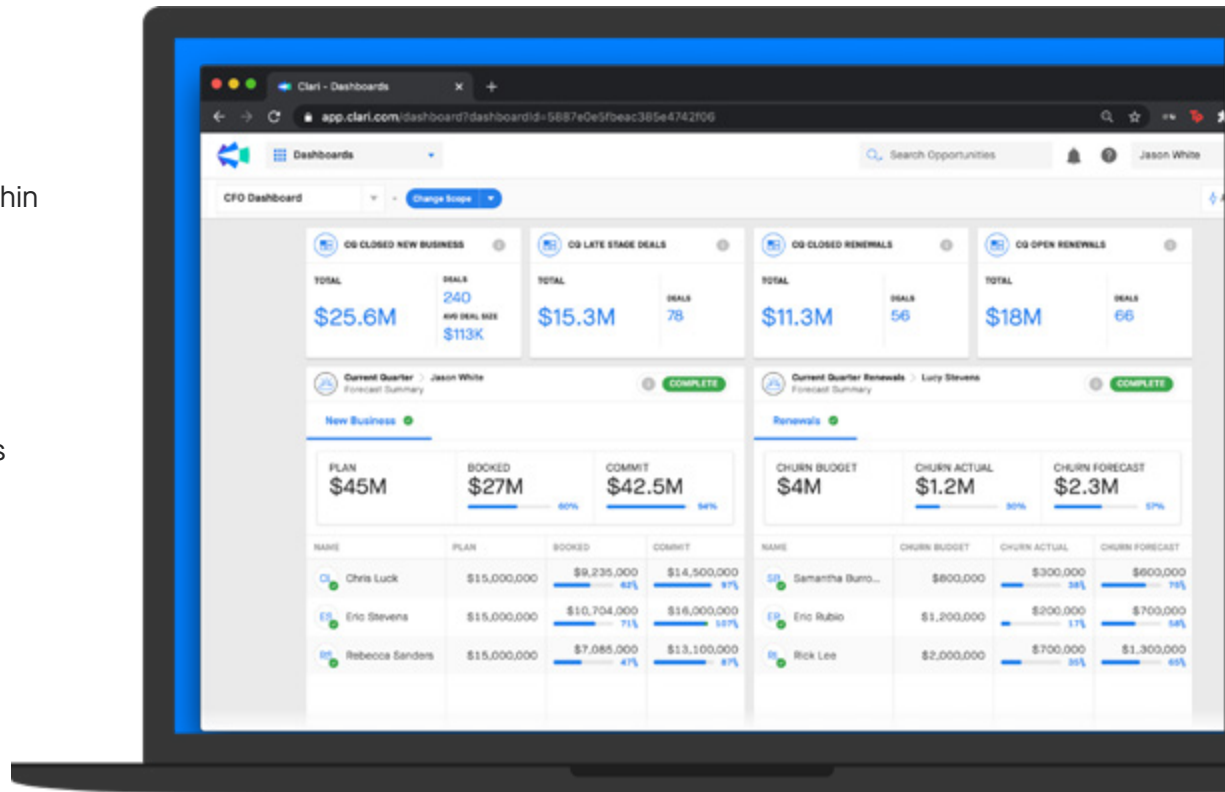
- ✓ What resources does the team need to help push deals through the funnel?
- ✓ What does Clari's AI recommend for pipeline coverage? Do we have the right coverage in the right stages?
- ✓ How can we get more into the pipeline for next quarter?
- ✓ Where is our go-to-market strategy showing successful metrics so we can invest more in those programs?

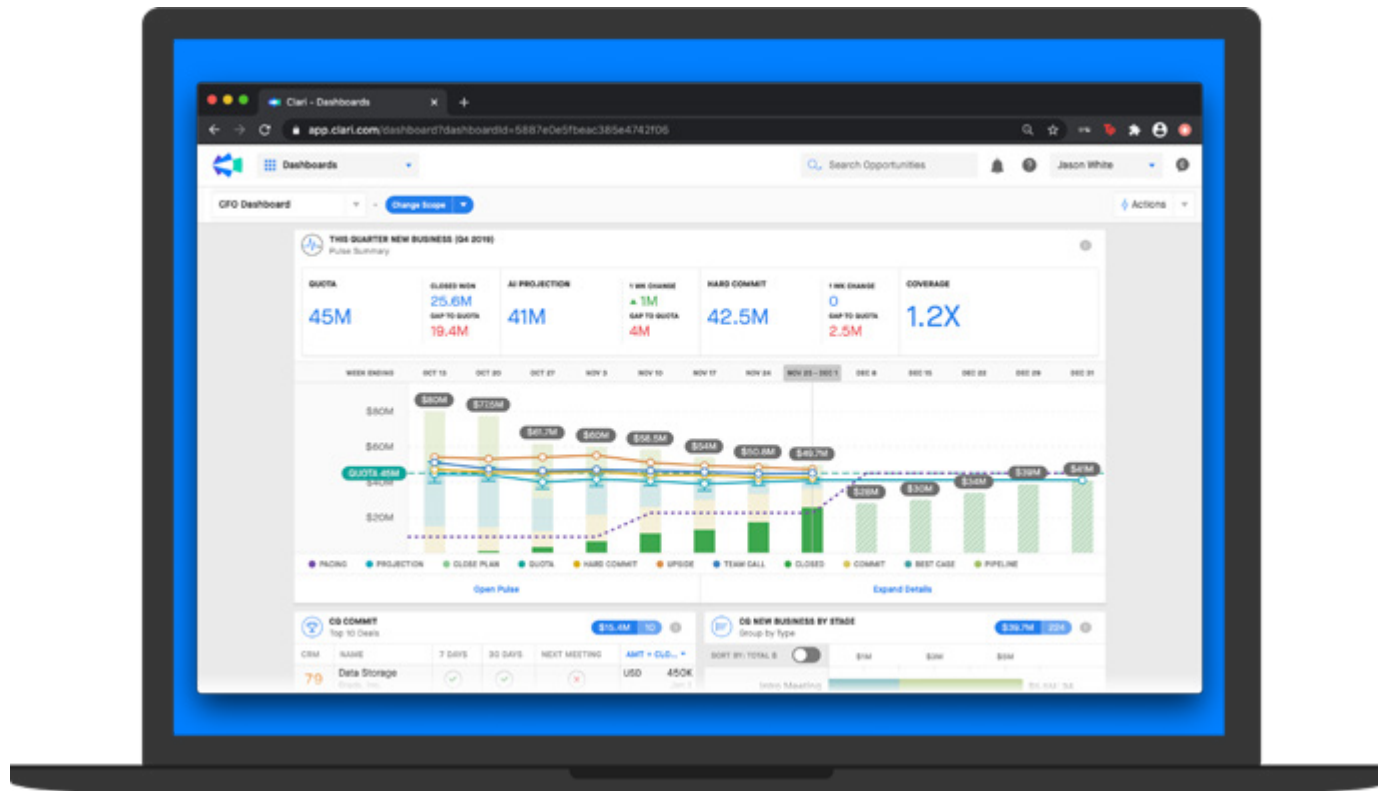
I use these data points to triangulate the forecast with the operating plan. With this information and real-time visibility into what is happening in accounts I can be a better business partner to my counterparts. I am able to come to the call with more confidence in my perspective.



Here's what it looks like for me to answer those questions within my Clari dashboard.

The CFO Dashboard can show us at a glance where we are in the quarter so far. Here we can see what the revenue teams at Clari have closed, for both net new and renewals as well as the gap to close and how much is currently in commit. This view breaks our business down by territories within the Sales and Customer Success Teams, so I know where to look for actionable insights.

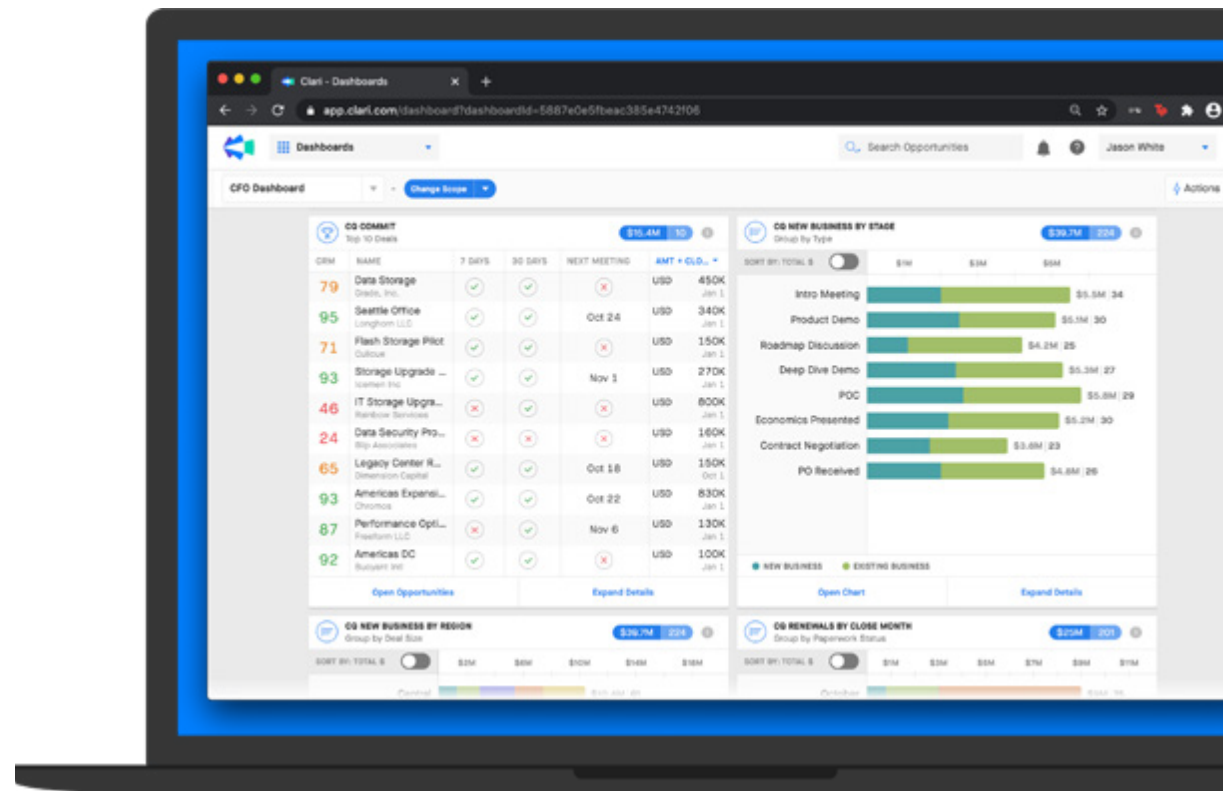


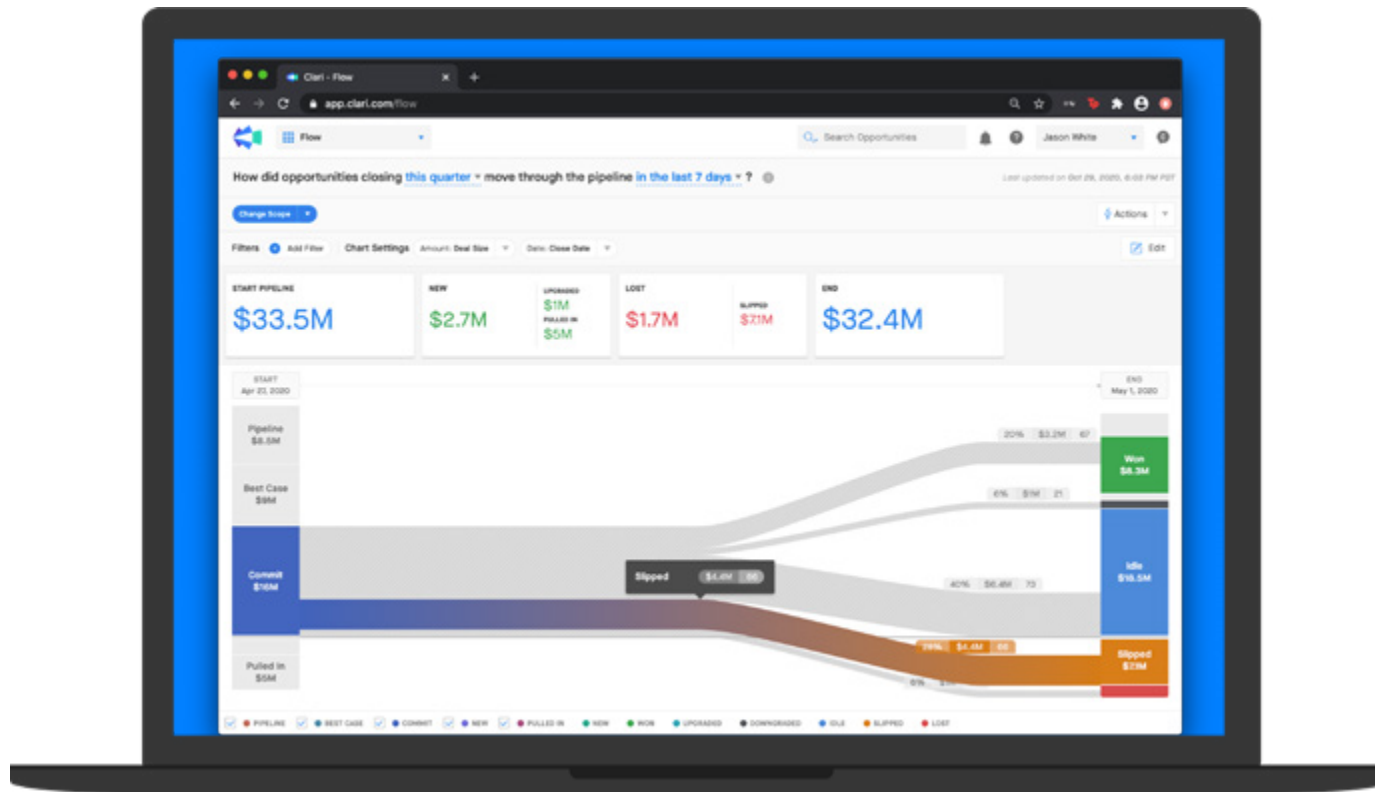


This view of Clari's Pulse Analytics module shows me how we are trending from three views, from the Reps, from my Sales Leader, and what Clari's AI-based projection is calling. This allows me to triangulate and see different opinions about where we will land for the quarter in one view.

It's important that I am able to see this data week over week and how it has changed in one easy view like I can with Clari. I can also see how we're tracking from a linearity perspective, which is important to help me determine where to accelerate investments and where to be more strategic.

This is a view of our top 10 deals in the business. This shows me at a glance how we are trending with these top deals, and where we might have risk. Some are trending well, while others might be in danger of slipping or being lost. The visibility allows me to scrutinize the inventory. I have the confidence to know exactly where I should be offering my support within the business, and where our focus as a GTM team should be in order to close the quarter and achieve our forecast.





The Flow module lets me review how our pipeline is moving throughout the quarter. This view shows me how we are doing in the past week. I'm most concerned with the deals that have moved from Commit to Slipped. From here, I can view the opportunities that have slipped in order to partner with the sales team on how we might be able to bring them back into this quarter.

These are just a few of the ways that I like to keep track of our revenue to ensure that we are hitting our forecast and plan for the year.

---

## At the End of the Quarter

In those last few weeks, deal data is changing so quickly, I need real-time information so I can provide the best possible analysis, resource allocation, and guidance as I prep for the quarters ahead. I am also looking at how the next quarter is shaping up. I ask these questions:

- ✓ How are deals tracking?
- ✓ What's getting pushed out and how does it impact hitting our revenue goals?
- ✓ What's open? Ensure the number of open deals is decreasing, and that they are closing.
- ✓ Do we have the resources in finance and legal to make sure we can clear these deals? For example, in Clari we can easily see where deals are with paperwork. Have we sent them our docs? Are we in red lines? This helps us ensure we have the right resources on hand.
- ✓ How are we tracking on renewals?
- ✓ What does next quarter's pipeline look like?

At the end of the quarter, sales and customer success teams are heads down. Having the dashboard allows me to have the right, strategic conversations that help support them.

We also have quarterly business reviews and board meetings to prepare for. In the past, without a tool like Clari, I would have to request this information and wait for an answer. With Clari, I have the answers faster than it would have taken to write out the question in an email. That is the level of agility our team needs to match our level of performance.

# Sailing Toward the Horizon

---

CFOs and finance teams have helped navigate their companies through the storm acting as a true captain by:

- Protecting employees by optimizing operating efficiencies while preserving jobs
- Cross-functional collaboration with leaders and the board to reset expectations and create multiple contingency plans
- Assessing liquidity and conserving cash; investing in the right areas for security today and growth tomorrow

They've conquered what seems like tidal waves. There's every indication that the journey ahead will continue to have unexpected storms. Market conditions are changing, and so must companies' traditional day-to-day planning and budgeting activities—and quickly.

Clari has helped revenue leaders at more than 300 companies become even more confident captains, steering the ship towards predictable revenue and growth.

[Schedule your demo with Clari today.](#)

**—In this environment of volatility, we need to see changes happening to our business as they occur, so we can adjust. Clari gives us this lens to spot progress and risk with time to accelerate or pivot. The combination of current quarter progress and future quarter pipeline is a huge competitive advantage. It guides where we allocate resources and spend for future growth.**

Bill Losch  
CFO @ Okta



Clari's Revenue Operations Platform improves efficiency, predictability, and growth across the entire revenue process. Clari gives revenue teams total visibility into their business, to drive process rigor, spot risk and opportunity in the pipeline, increase forecast accuracy, and drive overall efficiency. Thousands of sales, marketing, and customer success teams at leading companies, including Okta, Adobe, Workday, Zoom, and Finastra, use Clari's execution insights to make their revenue process more connected, efficient, and predictable. Visit us at [clari.com](https://clari.com) and follow us [@clari](https://www.linkedin.com/company/clari) on LinkedIn.