

# POSITIVE ● MOMENTUM

no nonsense business expertise

## Selling to CFOs: A no-nonsense guide

- Pass 'The CFO Test'
- Become fluent in the 'metrics that matter'
- If you don't talk ROI, the deal won't fly

# B2B SELLING HAS CHANGED.

## Do you pass ‘the CFO test’?

CFOs are increasingly involved in purchasing decisions and yet our research shows that they're far from impressed with the way many B2B salespeople engage.

Only 7% say that salespeople always do their homework, and more than a quarter say salespeople are rarely fluent in the language of ROI.

Being able to convince a CFO that an investment is worthwhile is the ultimate test of a salesperson's capabilities. Our research reveals most are just not cutting it.

## How much are CFOs involved in sales decisions?

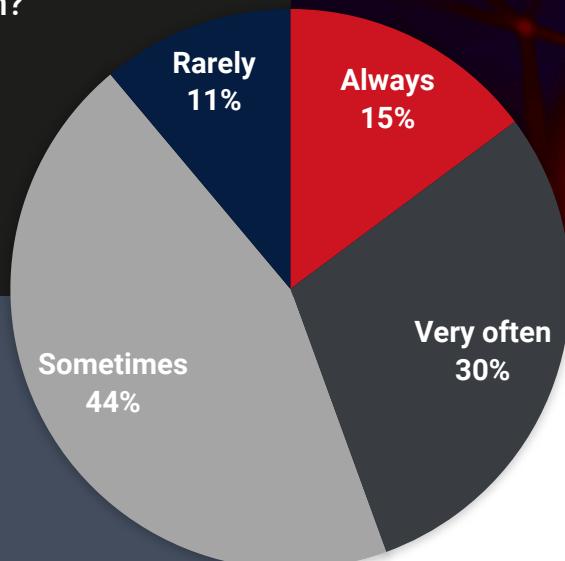
According to a recent Positive Momentum survey, **nearly 90% of CFOs report interacting regularly with salespeople** and they say that buying negotiations often require their direct involvement.

The idea that you can somehow avoid their scrutiny is a delusion. Pressures on CFOs have never been greater and even if you don't interact with them directly, there is an extremely high chance that whatever you're proposing will cross their desk.



Nearly  
**90%**  
*of CFOs report  
interacting regularly  
with salespeople*

How often do you interact directly with salespeople wishing to sell products/services to your organisation?



Which of these factors dictate whether you interact directly with a supplier's salesperson/team?



# SPEAK THE 'METRICS THAT MATTER'

It's imperative that your sales team speak the "metrics that matter" to the CFO. If they fail to demonstrate value, understand the specific business context or relate their pitch to the CFO's strategic narrative, the likelihood is that deals that would have closed in the past will fall through or go to your competition.

## What do CFOs think of the salespeople they meet?

Positive Momentum's survey revealed that only 11% of CFOs felt that salespeople have always or very often done their homework at understanding strategic context. And a shocking 93% of CFOs felt that salespeople are only sometimes or rarely fluent in financial language.

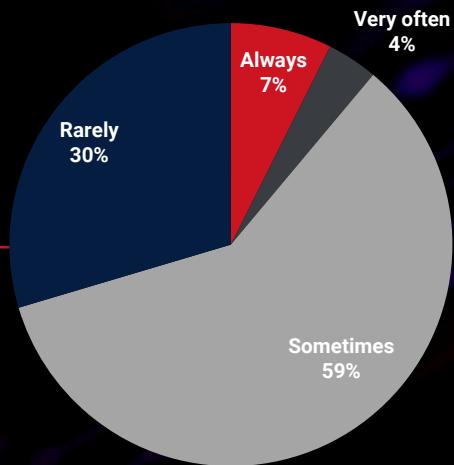
Whilst you don't need a degree in accounting, you do need to have the basics down. More than that, you need to understand the particular way each organisation looks at their results.

If you don't know your EBITDA from your EPS then your chances of having a credible conversation with a CFO are very low indeed.

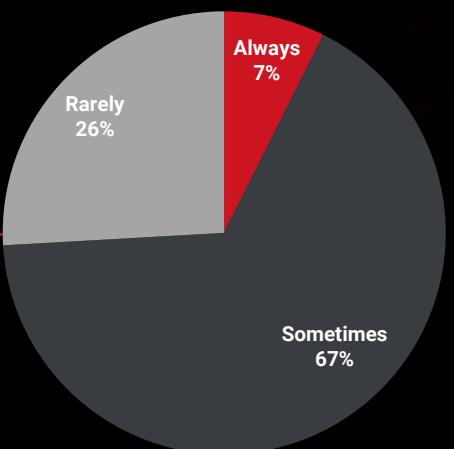
Only  
**11%**

*of CFOs felt that salespeople have always or very often done their homework*

How often do you experience salespeople having effectively done their homework on your organisation and therefore attending meetings understanding your strategic context?



How often do you experience meeting salespeople who are fluent in your financial language and are therefore able to engage in measurable, return on investment style conversations?



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*When you think about CFOs and their use of the metrics that matter, think about the stories that they are wanting to tell and how you can help them tell their stories better to their audience. They don't expect you to be experts in their sector or company, but they do expect you to be curious and offer a point of view.*

Mat Lowery,  
Positive Momentum partner

# TALK ROI OR THE DEAL WON'T FLY

## What to include in proposals

According to Positive Momentum's research, a company's overall reputation and ability to deliver are important to CFOs, so how does your sales team demonstrate these things? The three most important factors in a proposal from a supplier were cited as:

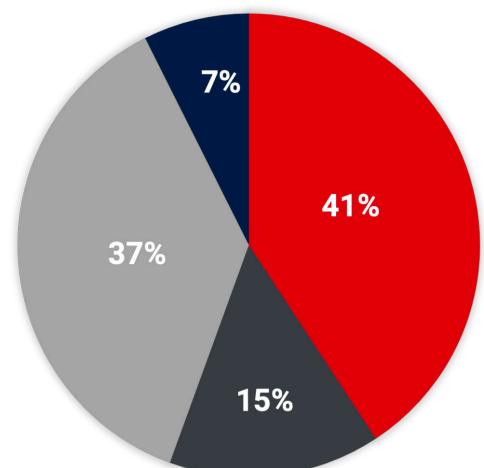
- Clear playback that demonstrates an accurate understanding of the CFO's context (82%)
- Clear and credible ROI articulation (70%)
- Relevant client case studies (67%)

## How to demonstrate ROI

Demonstrating ROI is also important to CFOs with a preference for this being calculated or facilitated by the vendor/salesperson:

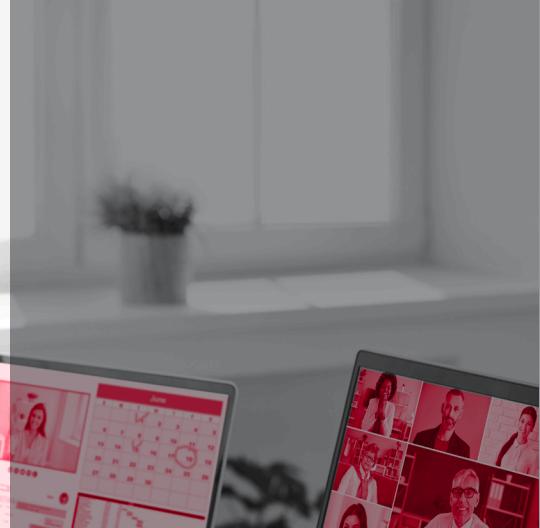
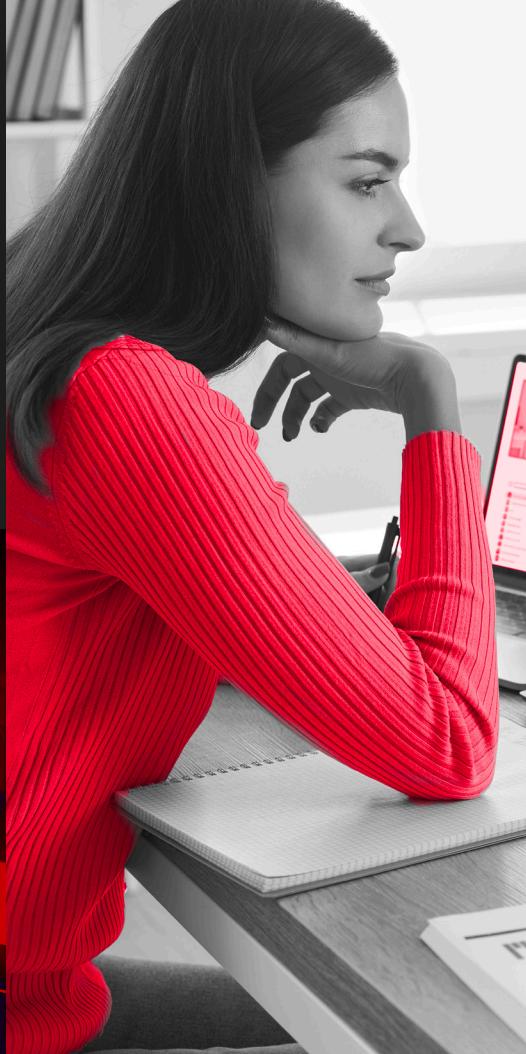
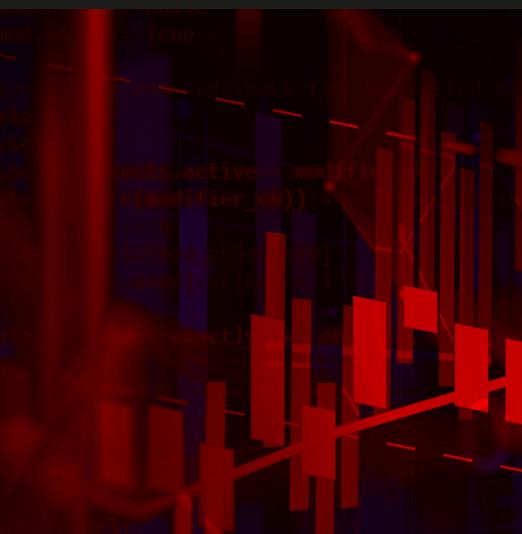
56% of CFOs would rather the vendor presented the calculation or provided an ROI template for them to complete. Just 37% would prefer the ROI calculation to be done in-house.

- I prefer the vendor to present the ROI calculation – 41%
- I prefer the vendor to provide me with an ROI template which I can use and complete – 15%
- My preference is for the ROI calculation to be done in-house and ask the vendor to review it – 37%
- Other – 7%



## FOLLOW THESE ROI GUIDELINES TO HELP THE CFO PRESENT THEIR BUSINESS CASE INTERNALLY:

- **List the ROI assumptions used and validate them with the CFO before submitting your proposal**
- **Separate out one-off implementation costs from recurring costs as organisations will typically treat one-off costs differently in their accounts**
- **Show current year impact separately from annualised impact. Ideally this would show a nice, short payback.**
- **Match payment terms to delivery benefits. This will help your contact to get sign off internally when it comes to paying invoices.**



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*The CFO's focus  
is to deliver value.  
Salespeople can  
help them by  
demonstrating an ROI  
which either increases  
sales, reduces costs or  
improves efficiency*

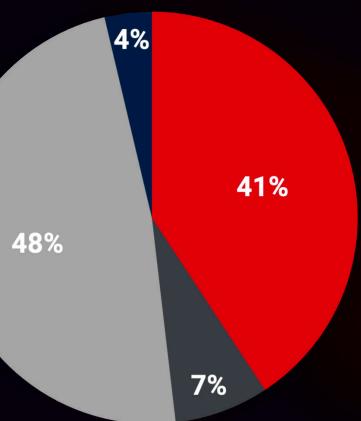
James Davis,  
Positive Momentum partner

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## Deliver impact, virtually

The pandemic has changed the way we work, CFOs included.

The importance of face to face meetings has fallen and in the current environment, only 7% of CFOs insist on meeting a vendor in person. With geography no longer a barrier, opportunity is increased, but only if the sales person can cut through and deliver focused and valuable virtual meetings.



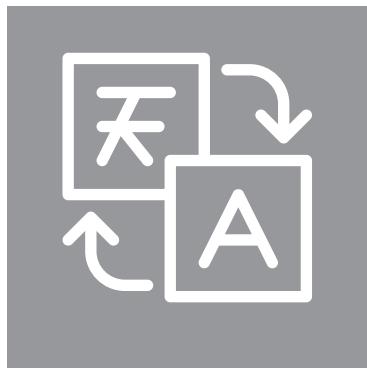
**Which of the following best describes your preferred engagement process in the current environment?**

- I am happy to make a decision without meeting the vendor in person – 41%
- Before making a decision I want to meet the vendor in person – 7%
- I am happy to meet the vendor either in person or remotely – 48%
- Other – 4%

## How Positive Momentum Can Help

# SELLING TO THE CFO DEVELOPMENT PROGRAMME

Positive Momentum has a 19-year history of building tailored interventions to help organisations change to grow. We've helped sales teams become trusted advisors to the CFO by getting to grips with issues such as:



### Interpreting Financial Statements

Identifying and interpreting key financial trends.

Understanding measures of return, profitability and efficiency.

Assessing an organisation's ability to generate cash.



### Strengthening Customer Specific Acumen

Finance personas, responsibilities and priorities.

Targeted preparation, research and insight.

Powerful questions and language.



### Tailoring Your Value Proposition

Understanding specific buying behaviours and patterns.

Articulating measurable financial impact.

Broadening and expanding solution position.

# DEVELOPMENT LED BY



## James Davis

Positive Momentum Partner and advisor to Business Growth Fund (BGF).

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James is a former CFO whose involvement in leadership teams and finance functions goes back nearly 20 years. The majority of James's executive career was spent as a private equity backed CFO and his successes include the sale of uSwitch to Zoopla plc for £190m. James has significant international experience and has worked in growth companies across different sectors and corporate cultures.



## Mat Lowery

Positive Momentum Partner

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Over the last 25 years Mat has helped hundreds of executives, leadership teams and organizations enhance their impact to deliver positive, profitable and sustainable change. Mat's career has included roles such as EMEA Director of Leadership, Learning and Talent at Adobe and Global Head of Leadership & People Development for Rolls-Royce's Commercial and Corporate Functions. Mat combines a unique blend of passion and talent with practical executive experience and extensive work as a coach, leadership advisor and facilitator.

## About Positive Momentum

If you seek a partner who will have credibility with your executive and sales team, the ability to constructively challenge and a no-nonsense approach, then please contact us.

Each project at Positive Momentum starts with intimately understanding challenges on the ground. We then build context rich material and methods, delivered only by highly credible former leaders with real work experience.

Our consultants are all former business leaders. We have no career consultants, no junior teams seeking spurious billing hours and no patience with time-wasting academic exercises.

**We're practitioners, pragmatists and partners.**