

# Interim CFO Re-Engineers Order-to-Cash Cycle for \$120M Platform-as-a-Service Company

*Interim CFO restructures a faulty payment strategy and reverses a client's negative cash flow within weeks.*

## **Client**

PE-backed \$120 million technology company serving the construction industry

## **Services**

Interim Executive Services

## **Area of Expertise**

Accounting & Finance

## **Industry**

Technology  
Private Equity

## Challenge

A private equity-backed \$120 million technology company serving the construction industry with a customer base of approximately 30,000 users faced a challenging financial position due to the former CFO's negligent decision-making. The former CFO, acting in isolation, opted to switch from automatic renewal to monthly invoicing, leading to customer confusion, increased accounting department workload, negative cash flow and a substantial backlog of unpaid invoices. This decision forced the company to draw down 50% of its credit line to meet financial obligations. The former CFO was terminated, and an interim CFO was appointed to rectify the situation. The company also faced leadership vacancies in critical accounting and finance roles, including the CFO, corporate controller, VP of finance and director of FP&A, further complicating the situation and contributing to the failed implementation of the new quoting engine.

## Solution

The PE sponsor and the CEO needed to improve cash flow while simultaneously searching for a permanent CFO. With extensive experience leading technology companies through similar changes, especially in PE-backed environments with recurring revenue models like PaaS, Focus Search Partners was awarded the interim CFO search.

With expertise in the payments space, the interim CFO placed by Focus Search Partners was instrumental in fixing the client's order-to-cash cycle. Their approachable demeanor and confident leadership style facilitated productive discussions with investors, executives and the accounting and finance team by providing valuable insights and encouraging collaboration.

*PaaS revenue is projected to reach \$143 billion in 2024, with an expected annual growth rate of 14.24% for a total market volume of \$244.1 billion by 2028.*

[Statista](#)

## Impact

The interim CFO identified and prioritized contacting customers that represented 20% of the company's revenue, addressing the invoicing confusion and encouraging prompt payment. Simultaneously, cost-cutting measures and payment deferrals were implemented to stop the negative cash flow.

The order-to-cash process was re-engineered to revert to an automatic renewal structure optimized for recurring revenue and bringing past-due accounts current. Tactics included deactivating or decelerating user access and leveraging in-platform messaging that prompted payment details. New merchant banks were also onboarded with automatic card update features, preventing further payment interruptions.

### Additional outcomes delivered by the interim CFO included:

- Shifting company focus from user retention to revenue generation.
- Commission payments on unpaid renewals were cancelled.
- Timely engagement of professionals for vacant controller and VP of finance positions.
- A strategic reduction in force plan was developed to align with 2024 headcount goals.
- Consolidation of multiple third-party providers into one trustworthy source, thus streamlining back-end technology, with the CTO taking ownership of the relationship.



### Key Results

- Neutral cash flow with **75%** of customers current on payments
- Obtained payment of **\$30M** in past-due invoices
- Successfully filled **2 of 3** A&F leadership roles

"Focus Search's interim CFO instinctively understood our cash flow problem and was able to fix it while also focusing on other CFO responsibilities and providing much-needed leadership to both colleagues and staff in a time of a pivotal transition."

- CEO, Platform-as-a-Service Company