

What We Need to Know About You

We want to get to know all about you, your team, and your organization as quickly as possible. Towards that end, here is what we request you provide for us to look over before we meet.

- 1) Goals and objectives (what you seek to achieve over what time frame)
 - a) Investors (e.g., 2.8X return on invested capital in 5 years)
 - b) Executives: What are you looking to achieve? How do you think you are doing? What is going well and what is not on track?
 - c) Leadership Team: What are you looking to achieve personally (e.g., prove yourself, create wealth, gain experience, etc.)?
- 2) Cap table noting liquidation preferences
- 3) Debt summary, including terms and covenants
- 4) Chart showing organization of responsibilities; specifically, to show who you count on for what?
- 5) Performance Goals for key executives
 - a) Performance goals for this year
 - b) Performance goals for last year and attainment assessment.
- 6) Organization chart by business function, with headcounts
- 7) Financials
 - a) P&L
 - (1) Plan-to-Actual for past two years
 - (2) Actuals for completed quarters and projections for remaining quarters for the current year compared to the current year plan
 - (3) Plan by half for next two years
 - b) Cash flow and balance sheet for current year and two following years, synced with P&L
 - c) Current year actuals + projections of
 - 1) Revenue, direct costs, indirect labor, and non-labor costs (including bonuses and commissions) by business unit and by offering (e.g., products and/or service lines)
 - 2) Labor and non-labor costs for: Sales, Marketing, Services, Development, Support, Finance, Facilities, and Admin
 - d) Current contracted backlog with runoff schedule



- e) Financial metrics you monitor by function or offering (targets and actual results) [e.g., Annual Recurring Revenue (ARR); (entering ARR + New ARR + upsell – churn)]
 - f) Write-offs in prior two years
- 8) Non-financial metrics used to manage operations (e.g., retention rate, interviews per offer, Net Promoter Score, etc.)
- 9) Pricing & Commissions structure
- a. List prices by Product / Service line
 - b. Discounting model and approvals process, along with actual discounting as compared to target pricing.
 - c. Commission structure by Product / Service line
- 10) Sales and Account Management
- a. Sales process (i.e., where do leads come from, how do leads turn into sales, role of marketing vs. sales, etc.)
 - b. Sales territories and quota-to-actual last year and this year
 - c. Win / Loss analysis
 - d. Who manages the top 5 customers and what are their metrics?
 - e. Who manages the 5 customers with the most growth potential and what are their plans, targets, and actual results?
 - f. OEM strategy and status
 - g. Bookings
 - 1) By quarter, number of customers and bookings, broken into new and upsell
 - 2) Actual commissions awarded by salesperson in last year and this year to date
 - 3) Analysis of conversion of Bookings to Sales by month last year and this year
- 11) Marketing
- a. Landscape –
 - 1) Market: How do you view and segment the market; how large is the market? How much is left to get? How much do you think you can get? What is the basis for your assessments?



- 2) List competitors and how you position relative to them, their pricing and competitive advantages; who has what share of market and who is trending how?
 - b. Provide any published research analyst reports
 - c. Demand generation:
 - 1) What are your lead sources?
 - 2) What are your lead sourcing metrics?
- 12) Product / Service Line Offerings – for each, provide:
- a. Functional Overview (what does the offering provide?)
 - b. Technical Overview (how is it provided?)
 - c. Technical Debt (what have you not yet done that needs to be done to catch up to the latest technology and trends)
 - d. Comparison to key competitors
- 13) Accounting Policies
- a. Revenue recognition accounting
 - b. Development capitalization
- 14) Systems
- a. Inventory summary of hardware and operating systems
 - b. Systems stack
 - c. ERP
 - d. CRM
 - e. Subscriber / License management
 - f. Cybersecurity
 - g. Other
- 15) Cyber security policies, procedures, and performance
- a. Report of cybersecurity events for latest 12-month period
 - b. Results of most recent cybersecurity audit [for: as written and as executed, vulnerabilities, recommendations]
 - c. Any planned security enhancement strategies with costs and benefits
- 16) Facilities
- a. Offices, with headcount of assigned personnel and contractors
 - b. Data Centers, with headcount of assigned personnel and contractors



- c. Colocation Services Providers
- d. Cloud Services Providers

