

# Don't Bore The Board

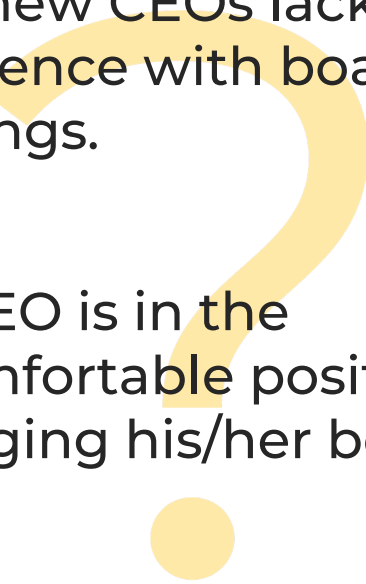


How to Run an Effective Board Meeting

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# Why are board meetings a challenge?

- 
- Most new CEOs lack experience with board meetings.
  - The CEO is in the uncomfortable position of managing his/her bosses.
  - The board only knows what the CEO tells them.



# Typical Board Member

- ❖ Doesn't think about your business every day
- ❖ May be in a different industry than yours
- ❖ May have a very different functional background than you do





1

# Before the Meeting



# Board Package Structure



# Pre-Meeting Actions

## 48 Hours

- Send out board package at least 48 hours in advance.

## Advance Notice

- Make sure board members know about any surprises before they read the package.

## PDF First

- It's a good idea to convert to PDF first, and ensure it's the correct version.



# Rule on Attendees

No one should be present who  
will stifle honest conversation.





# Timing

- 2–4 hours is sufficient for the compliance and oversight function of the board.
- Strategic discussion sessions may extend that length.
- Quarterly cadence is best for most companies, though startups and nonprofits may have more frequent board meetings.



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# Company Goals & Results

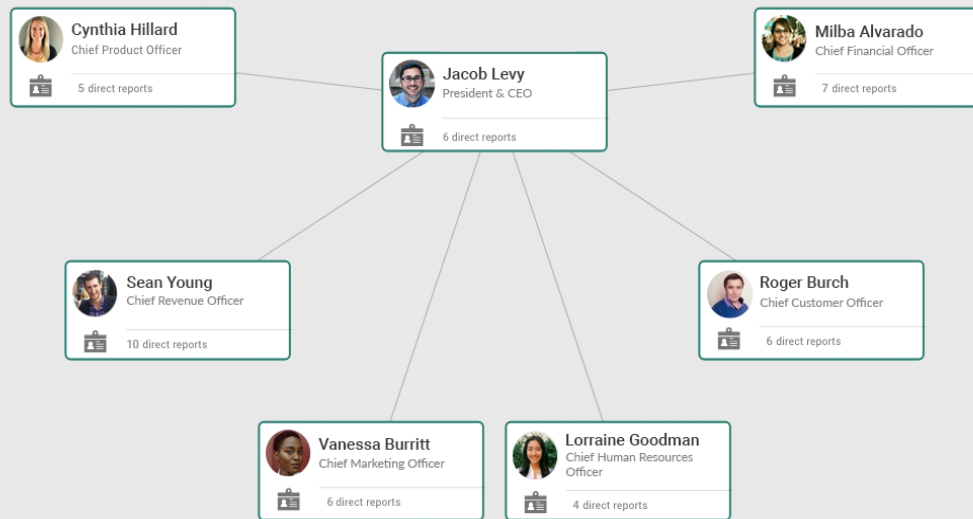




# Executive Leadership Team



Help the  
board  
remember  
who's who  
with photos  
and titles



# Include Your 1-Page Strategic Plan

Remind  
the board  
of the  
broader  
context.

## MISSION | VISION

Equipping managers to make work great

We make management a company's competitive advantage



### DIFFERENTIATING VALUES

1. Continuous improvement: We believe that getting a little better every day is core to our success.
2. Transparency: We communicate authentically, openly and respectfully; even when it's hard.
3. Under promise, over deliver: You only get to set expectations once.
4. Balance: We balance the needs of customers, employees and shareholders to create long-term success.
5. Life is short: We believe our mission is fun and want a team that shares the joy.
6. Assume positive intent: Start by assuming good intentions from everyone.

### STRATEGIC OBJECTIVES

1. \$30 million in revenue in 2027
2. Average customer churn of less than 10% by end of 2027
3. Raise \$20 million in capital by end of 2027
4. Launch enterprise version of product by end of 2026
5. Generate 20% of revenue from outside US by Q2 2024
6. Win best places to work award for Central Texas

# 6 Functional Areas of the Business

Recap performance against the company's quarterly goals, covering the 6 areas of the business



# Corporate | Previous Quarter Results



Jacob Levy President & CEO	Measurement	Results
✔ Increase Customer Engagement	Increase NPS by at least 8% over Q4 average to +51.	We achieved an NPS of +53, putting us up 10% over last quarter and in the “excellent” range for our industry.
✚ \$20M in Bookings	Total combined bookings of \$20M globally for the quarter.	Total bookings were \$19.5M. We have a strong pipeline and expect to be back on the yearly plan at the end of next quarter.
✔ Grow Referral Partner Base	<ul style="list-style-type: none"><li>• 10+ new partners signed</li><li>• 3 successful referral deals of &gt;\$50k</li></ul>	We signed 14 new partners and closed 3 referral deals >\$50K. However, these have not contributed to the pipeline as hoped. Partner engagement has been low.
✔ Launch Acme Analyzer 3.0	General availability by 3/22	AA 3.0 was launched on 3/20 and received strong initial feedback.
✔ Team Development	Each manager in the company will lead a session with their team on goal alignment.	All managers completed the goal. Employee feedback was very good.



# Don't become the cheerleader CEO



KEEP METRICS  
CONSISTENT



REPORT  
HONESTLY



IT'S NOT AN  
INFOMERCIAL

(THE **CHEERLEADER  
CEO CHANGES** THEM  
EVERY QUARTER SO  
PERFORMANCE  
LOOKS BETTER THAN  
IT IS.)



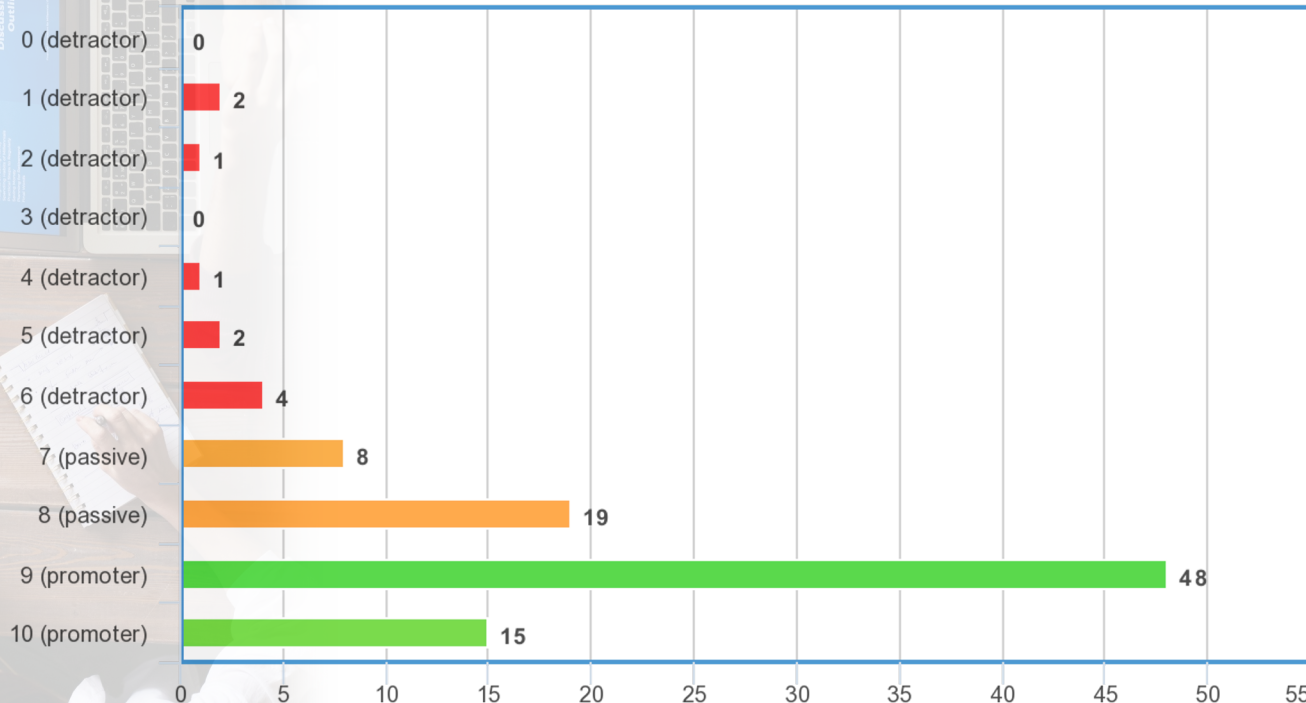


## Customer Engagement

Increase NPS by at least 8% over Q4 average to +51.

We achieved an NPS of +53, putting us up 10% over last quarter and in the “excellent” range for our industry.

Net Promoter Score



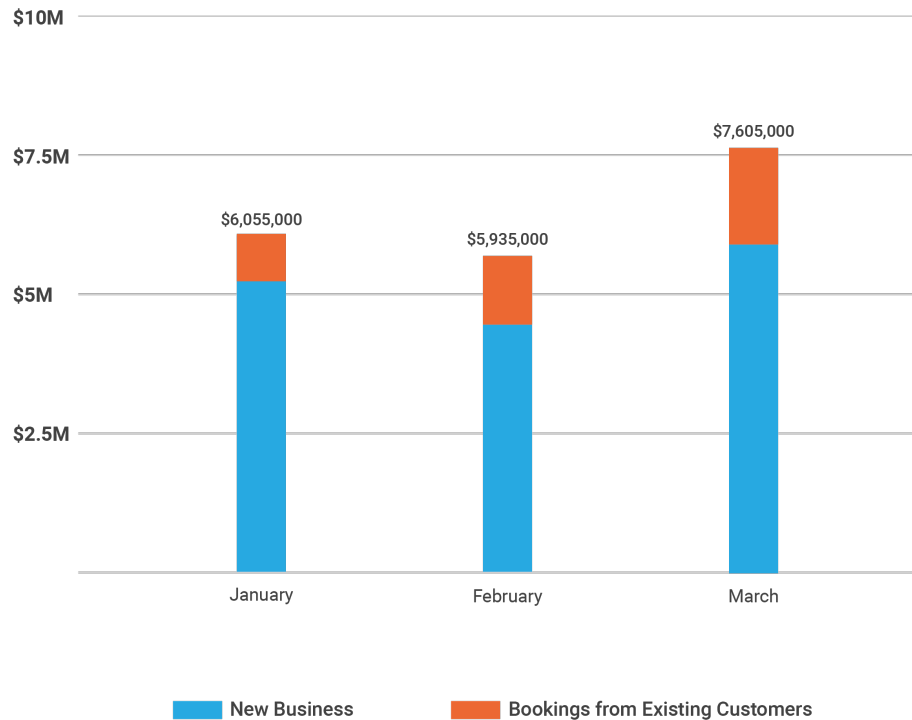




## \$20M in Bookings

Total combined bookings of \$20M globally

Total bookings were \$19.5M. We have a strong pipeline and expect to be back on the yearly plan at the end of next quarter.



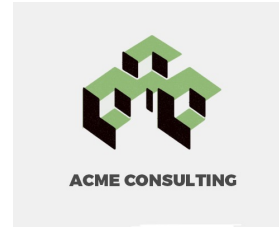
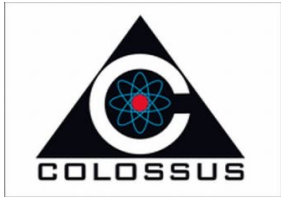
# Grow Referral Partner Base



## Grow Referral Partner Base

- 10+ new partners signed
- 3 successful referral deals of >\$50k

We signed 14 new partners and closed 3 referral deals >\$50K. However, these have not contributed to the pipeline as hoped. Partner engagement has been low.



# Launch Acme Analyzer 3.0



Launch Acme Analyzer 3.0

General availability by 3/22

AA 3.0 was launched on 3/20 and received strong initial feedback.



3/20 General availability

52.3K Reports run so far

# Present Goals for Next Quarter

Talk about what you and the executive team think are the priorities. Encourage questions from the board—they can add a lot of value here.

## Jacob Levy

President & CEO

### Description

### Measurement

\$27M in Bookings

Bookings drive future revenue growth. Hitting \$27M will make up for the small miss last quarter.

Total combined bookings of \$27M globally

Drive 80% adoption of AA 3.0

Getting customers on the newest release will significantly reduce support costs.

>80% of customers on version 3.0

Positive cash flow

Positive cash flow is necessary to cover our debt and continue to grow our business.

Cash flow >\$750K before currency adjustments

Attract and Retain Great People

Our employees are our biggest asset. We must constantly strive to be the preferred employer in the city.

Receive best places to work award (for 4<sup>th</sup> year in a row)!

Improve Sales & Marketing Efficiency

As we grow, we need to ensure that sales and marketing work efficiently and stay on the same page.


Deliver \$1.5 in license revenue for every dollar spent in sales and marketing

3

# Department Goal Review



# What your executives should present

- 
1. Performance against previous quarter's goals (4–6)
  2. Proposed goals for next quarter
  3. No more than 1–2 slides showing important trends... and ONLY if needed
  4. Use a consistent format when possible

SEE APPENDIX FOR EXAMPLES



# Data Overload – Very Common Mistake

- Department reviews should focus tightly on key goals/metrics, not lengthy data deep dives.
- Board should feel they are getting important strategic takeaways—not drinking from the firehose.



4

# Leveraging the Board





# Two things to know about each board member

1

Expertise.

What is this person world-class in? What makes them special?

2

Connections.

Who can this person introduce me to who can help with this problem?

# Set Clear Decision Rights



Before the meeting, establish which decisions...

- the CEO can make him- or herself.
  - Ex: Within-budget purchases up to \$2M
- the CEO can make after informing the board.
  - Ex: Replacing an executive
- the CEO can make only with explicit board approval.
  - Ex: A purchase that will exceed the budget by >\$1M

# Related Recommendations



Don't ask the board's permission if you don't need it.


If you've established that you do not need the board's consent, do not present it to them as a question.

Don't ask the board's advice if you don't want it.

If you've already decided to do A, and then you ask the board whether to do A or B — what will you do when they say to do B?



# Suggestions for board members

- 
- Prepare ahead of time. Read the board package. Do some thinking about the issues before you attend.
  - Engage the CEO outside of board meetings. Ideally, you won't just think about the organization every 90 days.
  - Beware of offhand suggestions. Many board meetings blur the line between discussions and directions. If you throw out an idea, the CEO may take it as "instructions from the board."



# Getting feedback from the board

After the meeting, the board may meet without the CEO for a while. The chair should later deliver feedback to you. You can also give the board a homework assignment.

Ask for:

- 3 things you are doing well as CEO
- 3 things you could improve on

Then, follow up in the next meeting and repeat the process.





# Questions

Reach us at [info@ceosys.co](mailto:info@ceosys.co).





# CHIEF EXECUTIVE OPERATING SYSTEM (CEO-S)

Increased  
Valuation

Improved  
Confidence

Work-Life  
Balance

A More  
Successful  
Team

Maximized  
Chance of A  
Successful  
Exit

*Master the CEO role with CEO-S*



## APPENDIX

# Example Department Goal Reviews





# Goal Review



Sean Young



# Sales | Previous Quarter



Sean Young

Chief Revenue Officer



Deliver Q1 Bookings Forecast of \$20M



Key Sales Employee Review



Stabilize Run Rate in North America



Advance Key Referral Partnerships



Share ABM Best Practices Among Team



# Sales | Next Quarter Goals

Sean Young

Chief Revenue Officer

Description

Measurement

Deliver Q2 Bookings Forecast of \$27M

Bookings drive revenue. We will be developing awareness around AA 3.0 and using this new release to circle back with recent lost/stalled deals.

Total combined bookings of \$27M globally

Q2 Pipeline Expansion

Pipeline currently looks strong, and will keep up momentum for Q3 and Q4 bookings.

\$90-95M pipeline reflected in Salesforce

Grow Upsells and Cross-Sells

We have historically been sluggish on up- and cross-selling but need to tap this revenue source.

Grow % of bookings from existing customers to at least 20%

Improve Alignment with Marketing

We'll be partnering with Marketing this quarter to ensure we are on the same page and speaking the same language.

Increase ratio of license revenue to S&M expense to 1.5

Sandler Workshop

Senior sales team will attend 2-Day High-Tech Sales Academy on Feb. 16<sup>th</sup> & 17<sup>th</sup>.

All sales managers complete program



# Goal Review

## Marketing

Vanessa Burritt

# Marketing | Previous Quarter Results



Vanessa Burritt

Chief Marketing Officer



Generate Product Demand to Support Bookings Forecast



Optimize Marketing Site



Develop GTM Plan for Acme Analyzer 3.0



Expand Social Engagement and Influence



Nonprofit Campaign



Team Development (Marketing)

# Marketing | Next Quarter Goals

Vanessa Burritt

Chief Marketing Officer

Description

Measurement

Generate Product Demand to Support Bookings Forecast	Marketing-influenced pipeline stood at \$23.7M in Q1. We will push that up to \$30M through SEO marketing and more aggressive lead capture.	\$30M marketing-influenced pipeline reflected in Salesforce
Improve Alignment with Sales	Shared goal with Sales Department.	Increase ratio of license revenue to S&M expense to 1.5
Employee Experience (Marketing)	We have received feedback that employee experience, esp. the first 90 days, could be improved. We are working with HR to develop a custom onboarding process to make employees feel welcome and empowered from Day 1.	Written onboarding process with input from team
Grow SEO site traffic	We will be scaling back content production this quarter to refocus our efforts around key phrases.	1 <sup>st</sup> organic position in Google search for "analytics software" Unique visitors from organic search = avg. of 10k/month
Personal Development	I will attend this summit in late March and present takeaways at the 3/29 operations meeting.	Attend Adobe Marketing Summit Present key takeaways to team





# Goal Review

Product

Cynthia Hillard

# Product | Previous Quarter Results



Cynthia Hillard

Chief Product Officer



Deliver GA of Acme Analyzer 3.0



Sustain Developer Productivity



Team Development (Product)



Complete CPM Certification



# Product | Next Quarter Goals

Cynthia Hillard

Chief Product Officer

Description

Measurement

Update Competitor Analysis	Our space has evolved rapidly since last year. It's time to take stock of the field and understand our points of competitiveness (and our weaknesses).	Analysis in hands of exec. leadership team
Map Out Future Premium Features	In support of future upselling and cross-selling, and to stay competitive in deals, we need to evolve our premium features. We will be looking at advanced reporting capabilities as well as Slack and Basecamp integrations.	3 new premium features scoped
Grow Customer Engagement	We have determined that the ratio of daily active users to monthly active users should not ever dip below 18%.	DAU/MAU ratio of 18%+
Take QA Procedures to the Next Level	Operational improvement goal.	<ul style="list-style-type: none"><li>• QA efficiency increased by 10%</li><li>• Set up process for regression testing in all release cycles</li></ul>
Team Development (Product)	We use the Agile Method, but we need our managers to understand the latest best practices.	All managers up to date on Agile Method



# Goal Review



Finance

Milba Alvarado

# Finance | Previous Quarter Results



Milba Alvarado

Chief Financial Officer



Annual Audit and Corporate Reporting



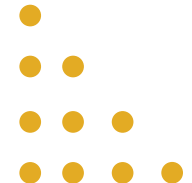
Meet Net Margin Projection for Q1



Continuous Improvement in Operational Excellence



Team Development (Finance)





# Finance | Next Quarter Goals

Milba Alvarado

Chief Financial Officer

Description

Measurement

Cash Flow

This goal for the business in Q2 will be to provide a net positive cash flow.

Cash flow >\$750K before currency adjustments

Meet Gross Margin Projection for Q2

Will frequently review pipeline. We estimate a 3–4% drop in COGS this quarter due to lease renegotiation.

\$2.3M in gross margin

Build 5-Year Financial Plan

The current plan is outdated; will work with Jacob and Sean for a financial plan to present to the board.

Plan delivered by May 22<sup>nd</sup>

Continuous Improvement in Operational Excellence

We will continue to update our internal processes to harness the latest technology and ensure that all team members have easy access to the financial information they need.

Xero fully implemented  
Sales figures available in intranet

Team Development (Finance)

We value the development of our managers, and everyone will read a book of their choosing this quarter that pertains to how they would like to develop their management, leadership, and/or coaching abilities.

All managers read and give a lunch presentation on an approved leadership book



# Goal Review

Customer Success

Roger Burch

# Customer Success | Previous Quarter Results



Roger Burch

Chief Customer Officer



Launch Acme Analyzer 3.0



Build Customer Knowledge Base for AA 3.0



Improve NPS



Ensure MonitorSoft Renewal in Q1



Team Development (Customer Success)



Read Chief Customer Officer 2.0

# Customer Success | Next Quarter Goals

Roger Burch

Chief Customer Officer

Description

Measurement

Drive 80% adoption of AA 3.0

Getting customers on the newest release will significantly reduce support costs.

>80% of customers on version 3.0

Deliver Lightning-Fast Service & Support

We stand out from competitors for being fast, but we can be even faster.

- 24-hour response on all cases
- Add 2 new employees to support team

Net Revenue Retention

Exceed NRR YoY in Q2 by paying close attention to key renewals

NRR of 85%–90%

Successfully Onboard Globex Corp.

Globex was a HUGE win for last quarter. This goal is set to focus on a high-quality onboarding for what is now our largest company (by # of employees and annual revenue).

- Exec. team trained
- NPS of 35 from Globex team

Team Development (Customer Success)

We want customer interactions to be fast, but we also want to build strong relationships with each person we interact with. We have identified a set of 3 Carnegie courses available locally for employees in the CS organization to attend.

90% of Customer Success organization attends in-person Carnegie event



# Goal Review



Human Resources

Lorraine Goodman



# Human Resources | Previous Quarter Results



Lorraine Goodman

Chief Human Resource Officer

- ✓ Job Description Initiative (Phase 1)
- ✓ Develop Retention Analysis Report
- ✓ Q1 Employee Appraisals
- ✓ Companywide Volunteering Event
- ✓ Personal Development

# Human Resources | Next Quarter Goals

Lorraine Goodman

Chief Human Resources Officer

Description

Measurement

Job Description Initiative (Phase 2)

Revise current JDs and create new ones where lacking at org levels 3–6. This will enable us to set appropriate compensation and attract the right candidates.

Job descriptions for levels 3–6 of org completed by March 4<sup>th</sup>

Conduct Gallup Q12 Engagement Survey

Biannual measurement of engagement levels across the organization. Two quarters ago, we outpaced industry peers in all but questions 2 and 9.

- 100% response rate
- Exec. leadership meeting held to discuss industry

Performance Management Workshop

Create and conduct workshop on perf. mgmt. with all managers at org levels 2 and 3.

Workshop complete by EOQ

Reduce Time to Fill Positions

Partially because of lacking job descriptions, time-to-fill is too high (at avg. 60 days).

Average time to fill across depts. of 40 days

Q2 Employee Appraisals

Third quarter of the new appraisal system.

90% of appraisals signed by both parties companywide

360 Feedback Evaluation

Lorraine will complete a 360 Feedback Evaluation administered by Three-Sixty Consulting.

Evaluation completed and reviewed with coach