



# How to Talk so Finance Will Listen and Listen So Finance Talks to You

## SNAPSHOT

### SPEAKERS

Brian Oblinger & Jessica Chen (Alteryx) and Kelly Schott, (TheCR)

### COMPETENCIES

Strategy

### MATURITY PHASES

CMM2, CMM3, CMM4

## HIGHLIGHTS

1. **Looking for a key insight into how to ask for money?** Brian shared a best practice that is often lacking with many community professionals.
2. **Think that all the benefits of a finance relationship are one-sided?** Think again. Brian and Jessica offered a couple of different benefits.
3. **Scared to make that first move to talk to finance?** Brian shared the key tactic that has helped him to validate all his data prior to any meeting. This tactic also helps open doors to meeting the people you need to get to know better.

## OVERVIEW

- **Background Brian Oblinger.** Brian is the VP of Global Community at Alteryx. He’s been with the company about 4 years. Community did not exist then, which is why he joined the company.
  - Brian believes that much of what was discussed on this call is transferrable across all departments in terms of building relationships with stakeholders.
  - Communities work better when they are cross-functional with the organization.
- **Background Jessica Chen.** Jessica is the Manager of Marketing Analytics at Alteryx. She works with the Business Insights Team and has been with the company for a little over a year and half.
  - Jessica’s background is data analytics. She has worked in a variety of analytic roles at B2B and B2C companies. The common thread she has found across all these different roles is the need to work cross-functionally. There is so much to gain from working with different groups, learning which metrics are important to them and how they work.

## BEST PRACTICES

- **Know why talking to finance is important.** This is a crucial starting point. Why do you want to be in lock-step with finance? Finance controls the purse strings of the organization. Their mission is to ensure that whatever money is spent brings value back to the organization.
  - Brian’s “why” stems from the fact that the goals he had set for the community were expensive. For most community managers, their exposure to finance centers around vendors and the procurement process. Brian wanted to take that a step further and ensure that community became an integral part of the business. To accomplish that, he recognized that finance needed to understand community. Brian’s main mission has always been and will continue to be educating the CFO and his team on community. Finance needs to be able to answer any community questions intelligently in any and all meetings that pertain to the community budget, why it matters and the value to the business. Fortunately, he has been successful. It all comes down to communication.
    - Jessica added that the first questions that finance will always ask in the beginning are “What is community?” “How much will it cost?” and “What is the ROI?”
    - The relationship between community and finance is so important because you both need to be on the same page when it comes to calculating ROI. If your ROI calculation doesn’t resonate with finance, the calculation is useless.
  
- **Know who to talk to.** When Brian set out to talk to finance, he started at the CFO level. He quickly realized that he needed to drill down into other levels. His recommendation was to find a buddy in finance, someone who could help translate community into finance language. Learn what finance cares about, what the messages are that they look for and how to talk about what you do in the context of finance. This way, finance will be able to relate to your message.
  - People in all departments complain about lack of budgeting and other finance woes, yet they don’t talk to finance. If you don’t make an honest effort to talk to them, they won’t make the effort to talk to you. That’s a lost opportunity because finance can’t understand your needs if they don’t know what you do, why you do it and how it can bring value to the organization. The onus is on the community side to sell that narrative and present the opportunity to work together.
  - Jessica added that you can be finance’s partner into the community world. You can help them with their analytics, data and metrics by being a community resource. Helping to increase that understanding of community will work in your favor when it comes to budget talks.

## BEST PRACTICES, CONT.

- **Know what to talk about.** In a typical conversation between Brian and Jessica, Brian usually starts with a question. When there is a challenge and Brian has analyzed the data from the community team – which is capable of base-level analysis – he tends to form a hypothesis for some baseline insights. Sometimes Brian and his team are able to solve the problem on their own without talking to Jessica. Other times they tap into the abundant data that Jessica can provide while also benefiting from her expertise.
  - As an example, Brian might see that XYZ is happening in the community and he wants to know how that compares to what they are seeing in customer behavior, especially purchasing. That stimulates a conversation and they work to reconcile metrics, etc. That collaborative back-and-forth conversation gets them to a proposed solution that Brian is comfortable with from the community side and Jessica is comfortable with from the finance side. They can then go to speak to whoever else is needed to let them know that they've run the numbers, here's what they think is going on and here's what they need to do about it.
  - On the flip side, by talking with Jessica Brian also gains a better understanding of what's going on in finance and/or the rest of the business that he might not have known otherwise.
  - Furthermore, having a relationship with Jessica improves the chances of getting the answers/data that Brian needs to solve the challenge. As Jessica stated, if he had just opened a support ticket, it might take forever to get done. The personal touch raises the priority level.
  - Brian's community team has a good set of data already, so Jessica is not starting from scratch on any of these requests. She can match that data to her financials in order to get a more holistic picture of what's happening. Sometimes Jessica even goes to Brian to gain added context around community to help explain a phenomenon on her end.
  - A key insight here is that if Brian were to go to his CFO's office and ask for \$200,000 to hire additional headcount and he only used community metrics (posts, solutions, etc.) as his backup, he would likely be turned down. Finance wants those metrics translated into a financial/dollar value. This is the biggest mistake that many community managers make when they ask for money. Jessica helps Brian to translate "community speak" into "business speak".
  
- **Know how to create value together.** Brian always tries to come to the finance table with contextual data that is best for the overall business, not just what is best for community. This is usually one of the hardest things for community professionals to grasp when they start out. Yes, community professionals work in a fresh, new, non-corporate environment. However, to move your community forward and your career forward, you have to learn how to be a part of the business. This is just a real-world reality.

## LESSONS LEARNED

- To begin his talk, Brian showed a slide of their S-1 filed 2½ years ago when the company went public. This also appears in the company’s annual report. In their quarterly earnings report, the CEO talks about community. They use the performance metric of community as proof of the trajectory of the company. This is a great example of building the relationship and showing the value of community and how it can alter the course of the organization.
  - Constant communication is needed to get to a point like this, i.e. truly understanding each other’s needs and then working together to figure it all out.
  - This slide is a positive example of the output of all that work.
- Brian will touch base with Jessica about once a week, even if it’s just to check in and see how she is doing. However, he usually only touches base with the VP of Finance once a quarter. With those who control Brian’s budget, he will talk to them monthly to go over the actual vs. the budgeted amounts, etc. On the other hand, he will be in touch with procurement every day.
- When you talk to finance about anything, particularly if you’re asking for money, the question they will inevitably ask is “why”. If you haven’t taken the time to establish yourself and the value of community by building relationships that help finance understand the context of why community needs money, then you are behind the eight ball right out of the gate. That needs to be done way beforehand. Then when you have to ask for money, the conversation is not happening cold turkey. Keep in mind, however, that even if finance understands the context and you have developed those relationships, any time you ask for money they are still going to ask “why”, as well as what they will get in return (ROI). Brian would never go into that conversation without slides, data and his finance buddy.
  - Asking for money is always the last part of the conversation. The first part of the conversation should always be about explaining the challenge and how solving that challenge will be good for the business. Come to the conversation armed with the community narrative and the financial benefit that the company will gain.
  - Jessica is a tremendous resource to Brian. When he’s ready to ask for money, it’s not only just him showing up to the meetings. Jessica lends credibility to Brian’s requests because she has run the numbers beforehand, validating Brian’s proposal. It truly helps to move the conversation forward much faster.

## LESSONS LEARNED, CONT.

- Another benefit to developing strong relationships with finance is that they can help you if you run into financial trouble. If something comes up unexpectedly and you're not sure how to juggle the budget, they are a great source of advice. They can help you make cuts in some areas of your budget to help flow money into other parts, etc. They are a tremendous resource. It's not just about asking for money all the time, but rather working together and recognizing that you both have a job to do.
- The relationship works both ways. Not only is finance gaining a better understanding of community, but you will gain a better understanding of finance. Brian now listens to finance's earnings calls so that he knows what's going on in the business. This helps him to frame his asks, as well, because he has a better picture of the business landscape and what would be appropriate to ask for and what would not be appropriate.
- Brian recommends going to finance with at least 2 or 3 options for what it is that you want/need. He presents it as a good/better/best scenario. In other words, this is the need and here's 3 ways to achieve it. Presenting the most amenable option to finance is the first step in the negotiation.
- Don't be afraid of the finance people. They have a job to do just like you. Don't let fear get in the way of trying to form those relationships.
  - When Brian first started with Alteryx, he went to finance and openly said that he didn't understand what they did, but wanted to learn. He asked them for resources to help him learn and/or if they would be willing to help him learn the basics. This way he would know what is important to them and how they operate with other aspects of the business. You can also let them know how you think you can help them and get their feedback on community metrics.
- If you are having trouble fostering relationships with those in finance, enlist the help of others in the organization who have been able to do so. A buddy can help open doors to meeting the people you need to get to know better. That said, there may be some organizations where this just won't be possible. If that's the case, Brian believes that you can't continue to knock your head against the wall. You might have to think about moving to a new organization that is more open to working cross-functionally and collaboratively.

## LESSONS LEARNED, CONT.

- Brian was asked if he and finance ever disagree. Fortunately – and this might be unique to Alteryx – the data is very analytically-driven and they do not often disagree as a result. Sometimes Brian and finance don't always agree on definitions, but it's just a matter of talking it over and making sure that they are on the same page regardless of how they might define different terms and/or metrics. They just need to be sure they are moving forward in the same direction.
  - Jessica added that it is very important to have a common set of definitions. For example, the definition of a registrant and a new member. Reconcile the definitions and use the same definitions across the board.
- Just as finance needs you to understand the metrics that are important to the company shareholders and Wall Street, you need to help them understand the definitions and metrics that are important to community. For example, a registrant vs. an active member. Brian shared that finance was focusing on new registrations, but he helped them to understand that it was more important to focus on active members. It means nothing to sign up for the community if that new member isn't active in the community.
- Brian stated that they have a really good idea of their deflection rate, right down to the dollar. They also know how community influences the purchasing path and buyer decisions. They know whether people in community buy more or buy faster than those outside of the community. That's why Brian is able to ask for more money towards headcount, etc. because he knows how to show savings and revenue gains. Brian wanted to emphasize, though, that he has never used these figures to reduce headcount. Instead, he presents it as savings that can be deployed elsewhere in the business to gain further efficiencies. Finance loves that message. Everyone thinks that finance is fixated on saving money. What they are actually fixated on is making the money stretch through efficient practices.
- The better that finance understands community and its value to the business, the easier it becomes to ask for money and discuss ROI.

## ADDITIONAL INSIGHTS

- Kelly asked participants to share whether or not they currently have a relationship with their finance team and/or another interesting team that they might have a relationship within their organization.
  - One member shared that he has worked with finance quite a bit through the purchase of Higher Logic for their community platform. However, they will have a new CFO soon, so this was a timely call.
  - Another member stated that finance does not really get involved with his community, but he has developed a strong relationship with procurement, which is tied to finance. They've become more involved in contract negotiations and he was on the call to learn how to further strengthen that relationship.
  - One participant works closely with customers and sometimes has to have tough conversations around costs. So, this participant would like to get better at talking money.
  - Yet another participant is in the middle of a platform migration, so she is getting a lot of questions from finance, particularly when it comes to forecasting. This participant has a strong relationship with sales because that's her background. She is able to show the sales team the value of community, especially the WIFM angle.
  - Lastly, this participant's manager is the one who deals with finance and procurement. However, this participant has to deal with other departments when it comes to community budgets and migration of content, etc. He also works closely with design teams, product teams and support teams.