First 100 Days: A CFO’s Playbook in a PE-Owned Business

Private equity ownership changes the pace, expectations, and accountability of a business. For a newly appointed CFO, the first 100 days are critical—not just for integration, but for establishing credibility with investors, aligning with the CEO, and setting the foundation for value creation.

Unlike traditional environments, PE-backed organizations operate with heightened urgency, sharper performance visibility, and a strong focus on returns. The CFO is expected to quickly transition from financial steward to strategic operator and value creation partner.

Understand the Business and Investment Thesis

Every PE-backed company operates with a defined investment thesis. This thesis outlines:

- Growth expectations
- Margin improvement targets with operational efficiencies
- Value creation levers
- Exit timeline considerations

A CFO’s first responsibility is to deeply understand this thesis. This includes reviewing the deal model, meeting with the PE sponsors, and identifying the key assumptions underpinning the investment.

The objective is not just comprehension—but alignment. Your priorities as CFO should directly support the realization of this thesis.

Stabilize the Financial Foundation

In the early days, credibility is built on control, clarity, and consistency.

Key priorities include:

- Ensuring accurate and timely financial reporting
- Validating the integrity of historical financials
- Assessing working capital dynamics
- Reviewing cash flow visibility and forecasting accuracy

Cash is central in PE environments. Establishing a reliable 13-week cash flow forecast is often one of the first deliverables expected from the finance function.

Assess the Finance Function and Team

The finance organization must be evaluated quickly and objectively. This includes:

- Capability and structure of the team
- Skill gaps relative to PE expectations
- Strength of controllership and FP&A functions
- Effectiveness of systems and processes

In many cases, transformation is required—whether through restructuring, upskilling, or adding specialized roles. The CFO must ensure the team is aligned with the pace and rigor expected by both management and investors.

Build Strong Relationships with Key Stakeholders

Success in a PE environment depends heavily on relationships:

- CEO partnership is critical for alignment on strategy and execution
- PE sponsors expect transparency, responsiveness, and proactive communication
- Functional leaders rely on finance for insights, not just reporting

Early and consistent communication builds trust. Establish regular cadence calls with investors and internal leadership to ensure alignment and avoid surprises.

Establish a Performance Management Framework

PE firms operate on metrics. The CFO plays a central role in defining and tracking:

- Key performance indicators (KPIs)
- Monthly and quarterly performance dashboards
- Budgeting and forecasting processes
- Variance analysis and root cause identification

The goal is to move from backward-looking reporting to forward-looking insight. Decision-making should be data-driven, timely, and tied to value creation.

Identify Quick Wins and Value Levers

Early wins build credibility. These may include:

- Improving forecast accuracy
- Reducing unnecessary costs
- Enhancing reporting clarity
- Streamlining close processes
- Improving cash conversion cycles

At the same time, the CFO should begin identifying longer-term value levers such as pricing optimization, margin expansion, and capital allocation efficiency.

Prepare for the Next Phase: Transformation

The first 100 days are not just about stabilization—they set the stage for transformation. By the end of this period, the CFO should have:

- A clear understanding of the business model and investment thesis

- A capable and aligned finance team
- Reliable financial data and reporting
- Strong relationships with stakeholders
- A roadmap for improvement and value creation

Conclusion

In a PE-owned business, the CFO is not just a financial gatekeeper but a critical driver of performance and value. The first 100 days should be approached with discipline, urgency, and strategic intent.

A successful start establishes not only operational control but also trust—positioning the CFO as a key partner in achieving the investment objectives and ultimately delivering a successful exit.