



Improving Financial Intelligence to Stay Ahead of Growth

About HubSpot

HubSpot provides all-in-one marketing software that helps companies attract leads and convert them into customers. Applications in its software-as-a-service platform include blogging and social media marketing, search engine optimization, website management, lead management, marketing analytics, landing pages, email marketing and marketing automation. More than 4 million users rely on its popular website analysis tools. HubSpot serves over 10,000 companies in 56 countries globally and has



been named one of the most promising and fastest-growing companies by Inc, Forbes and Deloitte. The company was founded in 2006 and is based in Cambridge, MA.

“Our rapid growth has led to challenges in hiring to plan, retaining talent and keeping costs in line while ensuring the business can invest where it needs to fuel growth.”

— Dave Stack
CFO, HubSpot



Project Context

- › Salesforce CRM
- › NetSuite Financials
- › Workday HCM
- › Extensive spreadsheet use
- › Unable to translate insight into action
- › Forecasts challenged by fluctuating headcount

Key Outcomes

- › Shifted to continuous planning process
- › Business managers engaged in planning and analytics
- › Significantly reduced overall time spent on planning
- › Quicker, more accurate understanding of headcount and its impact on business performance
- › Live in six weeks with critical features to support the business

CHALLENGE:

Spreadsheet-based planning process didn't add up

Like most businesses, Hubspot relied upon countless spreadsheets and FP&A horsepower to push through its planning and analytics processes. However, this manual, spreadsheet-based approach led to too many errors and too much wasted time. The finance team spent hundreds of hours integrating and reconciling data from different sources, auditing spreadsheets to ensure accurate links and correct versions, and emailing static reports to executives and business partners. Hubspot executives knew they needed to retool this inflexible process so they could adapt quickly and gain the insight they needed to continue to grow rapidly.

CHALLENGE:

Financial intelligence locked behind walls of FP&A

Given the substantial time and energy Hubspot's FP&A team spent collecting, integrating and checking data from disparate systems, they had scarce opportunity to engage with business partners on financial and operational performance. Most communication between finance and business managers were defined by one-way, static monthly emails that included performance reviews. Business managers received these reports too late to course-correct performance, and the reports didn't provide the context and flexibility needed for managers to understand causes behind variance. The result? Managers weren't able to translate insights into action.

CHALLENGE:

Financial planning at mercy of headcount chaos

Before Tidemark, planning and analyzing headcount was a persistent challenge. Rapid expansion led to ambitious hiring objectives and the need to shuffle employees between geographies, functions and departments. Additionally, the company's mix of contractors and full-time employees was constantly changing. This volatility and complexity made it extremely difficult for Hubspot's finance team to accurately forecast revenue and costs—a problem for a company whose revenue and costs are largely determined by headcount. To increase visibility into current and planned headcount, the finance team would email hiring managers and HR for recruiting updates, but this inefficient and inconvenient approach caused Hubspot's forecasts to suffer.

SOLUTION:

A new plan

As a fast-growing, global organization with an IPO in its sights, Hubspot had no choice but to improve its planning accuracy and speed — and the answer was shifting to a continuous planning process. With the Tidemark platform, Hubspot is achieving this by automating the aggregation of data from the company's core systems, including Workday HCM, Salesforce and NetSuite Financials. Accurate financial and operational data that is available in real-time will allow Hubspot's finance team to concentrate on planning and analysis rather than data integration and validation. Using Tidemark, HubSpot is constructing a detailed driver-based model, enabling the company to run what-if analyses based on different assumptions for sales productivity, pricing, customer churn, hiring and customer acquisition costs. Hubspot is leveraging Tidemark's capabilities to create structured processes to organize the collection, review and approval of input from business managers and monitor the progress of various steps in the planning process. In addition, HubSpot's global operations require a platform that can provide international capabilities, such as foreign currency translation. With the help of Tidemark, Hubspot's finance team is transforming the company's planning and analytics processes to become more strategic, accurate and agile.

SOLUTION:

Make financial intelligence broadly available

HubSpot uses Tidemark as its central platform to analyze and collaborate regarding business performance, which frees up finance to focus on strategic efforts and enables business users to inform their decisions. Because Tidemark is intuitive and easy to use, business managers across sales, account management, customer support and services can navigate through the platform to explain variances in their units' performances, determine what steps they can take to improve performance and collaborate with finance on these topics. Executives gain visibility into emerging trends in company performance on-demand, without having to wait for monthly reports or the finance team to fulfill data requests. And with a corporatewide emphasis on transparency, HubSpot will be using Tidemark's Storylines to communicate company performance to all employees. By drawing executives, managers and rank-and-file employees into a conversation about business performance, HubSpot's finance team has ensured financial intelligence is shared broadly and all parts of the organization are aligned to achieve company goals.

SOLUTION:

More accurate forecasts by taming planning

By implementing Tidemark, HubSpot will consolidate its financial and operational data into a single, usable platform, which will dramatically improve its headcount planning process. HubSpot's finance team can understand in real time how actual headcount is trending relative to expected headcount across functions, geographies, levels and departments. The Tidemark platform empowers business managers to understand how variances in expected headcount will impact operational performance of their business units. Further, because Tidemark provides a single version of the truth that finance, HR and business users alike can access, HubSpot will be able to significantly reduce inefficient, email-based headcount reporting and communication. The company's finance team can more accurately forecast financial performance because of the analytics and real-time visibility Tidemark provides into current and future headcount.

“With Tidemark, we've transformed our approach to performance management and analysis with real-time visibility into where we are and the ability to communicate in a way that hiring managers understand. We are transforming into a culture of performance and a true data-driven company.”

— Dave Stack
CFO, HubSpot



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Want to know how the Tidemark app will work for your organization? We would love to talk to you.

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About Tidemark

Tidemark helps companies foster a culture of performance with cloud-based enterprise analytics that engage the entire organization in business transformation.

Tidemark's apps involve multiple lines of business in core enterprise performance management processes, such as planning, forecasting and analysis, for greater collaboration and context.

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