**How CFOs Take Startups To The Next Level**

It’s all about imagining the ‘business we are building, not the business we are today.’

By Katie Kuehner-Hebert

Pivot Bio, a Berkeley, California-based startup that produces a nitrogen-creating microbe for wheat, sorghum and barley growers to help achieve more predictable, productive yields, brought Douglas Jeffries in as CFO when it was ready to scale its operations and needed help assessing capital markets.

A financial executive with years in everything from healthcare to software, Jeffries sees breadth of experience as a plus when working with new companies. He spoke with StrategicCFO360 about starting a company during a “historic period” for raising capital, the CFO role in hiring and the importance of strategic vision.

**How can a CFO best position an organization for high growth?**

CFOs are an integral part of the business operations and strategic partners with their various customers in the business. One of their primary roles is to enable high growth with sustained high performance. Some of the keys to success in these situations are helping the business communicate clear priorities, focus on hiring ahead of today’s needs, developing light business processes to gain efficiency and delivering metrics that enable rapid course correction. Foremost among these is recruiting and developing talent in the context of the business we are building, not the business we are today. Helping to bring leaders into the organization that look for opportunities to create and build and are energized by being part of a team that is delivering on a very important mission. I have been fortunate to work with brilliant and committed teams throughout my career, including our team at Pivot Bio.

**At what stage or trajectory should a start-up consider bringing on a CFO?**

The time to hire a CFO is as unique as the company—there is no one-size-fits-all. However, it’s important for a company to determine when they are ready to reap the full benefits of a CFO’s range of skills and qualifications. This often means engaging a CFO when a company may need additional strategic perspective on business functions such as capital allocation, fundraising and optimization of the business to support future growth.

For example, Pivot Bio brought me on as CFO after it already had established research capabilities, high-performing products in the market and strong demand from customers. As Pivot Bio’s CFO, I bring a strong background in scaling business operations, evolving business models and accessing capital markets to help the company become a leading presence in the $180 billion global fertilizer market.

**What advice do you have for CFOs when it comes to raising capital in today’s environment? Has this process changed since you first began your career?**

There will always be ebbs and flows in the capital markets that affect a company’s ability to fund its business. I believe we are in something of a historic period with significant capital available to young businesses coupled with a broader range of financing alternatives than we have seen in the past. We are seeing companies access public markets at a very early stage via SPACs while other companies have the ability to access large private investments and defer approaching the public markets while they continue to scale their businesses. I think this incredible access to capital has raised the bar for CFOs. More than ever, they will need to bring a strategic focus and a level of discipline to decisions around fundraising to ensure that they access capital in a way that provides resiliency and sets their business up for long-term success.

**How have you navigated transitioning to the ag/biotech sector, and what will be your priorities be at Pivot Bio in the year ahead?**

Over a reasonably long career, I have had the opportunity to work in a number of industry sectors, including CPG, healthcare, mobile devices, software, consumer internet and now ag/biotech. Working in different sectors helps keep thinking fresh as you adapt to new business models, competitive dynamics and team structures.

Many times, businesses, particularly in technology, are relevant for only a short period of time. In joining Pivot Bio, one of the remarkable perspectives that shapes how we think about our business is the generational nature of agriculture—many farms have been in the same family for more than 100 years, in an industry that has been around for thousands of years. This causes us to be thoughtful about how we build our business.

A key differentiator for us is a focus on being a trusted long-term partner with our farmer customers to help them continue to be good stewards of their land. In this context, we are prioritizing scalability and efficiency as we seek strategic partners and investors that share our view of the importance of building a business that lasts for generations.