

## LEADERSHIP &amp; CULTURE

# The CFO's Guide to Pitching the Owner on AR Changes

A three-step framework for connecting cash flow improvements to the goals your owner actually cares about. Based on playbooks from practitioners who've done it.

Most AR improvements stall because the CFO can't get the owner to commit. The analysis is solid. The SOPs are ready. But the owner sees another spreadsheet, not a path to their personal goals. This guide gives you the framework to change that conversation. It comes from Luke Boyenger (Cruzumi CFO & Advisory), who has navigated this exact dynamic with 20+ subcontracting firms, and Kelsey Stone, a former sub owner who lived on both sides of it.

## WHAT'S INSIDE

- **Step 1: Identify the owner's personal and business goals**  
Growth targets, family goals, stress reduction. Figure out what they're actually working toward.
- **Step 2: Build two cash flow forecasts**  
Side-by-side scenarios: end of year with changes vs. without. Real numbers, not hypotheticals.
- **Step 3: Connect the dots to make the case undeniable**  
A 5-part conversation structure that links AR improvements directly to the owner's goals.
- **Worksheet: Plan your pitch before the meeting**  
Fill-in framework covering goals, current state, proposed state, and the connection between them.

# Why Initiatives Stall & Outline the Owner's Goals



As a CFO, you identify the changes that need to happen and build the SOPs. But implementation requires the owner's buy-in, and the conversation stalls. The reason: the CFO is presenting data. The owner is thinking about growth targets, family goals, or reducing stress. If you don't connect your proposed changes to what the owner personally wants, the ask feels like another spreadsheet exercise.

## THE DYNAMIC

The CFO is quantitative: "here's what the numbers say." The owner is qualitative: "here's why we're building this company." These are not in conflict. The CFO's job is to connect them.

## Step 1: Outline the owner's goals

Before you build a single slide, figure out what the owner is actually trying to achieve. Not the company's goals. Their goals.

### GROWTH GOALS

Build a high-growth, legacy business? Hit a specific revenue target? Expand into new markets or trades?

### PERSONAL GOALS

Take a larger distribution? Fund their kids' college? Buy a property? Reduce daily stress?

### OPERATIONAL GOALS

Reduce the cash flow roller coaster? Hire key positions? Invest in equipment or certifications?

Ask directly: "What are the two or three things you want this business to deliver for you personally over the next 12 months?" The answer shapes everything that follows.

## WHY THIS WORKS

"If we aren't connecting the changes we want to make in the business to the goals the owner has, it's going to be way harder to get them committed. You want them to feel: if I don't do this, I'm not going to get the thing I want for myself."

Luke Boyenger, Cruzam CFO & Advisory

# Build Two Cash Flow Forecasts

This is the tool that makes your case tangible. Build two 12-month cash flow scenarios side by side. The goal is to show the owner two versions of their future so the choice becomes obvious.

## EXHIBIT A: STATUS QUO

**"This is what end of year looks like if we change nothing."**

- Current DSO continues at same pace
- Cash conversion cycle stays where it is
- Working capital position unchanged
- Same constraints on growth and distributions

## EXHIBIT B: WITH CHANGES

**"This is what end of year looks like with these AR improvements."**

- DSO reduced by X days
- Cash conversion cycle shortened
- Additional \$XXX,XXX in available cash
- New capacity for [owner's specific goal]

Use real numbers from your business. Pull your current DSO, your average billing cycle, your actual collection timelines. Then model what happens when you improve each metric by a specific, achievable amount.

## What the comparison looks like

METRIC	STATUS QUO	WITH AR CHANGES	IMPACT
Average DSO	51 days	35 days	<b>16 days faster</b>
Cash tied up in AR	\$1.2M	\$820K	<b>\$380K freed</b>
Invoice rejection rate	18%	5%	<b>13% fewer delays</b>
EOY available cash	\$400K	\$780K	<b>+\$380K for owner goals</b>

## 16 days

Average DSO reduction subcontractors achieve when they implement structured billing cadences and proactive collections SOPs. That translates to hundreds of thousands in freed working capital for a \$10M+ firm.

### BE SPECIFIC ABOUT THE GAIN

"We're going to produce another \$250,000, \$300,000, \$400,000 of cash flow over the next 12 months if we do this." That's the kind of number that gets an owner's attention. Not "better cash flow." A dollar amount they can connect to something real.

# Connect the Dots

This is where the pitch comes together. You've identified the owner's goals (Step 1). You've built the two forecasts showing what changes with and without the AR improvements (Step 2). Now you connect the additional cash flow directly to their goals.

## The conversation structure

1

### Start with their goal, not your analysis

"You told me you want to [take a \$200K distribution / invest in new equipment / double the growth rate]. Here's what needs to be true for that to happen." Lead with what they care about. Not with AR aging reports.

2

### Show the gap between today and that goal

"Right now, our cash position supports X. To get to Y, we need to free up \$Z in working capital over the next 12 months." Keep it simple. One number. The gap between where they are and where they want to be.

3

### Present the two exhibits side by side

"Exhibit A: this is end of year without changes. Exhibit B: this is end of year with the AR improvements I'm proposing. The difference is \$XXX,XXX in cash flow." Let the numbers speak. Don't oversell.

4

### Name the specific action and the specific outcome

"If we implement this weekly billing cadence and this collections SOP, we can shave 15 days off our average DSO. That translates to \$XXX,XXX in additional available cash. That means you can [take the distribution / fund the equipment / hit the growth target]."

5

### Ask for commitment, not just agreement

"I need you to back this publicly. Discuss AR at weekly production meetings. Mention it at the quarterly town hall. Celebrate collected cash the same way we celebrate winning jobs. The team will follow where you lead."

#### THE CFO AND OWNER AS PARTNERS

"The owner and the CFO need to be like besties in the company. The CFO provides the 'how are we going to get there.' The owner maintains the 'why.' When those two roles are in sync, you can set qualitative and quantitative criteria that merge and create real synergy."

Kelsey Stone, Former Sub Owner

# Plan Your Pitch

## THE OWNER'S GOALS

Primary personal goal: \_\_\_\_\_

Primary business goal: \_\_\_\_\_

Dollar amount needed to reach it: \_\_\_\_\_

## CURRENT STATE (EXHIBIT A)

Current average DSO: \_\_\_\_\_

Current cash conversion cycle: \_\_\_\_\_

EOY cash position (no changes): \_\_\_\_\_

## PROPOSED STATE (EXHIBIT B)

Target DSO after improvements: \_\_\_\_\_

Projected additional cash freed: \_\_\_\_\_

EOY cash position (with changes): \_\_\_\_\_

## THE CONNECTION

AR change you're proposing: \_\_\_\_\_

How it connects to their goal: \_\_\_\_\_

What you need from the owner: \_\_\_\_\_

FROM BILLD

## Your SOPs improve the process. Billd improves the position.

Billd's capital solutions give you access to the cash you've earned while you wait for collections to complete. Pair your AR improvements with Billd's material financing to stabilize cash flow from both sides.