

CASE STUDY

How a Health Tech Company
Drives High Growth Using
Accounting and Payroll
Outsourcing

Customer Profile

A health tech and analytics company makes data meaningful and actionable to empower physicians and accelerate research for patients. As the startup shifted into a high-growth phase, its controller resigned, creating a continuity gap at a point when the CFO needed to expand her organization. She turned to Armanino for an outsourced interim controller team to step in and keep accounting and payroll running smoothly.

Benefits

- Seamlessly transitioned from previous controller to an interim team supporting the accounting and payroll functions
- Deployed a new cloud-based billing system
- Implemented process refinements to accelerate the financial close

Services



Accounting
Outsourcing



Human
Resources
Outsourcing

Challenge

A health tech startup has been on a fast track to transform healthcare by using clinical data to improve patient care, inform medical science and help accelerate clinical research. The company is reinventing how medical research happens with data and technology, harnessing the power of comprehensive clinical data sets to generate real-world evidence and answer meaningful questions in medicine.

Taking advantage of the company's momentum, the executive team at the startup decided that the time was right to move into a higher-growth phase of expansion and product development. The chief financial officer knew she needed to begin expanding her finance organization and building a larger infrastructure to support doubling company headcount within 12 months.

At the same time, the company's controller announced that he would be exiting. Just as the CFO was envisioning the future structure of an expanded finance organization, she was faced with filling a significant talent gap in the team.

"While I knew that we would need an interim controller, I didn't want the situation to put pressure on our timeline for finding the right person for a permanent vice president controller position," says the CFO. "And of course, the most important concern was to make sure that absolutely nothing fell through the cracks in the meantime."

WHAT THEY'RE SAYING

“Armanino did an excellent job working with our team and helped to advance our internal capabilities.

CFO

Solution

The CFO had a negative experience earlier in her career with a contract interim controller who did not live up to expectations. “When you use a temporary contractor, you’re limited by the experience and resources of one individual,” she says. “It’s also difficult for an independent contractor to be as flexible as we needed in terms of the length of the engagement. While there are benefits to using a contractor, I didn’t want us to take on all the risks involved.”

She decided to turn to a trusted partner that had been serving their company for several years: Armanino LLP, one of the 25 largest accounting and business consulting firms in the U.S. “We’ve relied on Armanino for equity accounting, CFO advisory services and financial software implementations, so I knew they would provide the depth of experience, flexibility and responsiveness we needed to fulfill our interim requirements.”

After building a team to handle the company’s accounting processes and payroll, Armanino acted as a one-person controller in terms of communication, giving the CFO a single point of contact and the peace of mind that everything would be accurately and timely handled.

During the engagement, the Armanino team not only fulfilled its day-to-day role of interim controller, but also implemented process refinements to accelerate the financial close, improvements to the cloud-based payables management platform and company-wide workflow improvements to support the growing business.

Results

After an eight-month talent search, the health tech company hired a new VP controller. The Armanino team is working with him to manage a smooth transition and help him prepare for the future needs of the growing company, such as readiness for the company’s first audit.

“Armanino did an excellent job working with our team and helped to advance our internal capabilities,” says the CFO. “They accelerated close deadlines and helped to drive improvements to our processes and workflows, which have made a company-wide impact.”

WHAT THEY'RE SAYING

“ I would highly recommend Armanino. Everyone has been fantastic and very responsive to our needs.

CFO

According to the CFO, the advantages of Armanino's team approach compared to working with an individual contractor include:

- The ability for Armanino to quickly take over from the previous controller
- Bandwidth and flexibility to scale up and down with the needs of the company
- A deep bench of resources and knowledge, not limited by the expertise of one person
- Peace of mind that the proper financial controls are in place to protect the company

What would the CFO tell other finance executives who face a similar situation where someone leaving creates business continuity risks? “I would highly recommend Armanino,” she says. “Everyone has been fantastic and very responsive to our needs. Because I didn't have to worry about the controller functions, I could focus on other important areas in our business growth.”

Next Steps

With the new VP controller in place, the CFO says the company's finance organization is well positioned to support continued growth. “Thanks to Armanino's help, our new VP controller can focus on the future and where we need to go instead of having to worry about fixing potential gaps and breaks in continuity over the past eight months.”

The CFO sees the recent engagement with the firm as part of the continuum of a trusted partnership. “Armanino knows our company inside and out,” she says. “I envision our relationship as continuing to evolve and transform over time, with Armanino stepping in to help us whenever and wherever we need it.”

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