Operations & Supply Chain Student Night

Speaker: Mahati Mukkamala
Topic: Finance Career
Wed Oct 12, 2022

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Finance Careers: Options – Options - Options

- *What do people even do in Finance? Do we all just buy low and sell high?*

- *What are the different tracks in Finance?*

- *What's the difference between Corporate Finance and banking and trading?*

Different Types of Finance Careers:

Word of caution : Try to avoid people who say things like "buy low and sell high"

1. An Investment Banker – aka the Bobby Axelrod (or Steve Cohen)
   1. Raise money from people, invest their money, make a big return, keep a little for yourself. (VC / PE)
   2. Wake up and do that again.

2. Portfolio Manager – aka Gordon Gecko
   1. Typically you'll work in a firm, and you oversee institutional or retail client investments.
   2. Generally you are really good at one specific asset class (equities/fixed income/blockchain/startups

Different Types of Finance Careers:

3. Securities Trader– aka your buddy using Robinhood (or ppl at Goldman)
    1. They work for bankers and typically are the ones executing trades.
    2. They buy low and they sell high (I hate this phrase)

4. Financial Analyst – (Corporate Finance – FP&A)
    1. Typically you work inside of a company. You are basically on top of all things numbers inside your company (Rev/Expenses/Budgets/Forecasts)
    2. This is the CFO Track.

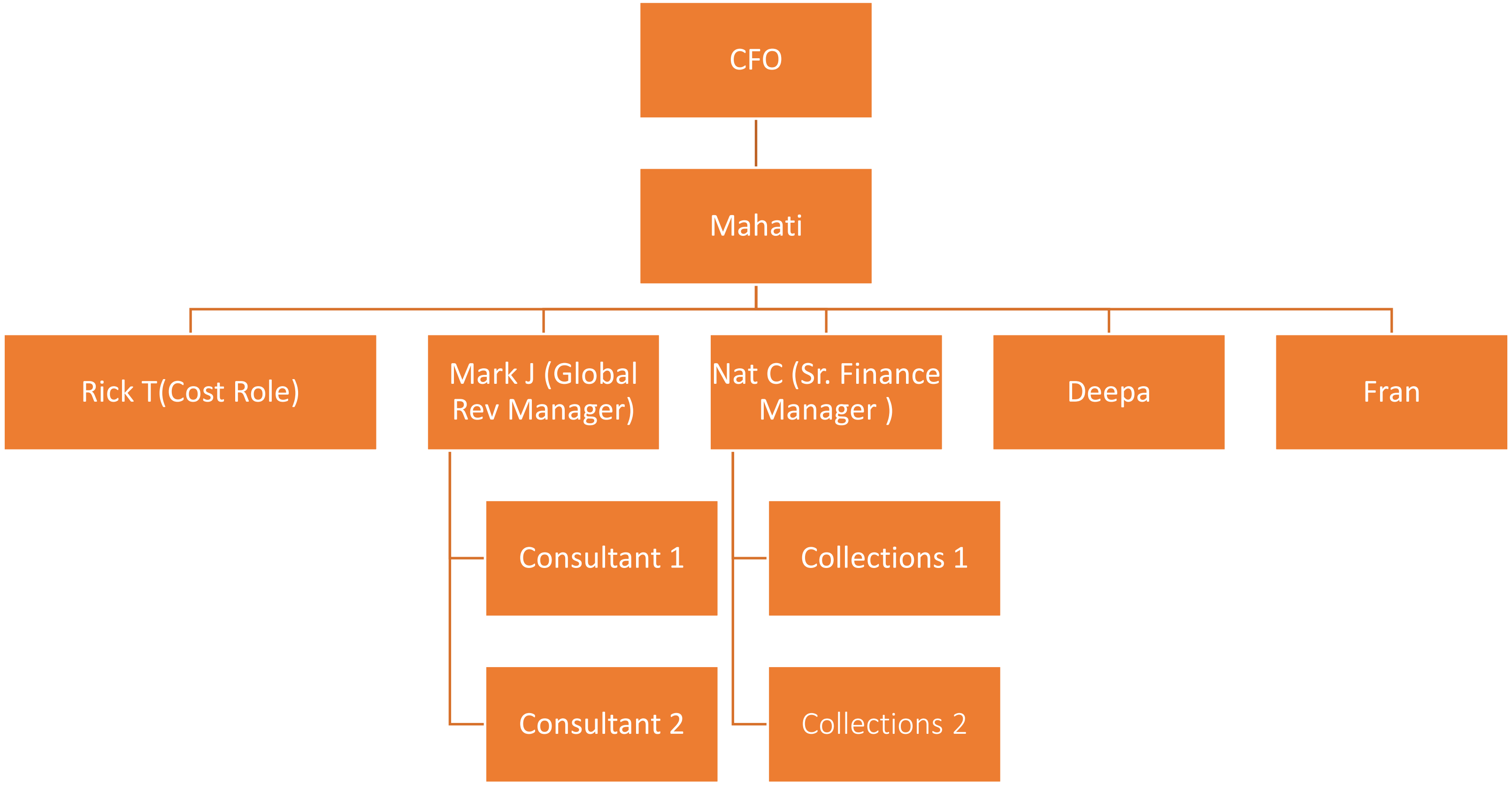
Robinhood investors after outperforming the boomer fund managers

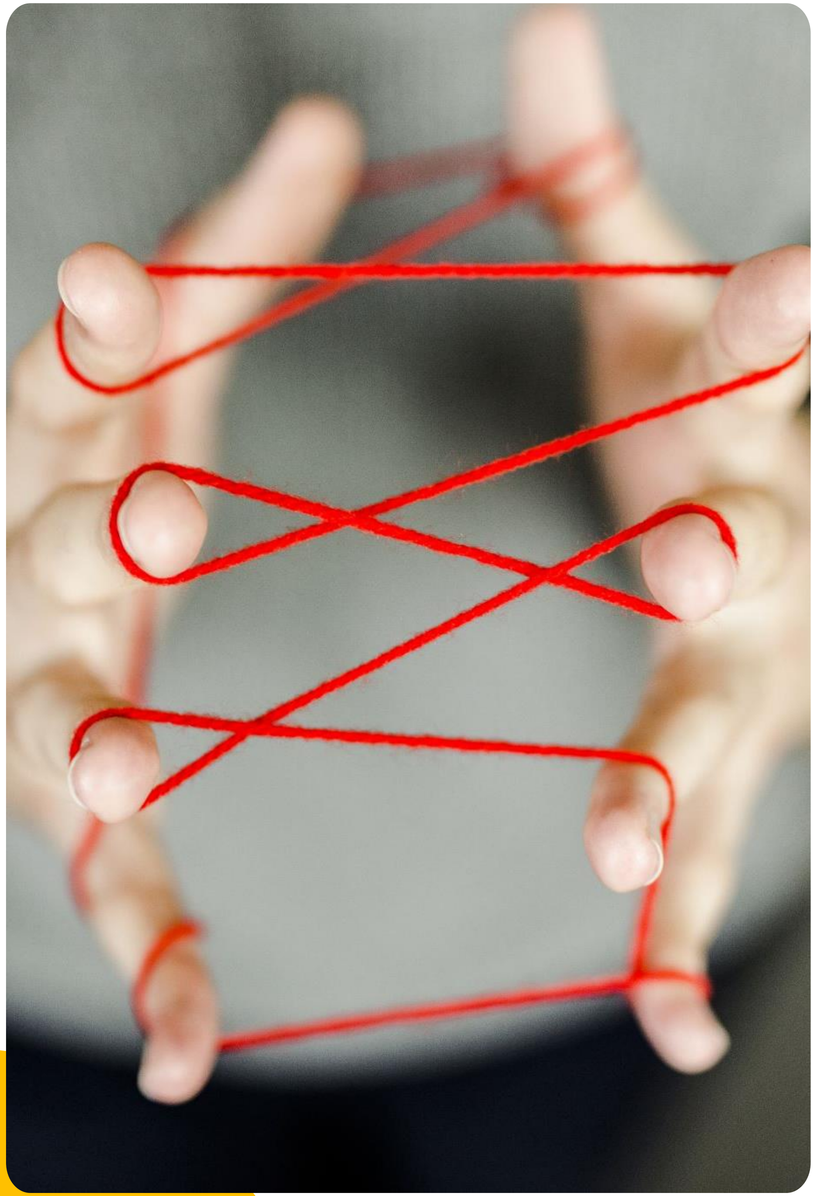
What do I do? Why should you listen to me? What even is my name?

- BS in Finance – Umass Lowell (Magna Cum Laude)
- MBA – Syracuse University (Summa Cum Laude)
- I work inside a portfolio company of a top 6 PE firm.
- Beta Gamma Sigma inductee 2017
- Voted Top 100 in Finance in 2021
- My name is Mahati

What’s? How is my team structured?

I work as a Sr Director of FP&A for a PE backed software company





Org Responsibilities

Mahati Mukkamala **Sr Dir of FP&A** Responsible : 1) Yearly OP 2) Quarterly Forecasts 3) Month End Reporting to ELT 4) Board Reporting 5) Operational business metrics tracking for GTM 6) Continuous process improvement.	**Global Rev Manager** Responsible: 1) Approving Invoices 2) Aligning 606 and 605 Rev Reporting 3) Reconciling Rev with Bookings 4) Rev reporting (by seg/by region/etc) 5) Rev ops ongoing reconciliation
Fin Analyst Responsible: 1) BU Headcount Forecast/Reporting 2) BU Opex Forecast / Reporting 3) BU Expense variance analysis 4) BU Expense business case 5) BU overbudget expense analysis 6) Expense right sizing analysis.	**SR FP&A Manager** 1) Month End ELT Reporting Pack 2) MOR reporting pack 3) Bank / NWC Reporting & Analysis 4) BVA reporting (Rev/Bookings/Exp/HC) 5) OP/Forecast Decks 6) Renewals / Bookings / ARR reporting.

What does all of that mean?

What do I actually do day to day?

- In the simplest statement, I think my job is to tell a story.
- In other words – I live in excel and powerpoint

- Every organization has access to tons of numbers; profit and loss statements, cashflow statements, Revenue reports, cost trends, headcount trends, fx issues.
- I take all of those various sets of data and write a story about what is actually happening in my company, and why it's happening, and why our investors or our executive leadership team should care about them.
- This could be something as complicated as analyzing if an outsourcing model will save us money vs cost us money, and it could be as simple as saying "hey last couple of months we've been paying $15 dollar for wire fees, for paying a $25 dollar invoice. Let's not do that anymore"

I thought PE meant investing – Why are you inside a portfolio company?

- Generally speaking – PE firms buy troubled companies, once they buy the company, they send people like me to go in and build out a proper Finance department.
  - Every single person on my team (except for 2 people), I hired and trained.
  - Every single thing we build, every analysis, they are all created with the investors in mind.
  - Once we sell this company, I'll go do this again at their next company (theoretically)

How to get started? What track should you pick?

- **Try different things.**
  - Internships help, after working at Putnam, I knew I never wanted to be in financial services.
  - My first "real" job was in accounting. I hated that too.
  - Figure out what you don't like, it will help in narrowing down what you do like.
  - Figure out if what's making you miserable is the company or the subject.

- **Pick a subject or track that you would do for free.**
  - Passion Play's and Passion Pay's.
  - My first "real" job, I started in Sept 2010. I made $33k. Today I make 10x that. My biggest differentiator is that I love my subject.
  - I've worked with multiple early stage startups, where I didn't actually get paid. But I learned something new or learned a new way to solve a problem. Worth it.

How to get started? What track should you pick?

- **Don’t settle. Don’t be mediocre.**
  - As I said before Passion play’s and passion pays – and if you like your subject, be good at it. Not because you want a gold star or a promotion. Because it’s your subject and you have pride in your craft.
  - If you are really good at completing what they’ve hired you for, ask for more challenging stuff. Early in your career, your only goal should be to learn new things. Learn hard things.

- **Network. (No don’t dish out business cards or collect them like pokemon cards)**
  - Genuinely get to know people in your field, ask them what they do, what they are working on, what new problems they are encountering, any cool pieces of software they might be using.
  - Networking isn’t just for job hunting or trading services, that’s what it’s turned into.
  - Best kind of networking is where you share knowledge and ideas.