

Interview with Mike Morgan, CFO of Bomgar Corporation



Bomgar corporation is a venture-backed, mid-sized software vendor which has ranked in the Deloitte Technology Fast 500 for the past 4 years. With over 20 years experience in the high tech and the telecom industries, Mike oversees accounting, finance, legal, human resources and IT operations.

Lauren: Why did you choose to participate in the software benchmarking?

Mike: As a CFO I always want to balance growth plans with resources. It is hard to make hiring decisions in a vacuum, especially in a high-growth environment. Things are moving so fast, everybody is begging for more resources. It is helpful to know how we compare to similar sized firms.

Lauren: How do you think the benchmarking process and/or information has helped your company?

Mike: It helps me keep some balance between the competing needs of the department heads. We want to make intentional bets. If we weight marketing or development more heavily than a competitor, we want that to be a strategic decision, not something that we wake up and compute after the fact. The great thing about the OPEXEngine data is that there are several peer groups to look at. You can look at metrics for private vs public companies, metrics for companies in your revenue band, or with similar headcount. So many other metric reports are too focused on public companies. Public company data just isn't that relevant to us.

Lauren: How easy was it to put together the required data for submission? How much time did it take?

Mike: Not too much time, but we keep a lot of that data on hand already.

Lauren: Who in your company looks at the benchmarking data? Which executives? Does your board look at the benchmarking data?

Mike: Bomgar Corporation refers to it regularly. We shared it with our board when we discussed our proposed budget and hiring plans. It is helpful to show them you have done your homework and gives them comparative data to support our budget plan. It shortens the meeting and shortens the list of questions they ask.

Lauren: Any other thoughts you have on the value of the benchmarking?

Mike: We thought the discussion would be around the risk of over-spending in certain categories versus our competition, i.e. are we spending too much on development or too much on marketing?

What was eye-opening was the discussion we ended up having on the risk of under-spending on certain areas versus our competition.