

## CFO SPOTLIGHT: DAN LEE, CFO OF RISKSPAN



### 1. What was your first CFO opportunity and how did you get it?

Aside from my first real job after college, which I got through on-campus recruiting, I have always gotten new jobs through my network. This all changed over 2 years ago when I received an email via LinkedIn from the in-house recruiter of my current company. The subject was “CFO in Training” and the message said: “We are a software and management consulting company for the financial sector that is owned by private equity. We are searching for someone to be a CFO in training. Would you have an interest in exploring?”

I initially thought the email was spam, as it sounded a little too good to be true, as I never held an operational role before and certainly not a CFO. I was between jobs, as there was a downsizing at my previous company (a young venture capital startup), and I was looking to join a VC- or PE-backed company in some sort of financial role. I had a phone interview with the recruiter and then lunch with the CEO and COO. I ended up meeting with other members of senior leadership and getting the job. It turned out to be a real opportunity and a real company!

It turns out the existing CFO wore multiple hats and was spread too thin. He was transitioning to Chief Administrative Officer and the Board wanted a dedicated CFO. It worked out great, because I was able to “learn the ropes” from the previous CFO, who remains at the company. I was initially hired as Director of Finance, but within the year, I earned the trust of the CEO and the Board and given the CFO title.

### 2. What do you enjoy most about your profession? And what is the one thing you could do without?

The most enjoyable part of the job is the ability to influence the overall direction of the company by collaborating with other leadership and the Board. Whether it’s evaluating a spin-off of a business unit, analyzing the addressable market for a new product, or assessing future capital needs, I really enjoy contributing to growth-focused corporate strategies.

I know it comes with the territory, but I don’t love the minutiae. I’m also pulled into so many different directions on a constant basis, which makes it feel like I’m always behind schedule. We have a full-time bookkeeper, but we don’t have a controller, so I often need to complete tasks that I don’t find enjoyable.

### 3. What is the biggest challenge you are currently facing?

We are transitioning the business from predominantly services/consulting to a SaaS company. The current iteration of the company is the result of a merger many years ago between a pre-trade analytics software company for agency mortgage-backed securities and a mortgage advisory and predictive modeling firm. The 2 distinct businesses operated independently for a number of years with limited

client overlap, but in the past 2 years (around the time I joined), we have been trying to integrate the two organizations and to shift the revenue mix. Currently, the revenue mix is more consulting versus SaaS, but we are hoping to reverse this mix.

Many people have told me it is difficult to transition from largely consulting to software and I can see why now. There has been a constant push and pull with resources and it's challenging to analyze the business when some employees split time between consulting and product/R&D. Understanding the metrics and data is critical when growing and pivoting a business, but the KPIs are often in flux and changing as we try to determine the most effective and efficient use of resources, both labor and non-labor.

**4. Tell us about a smart risk that you took and what was the learning from it?**

I left a comfortable job to join a startup. While the startup didn't pan out as a longer-term opportunity due to circumstances beyond my control, that jump to a different career path has opened up so many more opportunities, experiences, and connections. I learned that straying from a well-worn, comfortable road onto a new one can make a major difference and that the risk is really a lot smaller than it may initially seem. I know I can always go back to the old road, but a divergent path and different opportunities are stretching me in ways I never envisioned.

**5. What are the 3 most important components for your personal and professional success?**

A multitude of factors have contributed to where I am today, but I'll focus on one key component, and that has been my persistence. I've always gotten to where I want to go, but it often took the long road. I was rejected by the University of Virginia twice before getting accepted the third time I applied. It took me 6 years to finish the CFA program after failing level 2 once and level 3 twice. I was turned down countless times over the years for different jobs.

Steve Jobs famously said in a 2005 Stanford commencement speech: "You can't connect the dots looking forward; you can only connect them looking backwards. So, you have to trust that the dots will somehow connect in your future." I have found this to be particularly true about my own life.

We all want our lives to be a straight line at a 45-degree angle up and to the right. However, there are many more peaks and valleys in life both personally and professionally, but we have to trust that life is still trending up and to the right. I have experienced firsthand that persistence and hard work can lead to the desired destination. I'm a firm believer that we create most of our own luck through good old-fashioned hard work.