

What does it take to be CFO of a unicorn company?

Startups that found a way to go from being worth nothing to being worth more than \$1 billion (unicorns) are miracles of financial growth.

But virtually no startup can hit that milestone without the “adult supervision” of a CFO.

The startup CFO is not a bookkeeper—he or she is a high-level, strategic force, a close and trusted adviser to the CEO, and instrumental in taking unicorns to that next level of growth: going public.



The Unicorns and their CFOs

To find out how unicorn CFOs are made, we looked at a list of unicorn companies (from CB Insights) and sorted by highest valuation. We then went down the list until we had 20 CFOs to study. All of these companies are among the top-valued private companies in the world, however this is not a list of the highest valued 20 companies.

Here's a complete list of the CFOs we researched, and the companies they work for:

- Shou Zi Chew, Xiaomi
- Shuhong Ye, China Internet Plus Holding
- Ellie Mertz, Airbnb
- Bret Johnsen, SpaceX
- Colin Anderson, Palantir Technologies

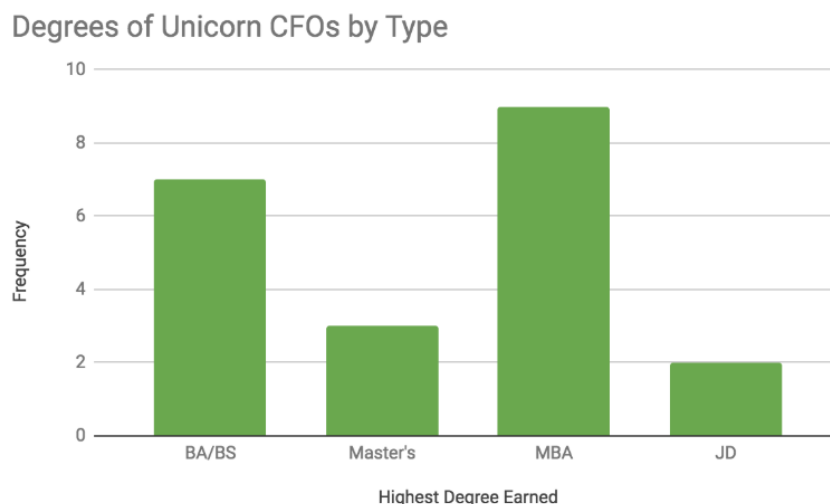
- Artie Minson, WeWork
- Todd Morgenfeld, Pinterest
- Brian Roberts, Lyft
- Kevin Samuelson, Infor
- Will Gaybrick, Stripe
- David Doyle, Global Switch
- Madhur Deora, One97 Communications Limited
- Sarah Broderick, Vice
- James Ahlers, Intarcia Therapeutics
- Allen Shim, Slack
- Scott Henry, Magic Leap
- Lauren Cooks Levitan, Fanatics
- Louis Hseih, NIO
- Ravi Gupta, Instacart
- Fazal Merchant, Tanium

All of the data used in this article is from public records on LinkedIn, Crunchbase, Bloomberg, as well as interviews and articles on the CFOs and companies in question.

Education

Every CFO researched had an undergraduate degree. From those degrees, there was a variation in BS and BA degrees awarded, with no clear preference for one or the other. It is notable that out of the seven CFOs who ended their education with a bachelor's degree, two went to Wharton and five went to schools with [well-known business programs](#), like Stanford and Syracuse.

The majority went on to obtain a higher degree. The most popular choice for a secondary degree was an MBA:

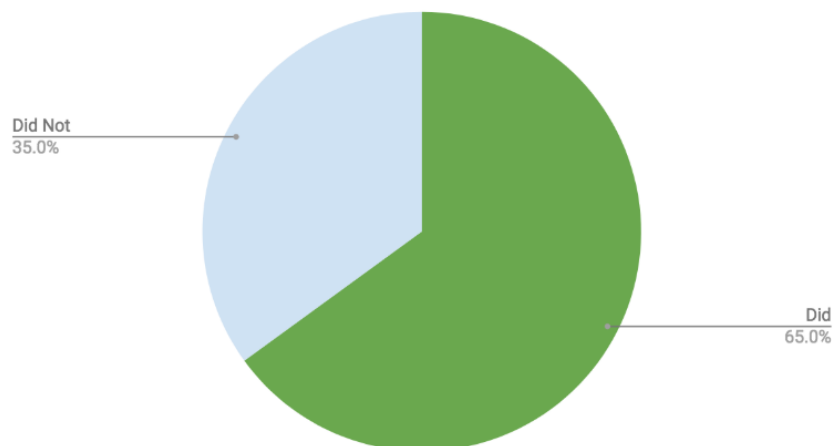


Note: Some who earned an MA that was not an MBA also earned an MBA and were placed in both categories.

45% of the unicorn CFOs researched earned their MBA at some point during their career. “MBA-wielding executive” may not be the first thing that comes to mind when you think “startup,” but these companies are poised to be the Fortune 100 of tomorrow— [39%](#) of the top-ranking executives at Fortune 100 companies have MBAs.

What schools attended also appears to be relevant. Seven CFOs went to Stanford or Berkeley for at least one degree, and eight attended an Ivy League for at least one degree. Only 35% of unicorn CFOs researched did not attend an Ivy League, Berkley or Stanford.

CFOs Who Attended An Ivy League School, Stanford or Berkeley



Of course, attending one of these schools isn’t a magic ticket to an outstanding career as a CFO. Schools represented in our research that weren’t Ivy League, Stanford, or Berkeley were among [top business schools in the U.S.](#) — UT Austin, Duke, and even West Point were all represented, among others.

In fact, having a less-beaten path to management can even work in your favor. When Fazal Merchant, a UT grad who skipped the Ivy League and Wall Street, was hired to be the CFO of DreamWorks, he was praised for the diversity of his experience. Having worked in Central America, Europe, and the US, everywhere from Ford to RBS, the vice chairman of DreamWorks [said](#), “[His] experience drawn from senior leadership roles across multiple industries will be an incredible asset as we continue to grow and diversify.”

Nationality

There was some variation in nationality, however all but one of the CFOs on our list attended school in the United States. No matter where they were born or raised, nearly everyone attended either undergrad or graduate school in the U.S.

The one person who did not attend school in the U.S. was educated exclusively in Australia. University College London and Shanghai University were the other two schools outside the U.S., although both attendees later studied in America. Nearly everyone has significant work experience in the United States, regardless of national origin.



Pins showing where unicorn CFOs attended school.

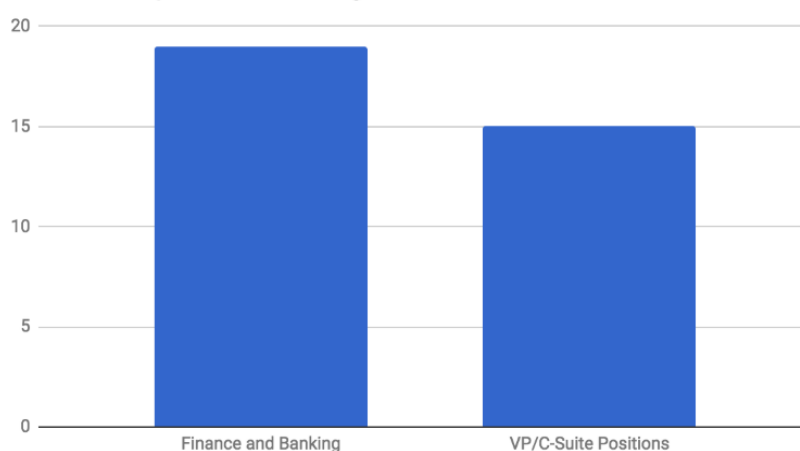
Why the U.S. focus? One hypothesis: there is money flowing into U.S. tech. U.S. based companies have raked in [\\$49B](#) worth of venture funding since January 1, 2018, one-third of the total global venture fundings as of April 13, 2018. As the tech landscape continues to grow and change, however, we can expect these geographic trends to loosen—Chinese companies have raised \$32B so far in 2018.

Experience

We found that most unicorn CFOs fit into one of four categories:

- **Banking:** A huge part of a CFO's job, and often a big part of why they're brought on in the first place, is to help a company prepare for their IPO. Having experience with the kinds of banks responsible for underwriting those IPOs is crucial here.
- **VC/PE:** Another huge part of the CFO's job is to not only manage a company's finances but also help it be strategic about its future dealings — bringing in deal flow, helping negotiate acquisitions, etc.
- **Enterprise VP/CFO:** Experience with international markets, enterprise structure, and higher management helps create a modern CFO. Especially at startup companies, CFOs act as an adviser to the CEO and help streamline company processes as the startup grows, and enterprise work can prepare CFOs to anticipate and tackle business challenges.
- **Tech:** Few unicorn CFOs we studied had previous tech experience or experience at a particular company, but we did see this with Twitter, for example, to which the new CFO, Ned Segal, came from Intuit.

Business Experience Among Unicorn CFOs



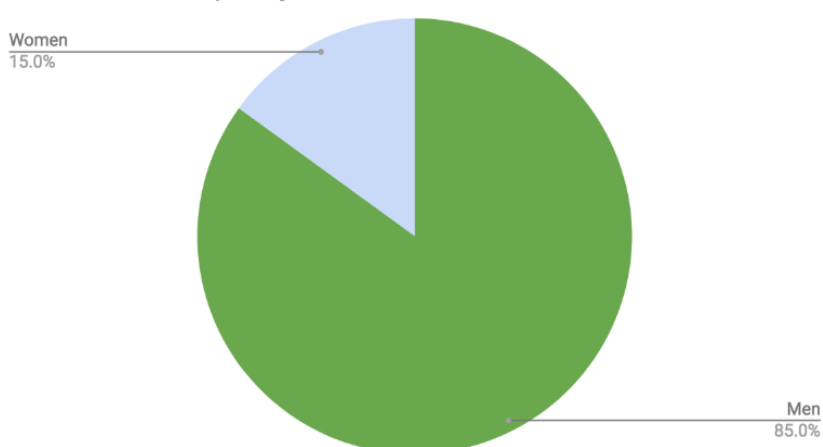
Stripe CEO Patrick Collison has [said](#) that one factor in decision to hire Will Gaybrick was his tech experience. Stripe is responsible for software transferring millions of dollars per day. They wanted someone with a deep understanding of the product to be in the CFO position. Gaybrick, a former engineer with a strong finance background, was a natural fit for them—where the CFO position, according to Collison, is “much more operationally key.”

“I think of myself as a finance and operations person... You cannot just be a bookkeeper. You must be a strategic partner to the CEO,” Allen Shim, the CFO of Slack [told](#) Charly Kevers, the CFO of Carta (formally eShares). That’s not always glamorous. “Some of the issues I was dealing with were, ‘Do we have toilet paper in the bathroom? Do we have soda in the fridge?’” he added.

Gender

Unsurprising, but still disappointing, all but three CFOs at the unicorn companies we researched were male. So, what is being done to bridge the gender gap in finance and STEM fields?

Unicorn CFOs, Split By Gender



In hopes to incentivize companies to embrace gender diversity, new data driven research is being conducted. A [2017 study from McKinsey](#) showed that companies with a more gender diversity outperform less diverse companies by 15% when it comes to profitability.

There are also organized pushes to get women into STEM fields and leadership positions in business — from Sheryl Sandberg’s Lean In, to events like the Wall Street Journal’s new Women in the Workplace conference and the Financial Women’s Association’s Back2Business program.

Even in industries typically dominated by men, women are playing key roles—something that sports-tech company Fanatics’s CFO Lauren Cooks Levitan knows from personal experience.

“I grew up in a sports household, and now I run a sports household. These are special life events for people, and Fanatics can play an important role in that,” she [said](#) in an interview in 2015. “There’s simply no playbook for what we’re doing,” she continued, inadvertently highlighting her own ability to build a winning playbook from scratch in the year she would nearly double Fanatics’s valuation.

Clear trends, hazy future

Our data shows that there are clearly some attributes of unicorn CFOs that most likely are trends, many of which are part of larger macro trends in business. Still, major shifts are happening in tech all the time. In 10 years, will we be seeing most unicorn companies coming out of Asia? Will a new generation of women make finance, banking, and STEM more equitable fields? We can’t be sure, but we do know that these changes will affect the trends that we see in unicorn CFOs.