

CASE STUDY

 crux.

Transforming Crux's financial strategy: A partnership with MarksNelson



Situation

As a fast-growing small business and woman-owned marketing company, Kansas City-based Crux had promoted its long-time in-house bookkeeper to the role of controller. Because the employee wore many hats, however, expense management and revenue forecasting fell to the backburner to prioritize other urgent needs. It wasn't long before the financials became the byproduct of each month's performance, rather than a North Star guiding Crux in the right direction.

When the individual later resigned in the fall of 2023, Crux recognized the need to elevate its financial operations and performance in several key areas:

- ▶ Developing a revenue forecasting model
- ▶ Budgeting expenses to revenue goals
- ▶ Understanding when to pull the trigger on a new hire
- ▶ Establishing consistency on the chart of accounts
- ▶ Creating a cashflow strategy
- ▶ Generating a full audit of accounts on the income statement and balance sheet

Similar to its own model of providing fractional CMOs to build the strategy and a team of experts to execute, Crux needed a strategic partner that could provide a similar solution for its financial management — to simplify tasks, deliver quick results, and enhance transparency and decision-making. After interviewing several companies, Crux selected MarksNelson — which offered an outsourced CFO and finance team solution as part of its business advisory services — for its local presence, high-quality service and competitive price.

Solution

Within three weeks, MarksNelson assembled a specialized team comprising a CFO, controller and data analyst/accountant to assume financial responsibilities and train with the Crux team before the departure of its controller to ensure a seamless transition and alignment of knowledge and procedures.

The team took over expense management, profit and loss analysis, and cash flow oversight, which allowed Crux to make well-informed financial decisions backed by the team's expert guidance.

MarksNelson also improved invoicing by integrating the function into accounting software, establishing automatic monthly invoices and gaining clearer visibility into project costs. The integration also enhanced cost transparency for additional projects to prevent financial losses and improve insights into key performance indicators (KPIs).

In addition to streamlining approvals and improving financial control, the MarksNelson team introduced Bill.com for managing vendors and integrated Jirav – an all-in-one forecasting, budgeting, reporting and dashboarding solution software – into Crux's financial workflow. That allowed the firm to consolidate data to reduce manual entry and improve accuracy in its financial forecasts.

MarksNelson scheduled regular check-in calls to ensure communication and collaboration, which enhanced transparency and contributed to a strong working relationship for efficient issue resolution.

Alida Gasparini, CAAS manager at MarksNelson, emphasized the impact of this collaboration: "By streamlining processes, we've improved efficiency and real-time reporting, providing them with quicker results, enhanced visibility, and the ability to make more informed decisions."



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ALIDA GASPARINI

CAAS Manager | MarksNelson



**EXPERT
GUIDANCE**



**SOFTWARE
INTEGRATION**



**IMPROVED
INSIGHTS**



**ENHANCED
VISIBILITY**



**VENDOR
MANAGEMENT**



**CONSISTENT
COMMUNICATION**

“

It's been a game-changer. Having three sets of eyes on financial matters keeps us aligned with our growth goals and gives me the peace of mind we're controlling the business, versus the business controlling us.

MELEA MCRAE
Founder & CEO | Crux KC



Results

The partnership has significantly strengthened Crux's financial health and planning abilities, leading to smoother resource management, rigorous adherence to industry regulations, heightened profitability, improved cashflow and amplified financial transparency.

“It's been a game-changer,” said Crux Founder & CEO Melea McRae. “Having three sets of eyes on financial matters keeps us aligned with our growth goals and gives me the peace of mind we're controlling the business, versus the business controlling us.”

THE DIFFERENCE OF A YEAR

operating income
increased by **173%**

- ▶ **13%** increase total operating cash balance
- ▶ **smoother** resource management
- ▶ **rigorous** adherence to industry regulations
- ▶ **heightened** profitability
- ▶ **improved** cashflow
- ▶ **amplified** financial transparency

As an external advisor, MarksNelson brings specialized knowledge crucial for achieving long-term success. Its outside perspective not only guides decisions but also provides unique expertise honed through years of experience with diverse clients and situations.

The partnership has played a pivotal role in Crux's financial transformation and ongoing growth, and the additional visibility allowed the firm to accurately forecast expenses — all leading to a 173% increase in operating income over the previous year and a 13% increase in total operating cash balance.

“As we approach nearly a year of partnership, it's been awesome to witness the tangible results of our efforts,” Gasparini said. “Being immersed in this for a full year will undoubtedly enhance our ability to further our impact for Crux.”

Gasparini said the collaboration and proactive approach between both firms were the keys to the extraordinary success: “Working with them has been seamless,” she said. “They're always eager to do things better, and that's also where our mindset is. It's nice to have a client that appreciates our input and is open and willing to make those necessary changes to improve.”