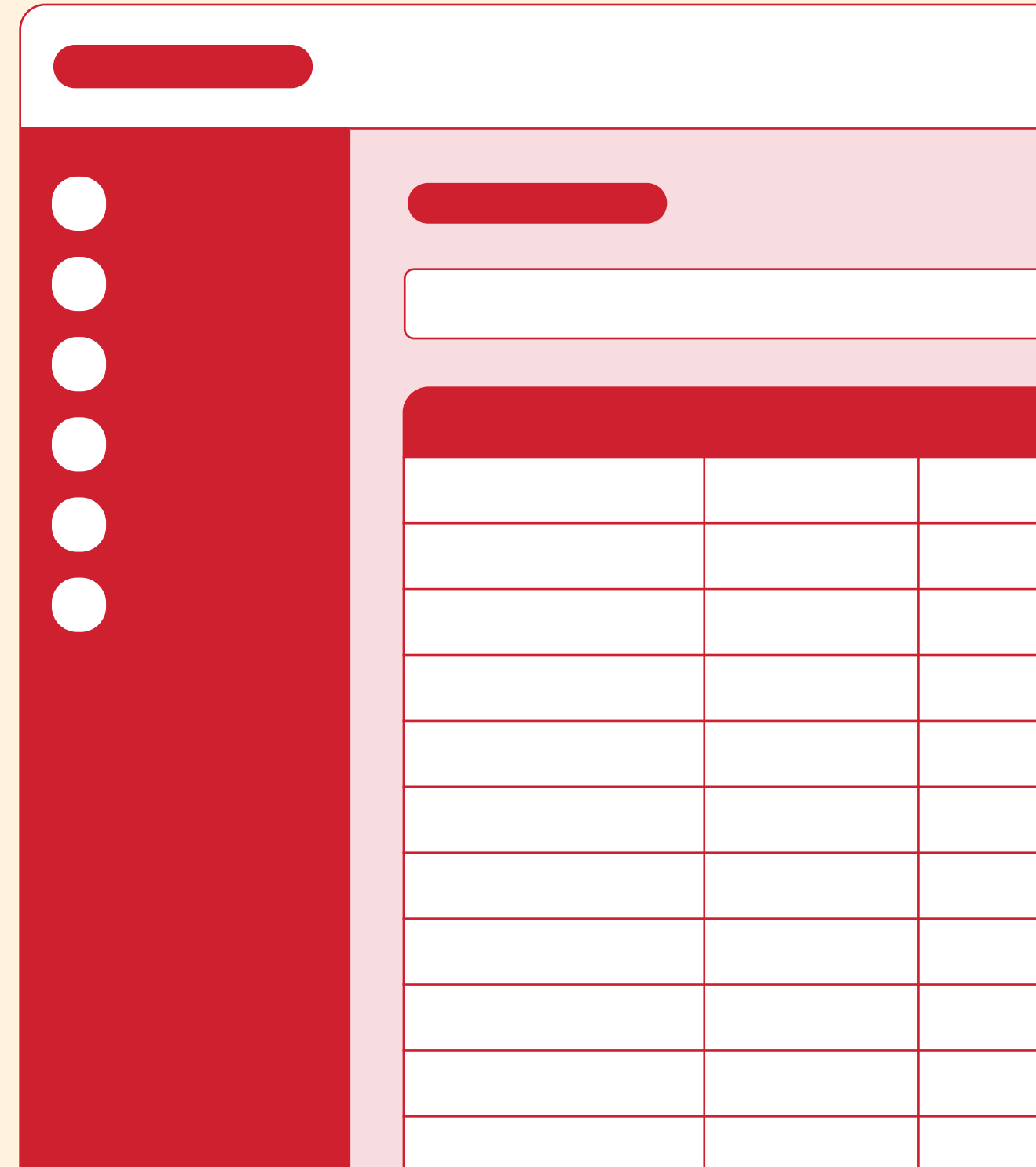


# Excel vs. Astrella:

State of Equity Management  
and Excel Report

The image shows a mockup of the Astrella software interface. It features a dark red sidebar on the left with six white circular navigation buttons. The main content area has a light pink header with a red pill-shaped button and a white search bar. Below the search bar is a red header for a table, followed by a table with multiple rows and columns.

## **Table of Contents**

- 3 Introduction**
- 4 Demographics**
- 7 Moving From Spreadsheets**
- 9 Tools and Decision-Making**
- 11 Conclusion**



# Introduction

Equity management is an important, if under-discussed, aspect of financial management. While a cap table is often described as just a spreadsheet, many companies and financial professionals have learned the hard way that poor organization and equity management practices can severely impact operations, like modeling an exit strategy or IPO.

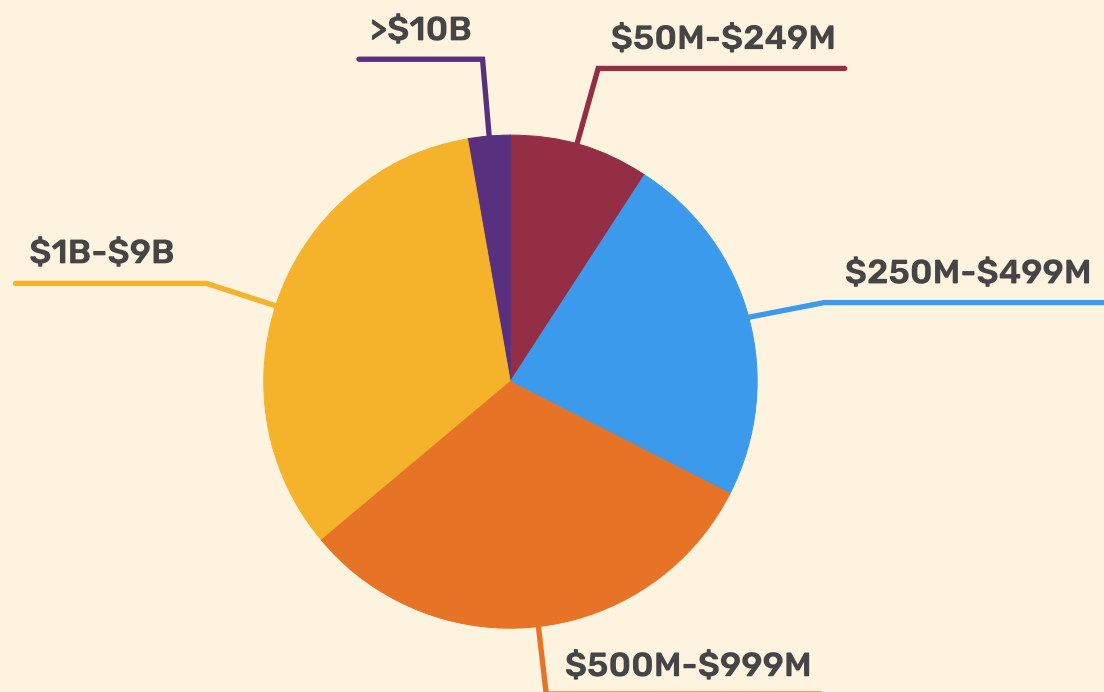
We surveyed 150 administrative, financial, and IT professionals in large and small companies worldwide to better understand how they approach cap table and equity management. We've found that many are straddling a fine line between traditional spreadsheets and cloud solutions, not prepared to forego manual data entry but increasingly interested in using more advanced tools for equity management needs.

This report highlights the result of that survey.

# Demographics

Our goal was to find a broad cross-section of business executives representing different positions and company valuations. The demographics of the survey nominally cover higher-level managers and C-suite executives who have at least some contact with their equity management.

Of 151 total participants, company valuation dynamics break down as follows:



## PARTICIPANT LOCATIONS



USA (99%)



Canada (<1%)



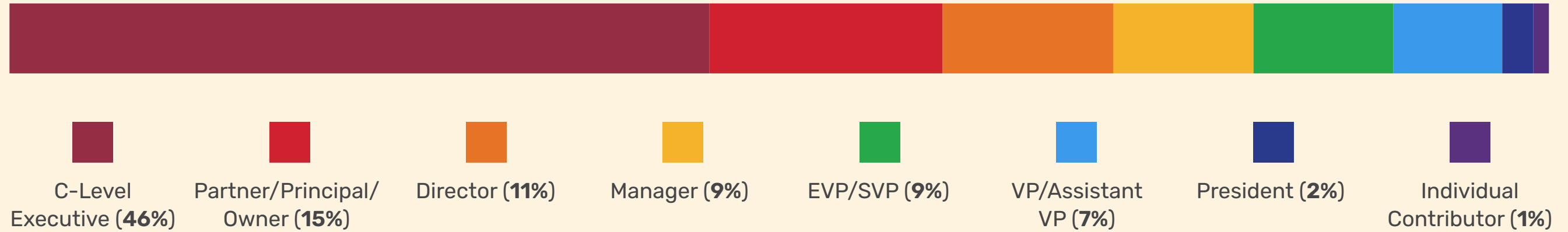
UK (<1%)

## PARTICIPANT CURRENT ROLES



DEMOGRAPHICS

PARTICIPANT TITLE

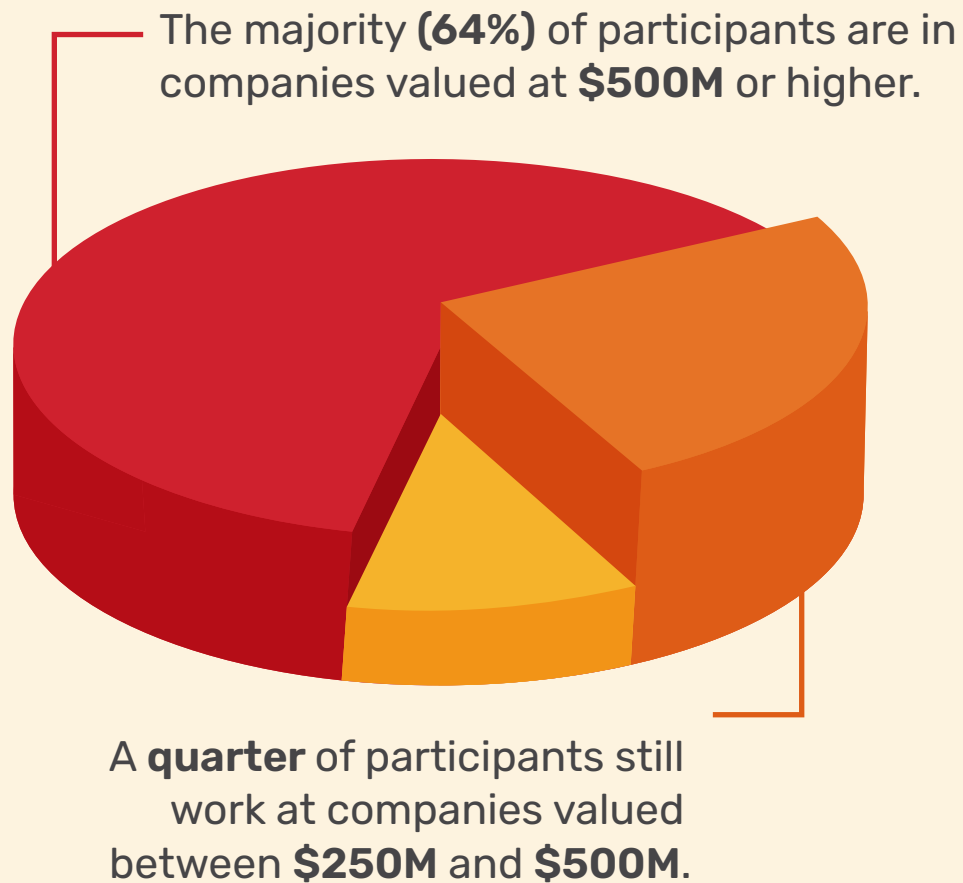


PARTICIPANT INVOLVEMENT IN THE USE AND MANAGEMENT OF THEIR EQUITY MANAGEMENT TOOL



## DEMOGRAPHICS

There was also a relatively even break in the mid-range of company valuations—**33%** of participants report working with companies valued between **\$1B** and **\$10B**. In comparison, **31%** come from companies valued between **\$500M** and **\$1B**. Very few came in higher than that.



Only **129** participants were involved with administration around their cap table management tools, of which **58%** were both the primary user of the tool and decision-makers involved with adoption.

The majority of the 151 participants came from IT-related fields (**50%**), with the following most significant segments including Accounting and Finance (**21%**), and Management and Administration (**22%**).



# Moving From Spreadsheets

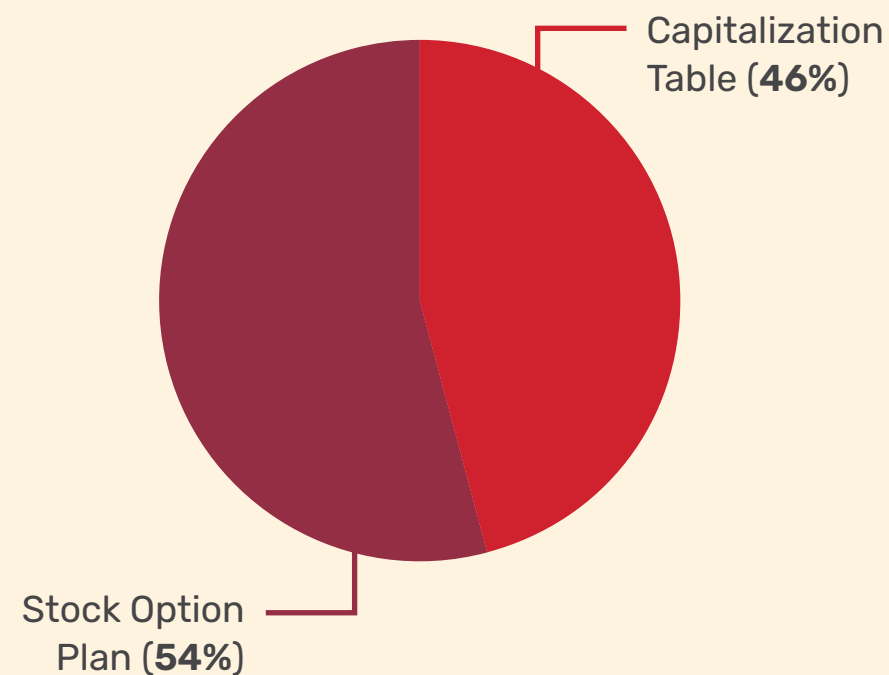
Modern technology is diverse, and the applications of that technology can be just as diverse, even for the same kinds of work. We've found that most companies are working with a hybrid approach, using both traditional spreadsheets and cloud SaaS tools to manage their stock plans and cap table and equity records.

An **Equity Management** table, also known as a stock ledger or stock option plan, is a record of all stock certificates issued by the company beginning at the inception of the stock plan. This ledger will include information about the stock issued and stockholders.

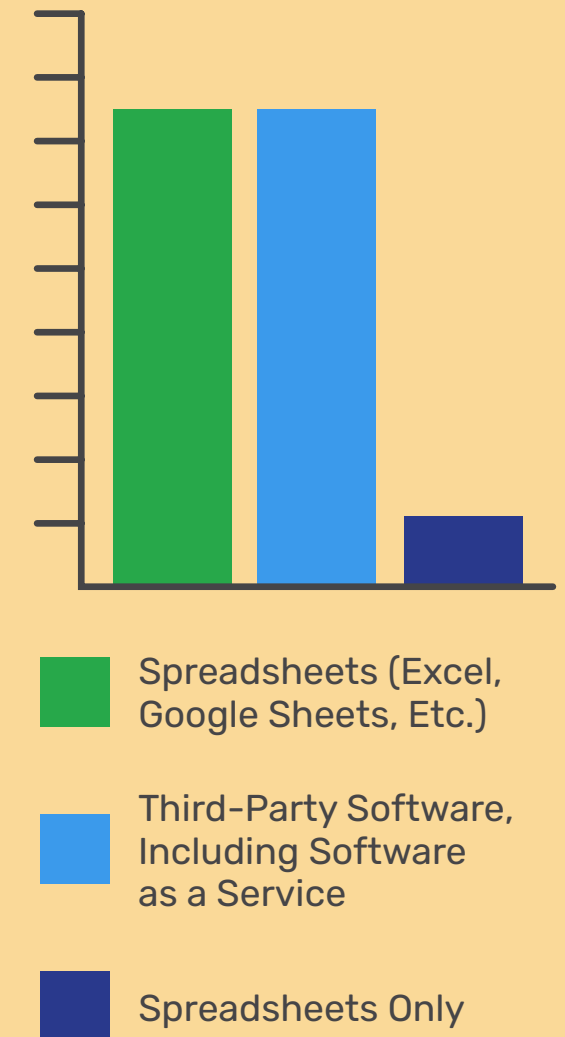
A **Capitalization Table** (or Cap Table) is a record that illustrates the ownership structure of the company related to equity. This includes a breakdown of employee ownership, voting rights, changes to equity ownership due to purchases or early exits, etc.

However, those using spreadsheets, in part or whole, have noted their intention to move away from manual spreadsheets in favor of cloud solutions.

## PARTICIPANTS MANAGE THE FOLLOWING AREAS ON SPREADSHEETS



## PARTICIPANTS ARE CURRENTLY USING THE FOLLOWING EQUITY MANAGEMENT SOLUTIONS



## MOVING FROM SPREADSHEETS

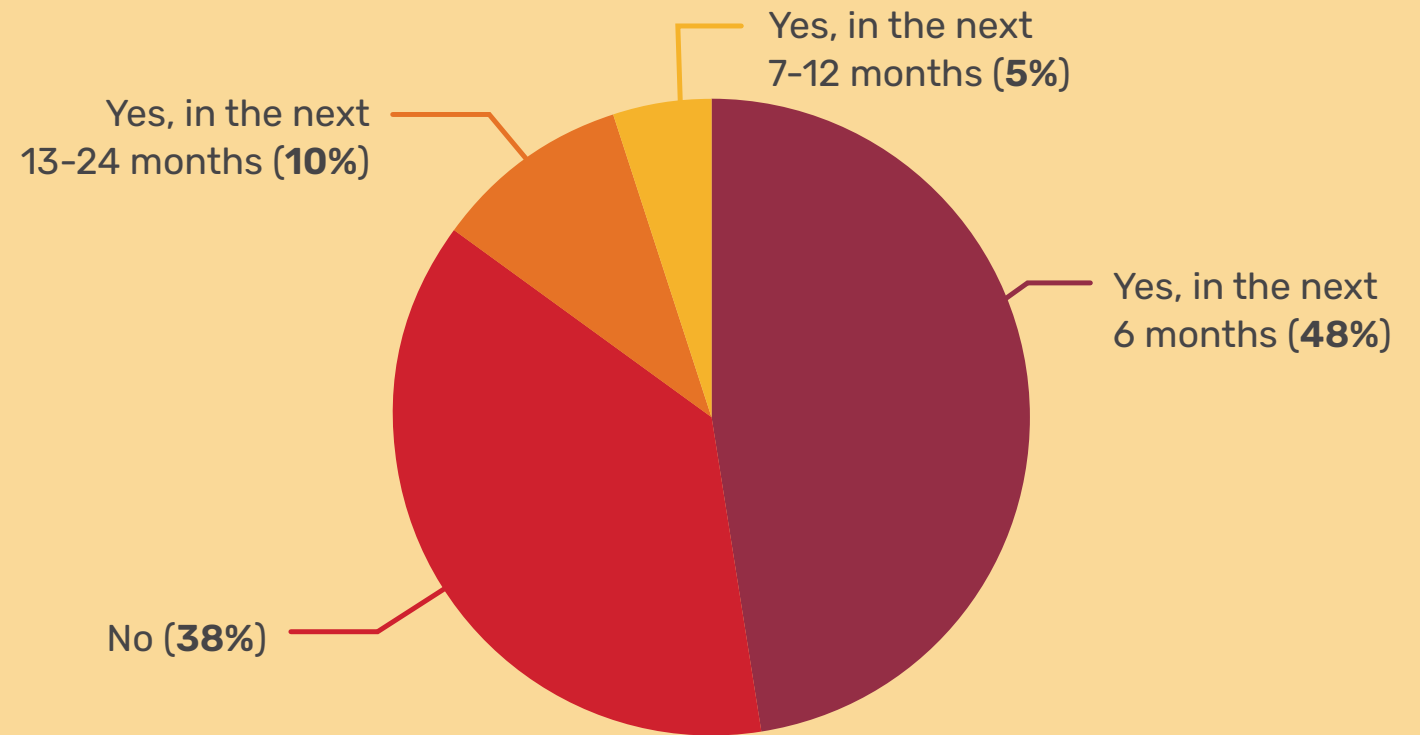
Of the entire surveyed population, **86%** responded that they use spreadsheets, and **86%** reported using Third-Party SaaS solutions. Only **14%** use spreadsheets exclusively.

In their capacity as a direct manager of that aspect of their business, **48%** reported that they plan to migrate away from spreadsheets to 100% cloud-based solutions in the next six months. **63%** plan to do so within the next two years.

**86%** of individuals exclusively using spreadsheets reported considering a move to a cloud solution.

However, a full **38%** reported having no intention of moving from their current setup to full cloud-based solutions.

### PARTICIPANTS PLAN TO MOVE TO A CLOUD SOLUTION IN THE NEAR FUTURE



### PERCENTAGE OF PARTICIPANTS WHO HAVE CONSIDERED MOVING TO A CLOUD SOLUTION





# Tools and Decision-Making

Businesses, of course, have preferences about their cap table and equity management software. Solium, Morgan Stanley, and Shareworks seem to be the most popular for existing users, as well as those in the consideration stage.

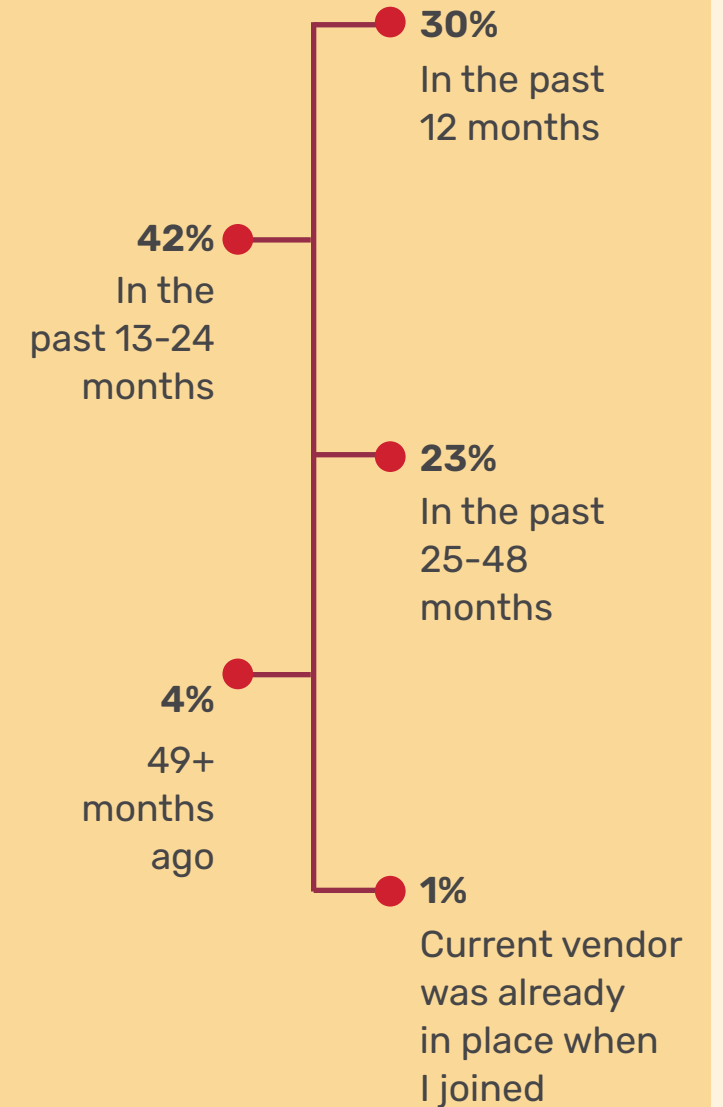
Furthermore, most report that their shareholders either influence or explicitly influence any decisions around equity management solutions. Almost all companies (**95%**) stated that their legal team either influences or dictates their vendor decisions.

Most participants (**84%**) reported that they were satisfied or extremely satisfied with their current platform.

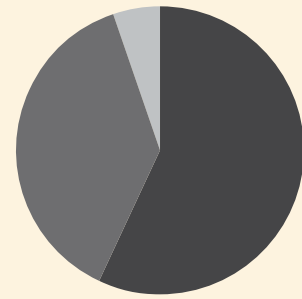
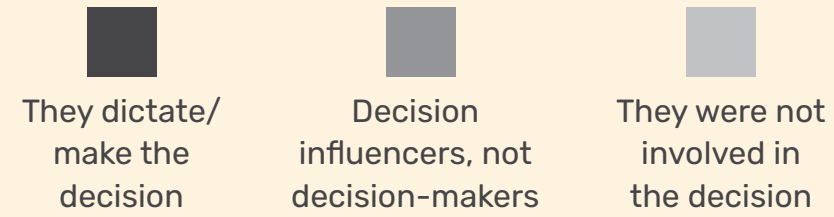
Participants using cloud tools reported vendor expertise (**20%**), functionality (**18%**), and influence of legal counsel or investors (**13%**) as top reasons they selected their vendor.

Additionally, all respondents stated that outside influences were common, with **56%** reporting that their investors dictate their equity management solutions, **54%** claiming that their legal department dictates their decisions, and **78%** stating that their bank influences their decisions.

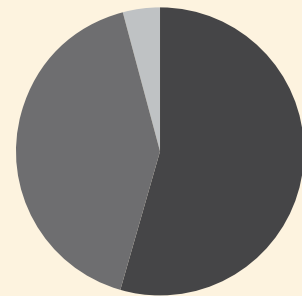
## PARTICIPANT CLOUD VENDOR MOVEMENT TIMELINE



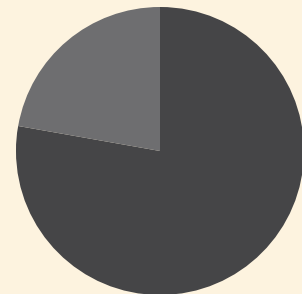
## TOOLS AND DECISION-MAKING



**PRIVATE INVESTORS/  
EQUITY HOLDERS  
DICTATE SOLUTION  
DECISIONS FOR  
PARTICIPANTS**

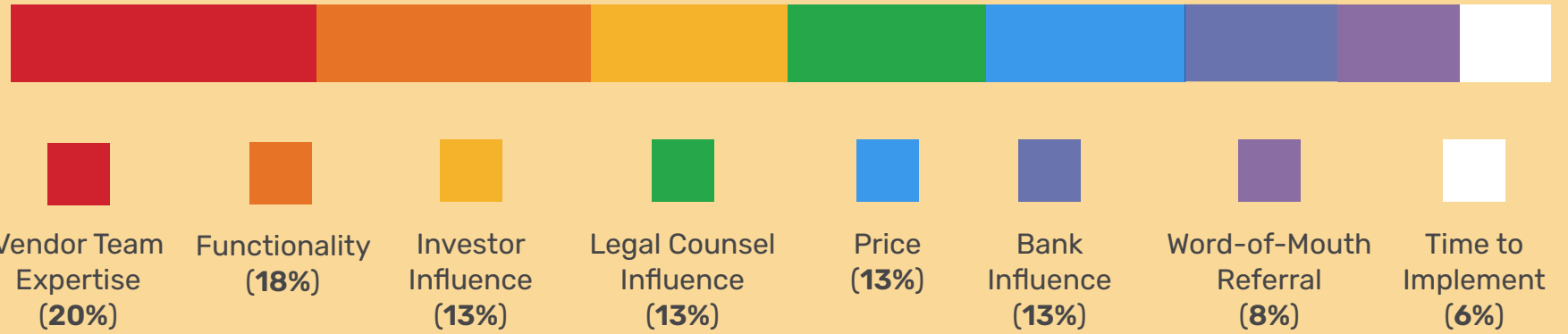


**PARTICIPANT'S LEGAL  
DEPARTMENT DICTATES  
SOLUTION DECISIONS**

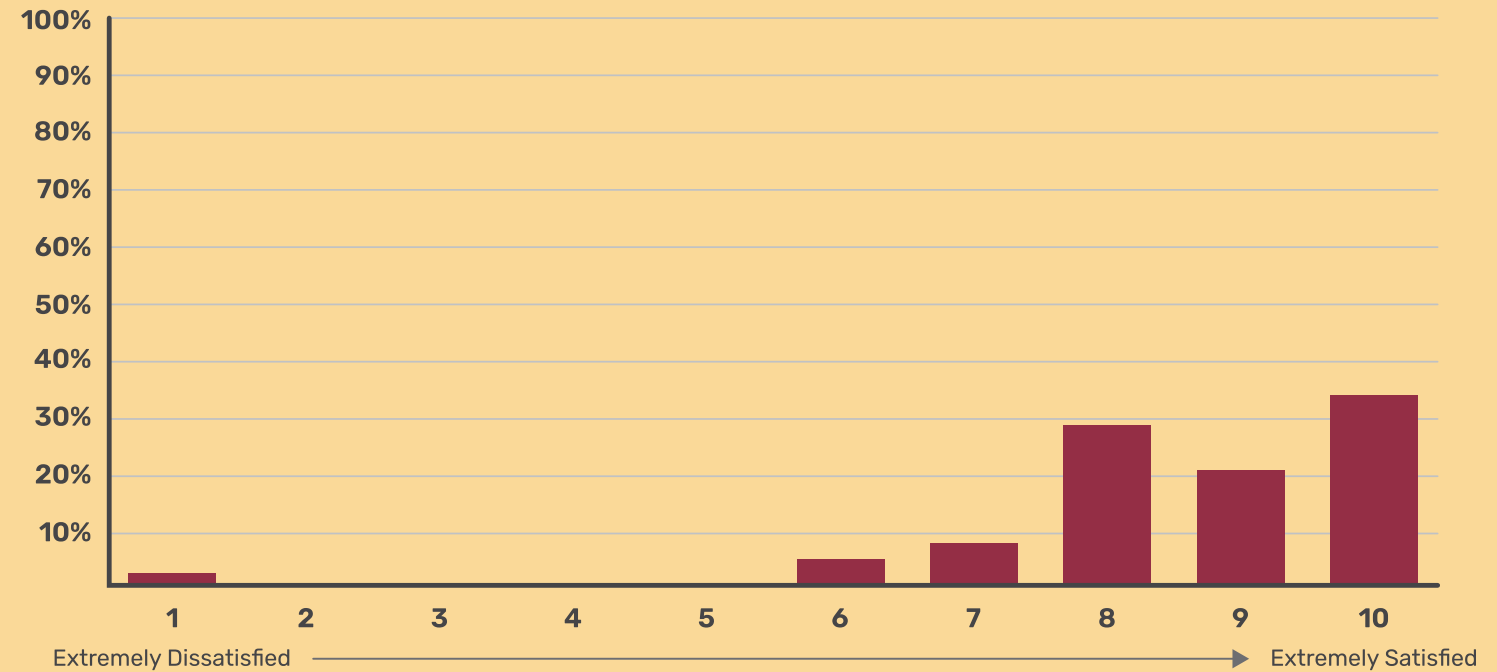


**PARTICIPANT'S  
BANK DICTATES  
SOLUTION DECISIONS**

## TOP PARTICIPANT REASONS FOR MOVING TO THEIR CURRENT VENDOR



## PARTICIPANT SATISFACTION IN THEIR CURRENT SAAS SOLUTION



# Conclusion

Many influential businesses and financial professionals have shown interest in migrating from spreadsheets to cloud-based tools that can support their more complex business finances.

**It isn't enough to use a manual data-entry tool: Legal reporting, compliance, and expert management are part and parcel of robust and sustainable equity management.**

Some of our overall findings are that: Users of cloud-based tools—both current and in planning—value expertise and features for their stage of business and beyond. Expertise in finance and equity management is the most critical factor participants report for selecting a solution.

These users rarely make decisions without at least some outside influence on decisions from external funding sources and their internal legal team.

Very few users (**14%**) use spreadsheets exclusively. However, a larger percentage (**72%**) are still using some form of hybrid solution that includes spreadsheets, which introduces the challenges inherent in manual document management.

Companies with higher valuations (**above \$250M**) tend to use SaaS solutions. These companies trend towards cloud solutions roughly **10%** more frequently than spreadsheets.

Companies valued above **\$250M** specifically sought solutions that could scale globally.

## **Contact a Finance and Equity Management Specialist at Astrella**

Astellra provides an advanced cloud platform for automated cap table management and brings decades of experience, helping some of the most valuable companies in the world move towards their public offering and exit scenarios.

With Astrella, you can deploy critical features and technologies like:

- **Immutable blockchain ledgers** for audits and compliance
- **AI to automate** everyday tasks, streamline interaction and document management, and support advanced, predictive analytics
- **Secure, centralized document vaults** to store essential records and documents
- **Accessible cloud interfaces** to make data entry, calculations, and reporting convenient and straightforward
- **White-glove service** to help your organization better utilize the Astrella platform and, if necessary, optimize financial and organizational operations