



WHERE SAAS BOARD FORECASTS BREAK

# Six failure points a \$1B SaaS forecast should not reach the board with.

These are not rare edge cases. In most board-plan, M&A, and growth-decision forecasts at this scale, at least three of these six are present.

1	<b>Pipeline coverage</b> Stated coverage looks adequate. Qualified coverage against the implied bookings target is not. Late-stage deals carry historical win rates that no longer apply after an ICP or rep-mix change.	\$9M+ ARR at risk
2	<b>Sales capacity</b> Revenue ramp assumes full rep productivity earlier than historical cohorts support. Q4 plan implies 130 to 145% utilization against a current run-rate of 70 to 80%.	\$6-7M ARR at risk
3	<b>Onboarding throughput</b> Plan assumes go-live volume that implementation capacity cannot deliver without added headcount or partner bandwidth. Recognized ARR is capped before the model shows it.	\$4-5M ARR at risk
4	<b>Win rate assumption</b> Plan uses trailing 12-month or prior-year win rate. Win rate has shifted with ICP changes, competitive intensity, or rep mix. The model has not caught up.	\$5-6M ARR at risk
5	<b>Expansion and NRR</b> Plan assumes NRR of 120 to 130%. Recent realized range is 108 to 115%. Expansion assumes account coverage and customer health that have not been validated.	\$3-4M ARR at risk
6	<b>Scenarios do not change decisions</b> Upside and downside cases adjust the revenue line. They do not change hiring, capital allocation, timing, or operating actions. The forecast is decorative, not decision-grade.	Structural Decision risk

ARR-at-risk figures are directional gross exposure estimates. Individual breaks overlap and should not be summed.