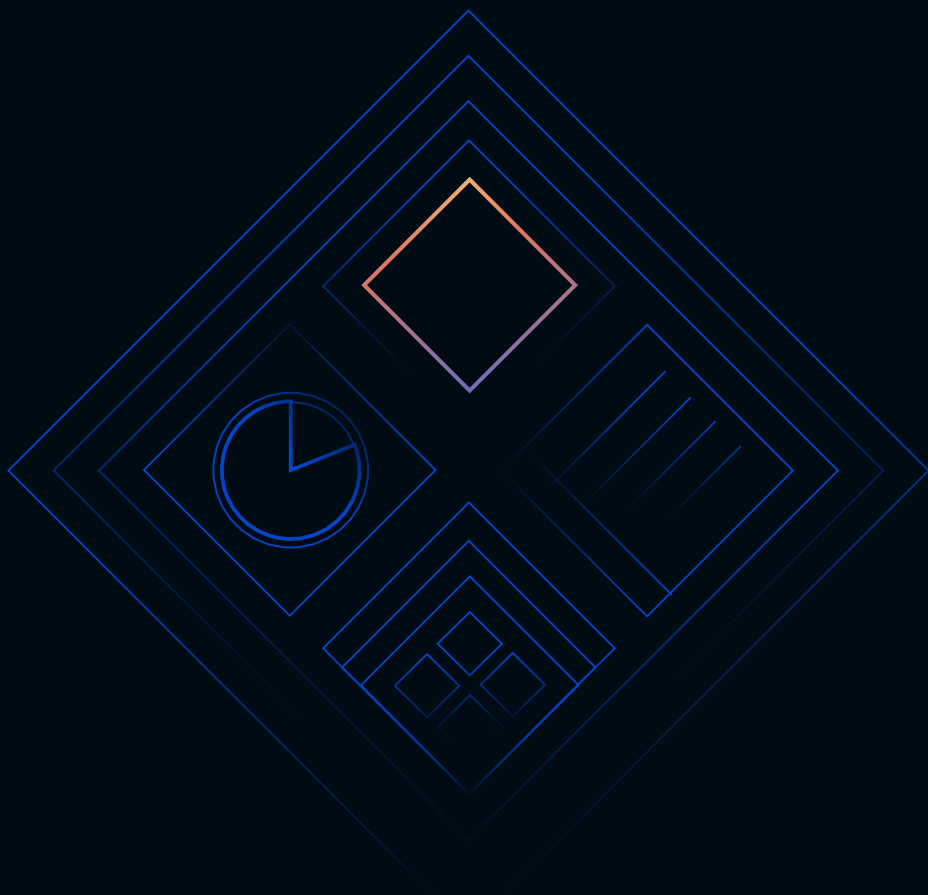




The VC's portfolio support guide

2025 | 5 BEST PRACTICES TO DRIVE PORTFOLIO SUCCESS



The critical significance of portfolio support

True success in the world of venture capital (VC) goes beyond just making deals—it lies in nurturing long-lasting relationships with portfolio companies and guiding them towards business success. This is where portfolio support comes into play, offering a framework to systematically manage investments, provide introduction opportunities, and deliver value.

[Effective portfolio support is critical](#)—especially during times of market volatility. More than half of the investors at VC firms we surveyed for [Affinity's 2025 predictions report](#) cited supporting their portfolio as a top priority—up from a third a year ago. While founders and management teams have to remain focused on keeping their businesses afloat, investors can see the bigger picture. They have the perspective of not only one portfolio company but all the companies they support, and can use that insight to provide strategic guidance and market intelligence.

VCs are in a unique position to coach founders toward operational efficiency and discipline while closely watching the market to identify potential competitive advantages, investment opportunities, and strategic hires through their own extensive networks.

Regardless of the market cycle, many portfolio support principles stay the same. This guide outlines best practices to develop relationships with portfolio companies, learn and respond to their needs, and ultimately provide the value they need to succeed.

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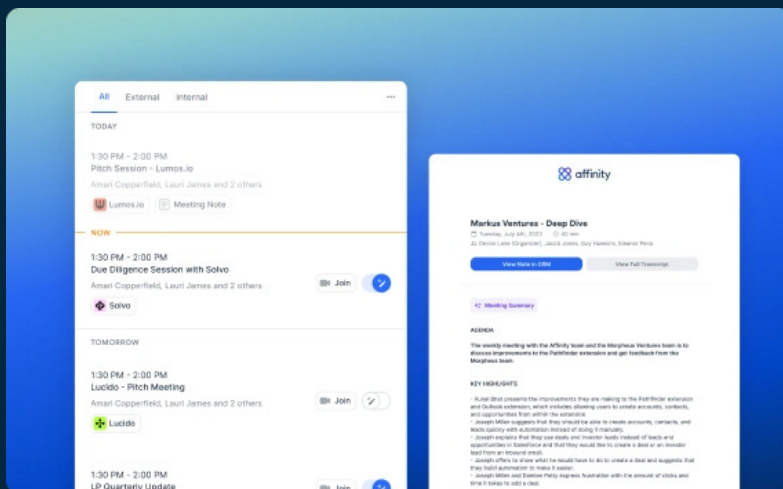
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Communicate transparently at the board level



Once a deal has been won and a company joins your firm's portfolio, the next stage of work begins. Once a deal has been won and a company joins your firm's portfolio, the next stage of work begins. As [Amira Oujj, Senior Director of Portfolio Success at Revolution](#) shares, "Nowadays, any VC firm can write a check. The question you have to be able to answer is 'What can you do for me after the check?' That's where the real added value comes in."

Tracking performance data is key to understanding how each company operates and where assistance may be needed. VC firms utilize various channels to collect performance data, including board representation. By receiving regular updates on the company's performance and strategic issues, transparent board communication serves as a foundational layer of information that informs other portfolio management activities.



Make meetings more productive with the most up-to-date intelligence

Spend more time supporting and mentoring portfolio companies in board meetings and less time taking notes with **Affinity Notetaker**. Automated meeting note capture makes it easy to review and act on your discussions, with insights automatically formatted into intuitive sections like Agenda, Key Highlights, and Next Steps. Consistent team-wide notetaking offers visibility and allows decisions about resource allocation to be made faster than ever.

[Learn more](#)

Board meeting touchpoints are more than just a formal occasion. They serve as an essential mechanism to gauge the health of investments. Rather than being reactive, it's important to proactively ask the hard questions that reveal potential risks or opportunities. By analyzing this

information alongside company performance data like market share and employee headcount changes, investors can offer the right targeted solutions to the challenges faced by their portfolio companies.



Easily track portfolio company insights and interactions

Save hours typically spent building the reports needed to understand and optimize portfolio growth when you use **Affinity Analytics**. With **Introductions Summary Reporting** to quantify the value of your network, Affinity instantly pulls data on the number of introductions you've made to support portfolio companies so you can visualize your firm's impact, and accurately track team activity to drive continued portfolio success.

[Learn more](#)

Combine quantitative and qualitative data analysis



In order to make informed strategic decisions about a portfolio company, it's important to prioritize:

- Sharp financial oversight
- Regular portfolio reviews

Firms that have invested in a company can use the information gleaned from both portfolio support and portfolio management: to allocate funding, identify mentorship opportunities, make introductions, analyze return on investment (ROI), or even decide to exit an investment.

Financial scrutiny stands as a crucial component in portfolio support. Whether it's by diving deep into financial statements or analyzing performance metrics, VC firms should always be on the lookout for red flags or areas requiring attention.

This oversight plays a significant role in evaluating the necessity for additional financing or strategizing other vital moves like exits. For [Augie Wilkinson, Director of Portfolio Monitoring & Analysis at Bessemer Venture Partners](#), early decisions based on well-structured data is crucial to the firm's success. He explains, "Being able to raise a yellow flag before the red one to our GPs, or to the management at our portfolio companies, is super important to us. That means ingesting good clean data, having it timely, and then being able to structure it and send it back out to the GPs."

There can be other approaches to financial oversight. Some firms may focus exclusively on cash flow, monitoring specific aspects with the most significant impact on liquidity. Others may opt for a vector approach, which considers the overall trends in a company's financials, rather than just individual numbers. Regardless of the method, the aim is to understand the underlying factors influencing a portfolio company's performance.

Lastly, firms should conduct periodic portfolio reviews. These reviews are invaluable in helping to identify the star performers, the underperformers, and any previously unidentified portfolio synergies. Based on these evaluations, you can reallocate resources, offer additional mentorship, and make strategic investment decisions.



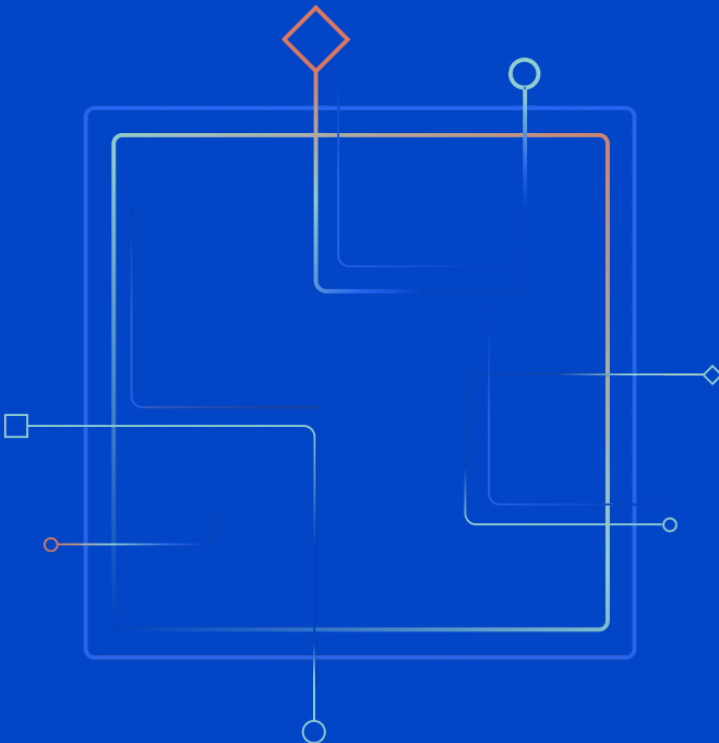
226
HOURS SAVED

Centralize company performance data to simplify analysis and reporting

Automated data capture saves dealmakers an average of 226 hours of data entry per year. Use **Affinity CRM** to ensure portfolio company data is complete and up-to-date, with enrichment from industry-leading data vendors. This forms the backbone of accurate analytics and business intelligence, enabling you to drive greater value for portfolio companies and LPs.

[Learn more](#)

Lay the foundation for data-driven discussions

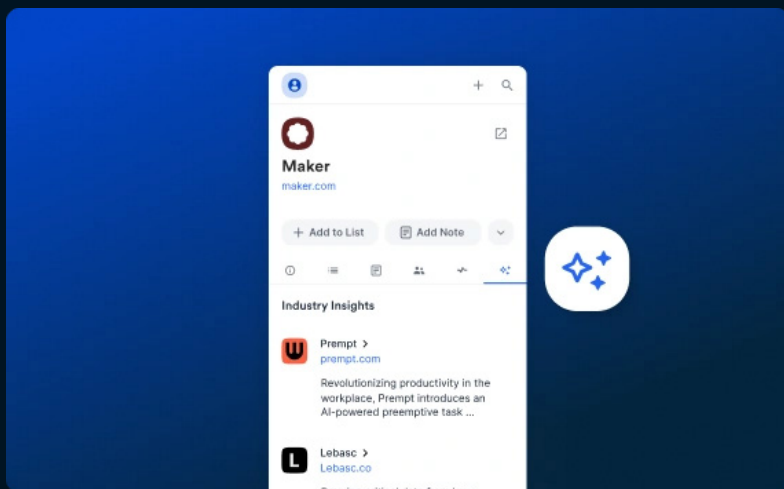


Data is power in venture capital. Effective portfolio support hinges on your ability to collect, analyze, and act upon relevant data. Companies are contractually obliged to provide investor information provisions—agreements that enable investors to obtain regular updates on key performance indicators (KPIs) and financials. When your firm can analyze this data, you can make informed decisions about the future of each portfolio company.

A part of Bessemer Ventures Partners' commitment to being founder-friendly is flexibility in how this data is received. [Wilkinson](#) says, "We don't want to put too much strain on teams because we know that any time we take away from them running the business is crucial to their longer term success... That means that if you're going to conform to our process, that's great. But if you already have reporting in place or ways that you want to share your information that's not aligned with our process, then we'll take that too."

Metrics such as Internal Rate of Return (IRR) and Multiple on Invested Capital (MOIC) serve as essential yardsticks for assessing the health and potential of a portfolio company. These metrics provide a quantitative snapshot that can guide your investment planning, as well as the conversations you have with founders and their management teams.

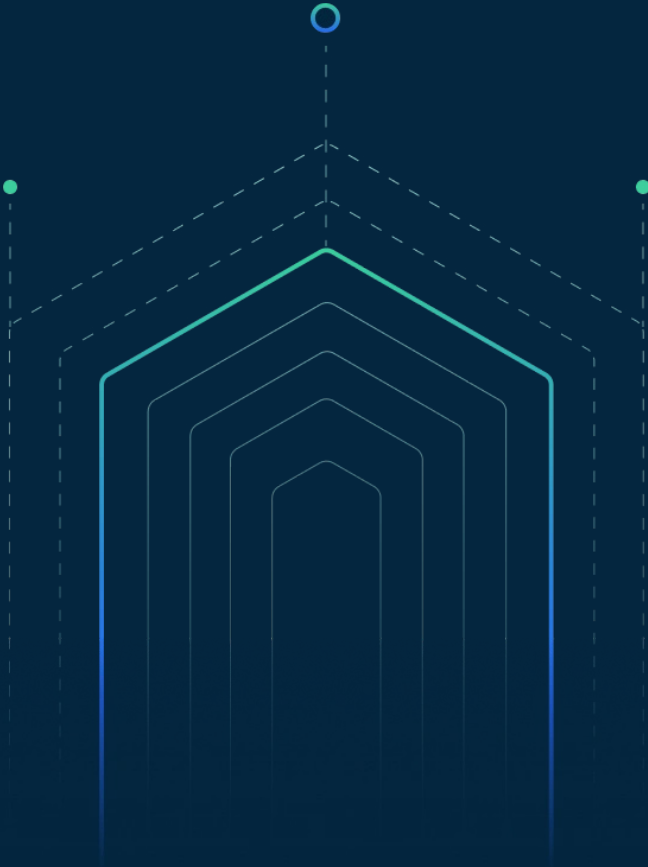
Agreeing on KPIs is a good way to structure and make space for data-driven discussions. KPIs should align with the long-term financial goals of the portfolio company, provide actionable insights, and be closely monitored. Data analytics tools enable easy, real-time tracking of these metrics.



Empower more informed portfolio management with market context

[Industry Insights](#) provides AI-driven information about competing and related companies, while [Employee Growth Insights](#) surfaces data on portfolio company headcount growth and churn. With these insights presented alongside company profiles in Affinity, you can focus on analyzing and acting on data instead of drowning in it.

Connect talent and provide network access



Many portfolio companies rely on their VCs for recruiting executive talent or connections to top service providers. A strong Vice President of Sales or an exceptional security audit firm aren't easy to find, and a VC firm's collective network often holds the answer.

When connecting with portfolio companies, it's important to approach their talent needs in an organized way.

[Charles Guo, Portfolio Growth – VP Head of Strategy and Ops at Sapphire Ventures](#), explains his firm's process: "We really pride ourselves on giving white glove service. That means it's more cultivated, it takes more time, it's more tailored and requires a back and forth with the portfolio—whether it's finding the right customer to introduce them to or the right candidate for a specific talent."

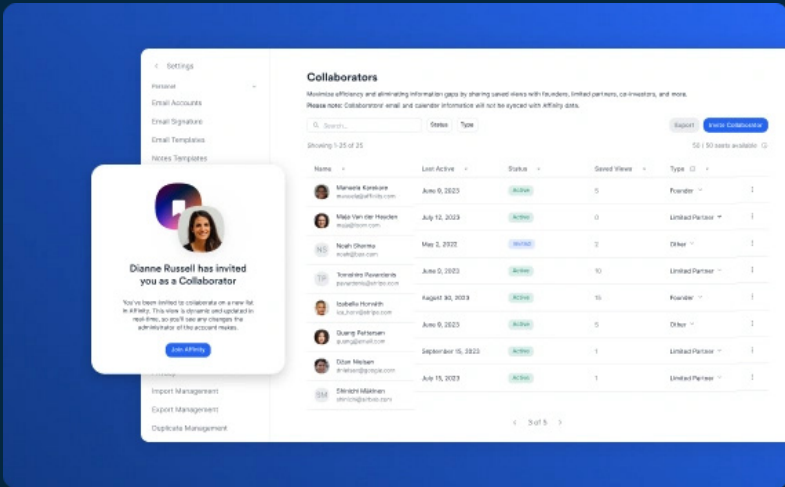
He continues, speaking to the downstream benefits of such an approach: "This is how we're trying to elevate the experience so that at the end of the day we become someone who they think of immediately when they think about who on your cap table is really a value-add investor."

Firms using Affinity can gain a comprehensive view into the positions and services their portfolio companies need by following this process:

1. Identify potential candidates who match the portfolio company's required skills and culture fit.
2. Build a network of potential candidates, including executives, specialists, and other key roles who have relevant industry experience.
3. When communicating with a portfolio company, note down which positions or services they are looking for and track this in Affinity using fields called "Recruiting Needs" or "Service Needs" in a Deals pipeline. Or, automatically collect this data by asking companies to [fill out a Typeform](#) then automatically route that data directly into Affinity.

4. With the roles identified, build a list of your contacts who are, for example, VPs of Sales, security audit firms, etc.

The missing piece to this puzzle is understanding the strength of relationships within your firm's collective network, and strategizing with portfolio companies to warmly connect them with the most relevant talent, customers, co-investors, and experts. Affinity's [relationship intelligence](#) turns your firm's vast amount of communication data into actionable insights that make it easier to identify connections and make warm introductions.

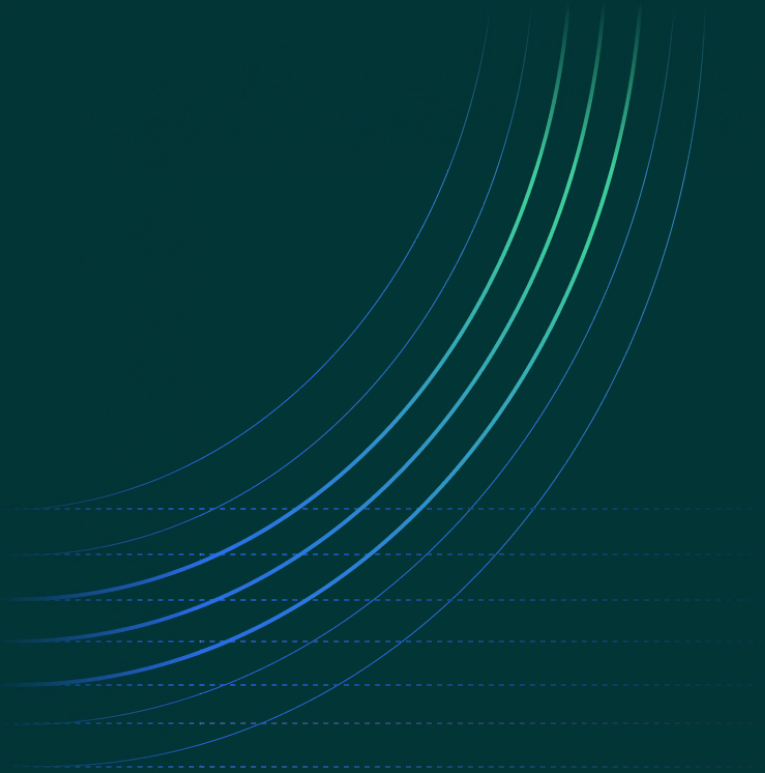


Seamlessly connect portfolio companies with talent

Collaborator Seats enables firms to share secure and curated relationship and deal data with external partners. Help portfolio companies find their next game changing hire by sharing talent lists enriched with biographic and experience data.

[Learn more](#)

Facilitate future growth opportunities



A firm's network can unlock many opportunities for portfolio companies—for recruiting, as discussed above, but also for raising additional capital, identifying customers, and closing business opportunities.

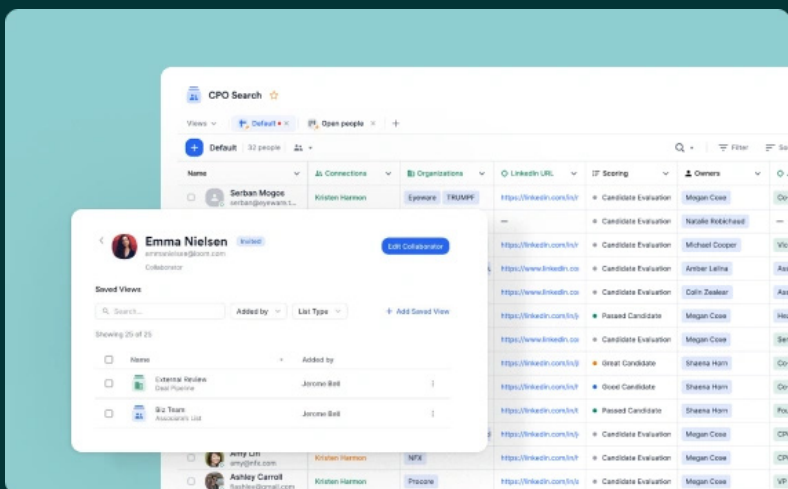
Historically, fewer companies take leaps into new markets or products during economic downturns. [McKinsey](#) research found that even when executives see opportunity within times of change, fewer than 30% feel able to capitalize on it. Companies instead tend to retreat and focus on their core business model and customer pool. This shrinks the competitive landscape, opening opportunities for bold companies with strong financial backing and operations.

Aside from the initial monetary investment in the company, this 'long view' is the biggest value that VCs can offer a founder. While founders stay laser-focused on ensuring that their business runs smoothly, their investors can employ a wider market analysis and strategy that helps portfolio companies build for the future by seizing market opportunities that others are afraid to jump on.

For Bessemer Venture Partners, this involves using their data to help portfolio companies benchmark themselves against others in the market, which can identify new growth opportunities. [Wilkinson](#) says, "It's on my team to structure data so that we can add value to founders and their teams around where they sit versus their peers. We've seen a lot of requests for those types of insights from our portfolio companies."

[Guo](#) speaks to the ways Sapphire Ventures promotes co-learning moments in their portfolio and with other subject matter experts: "We've developed content that's really easy for our portfolio companies to be a part of, like our Slack community for engaging with like minded-personas within

the portfolio—for CEOs but also engineering leads, people and talent leaders, etc. This way they can rely on the entire Sapphire portfolio. We also have community events where we bring in practitioners at other large unicorns or public companies to offer guidance.”



Transform how you communicate with portfolio companies

Use Affinity's Commenting functionality within Collaborator Seats to share important context, answer founder follow-ups, and annotate in real-time with fresh commentary and follow-up items whenever you meet with founders and review your shared lists.

[Learn more](#)



Spotlight on Revolution's Rise of the Rest Seed Fund

Rise of the Rest is the seed fund arm of Revolution, a Washington, D.C.-based investment firm with a mission to invest in early-stage companies located outside of traditional tech hubs. The team looks after a portfolio of 200+ companies.

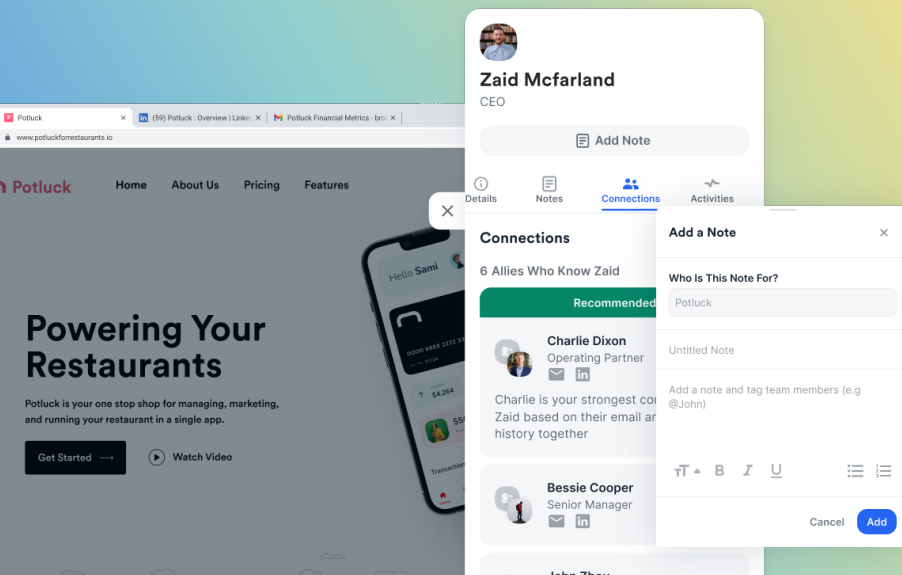
With Affinity, Revolution's Rise of the Rest Seed Fund has a centralized place to view notes with portfolio companies. The team uses relationship intelligence to make the best possible introductions to their portfolio companies, leading to more efficient operations and a better understanding of the value they provide.

“When founders come to me with requests, I use our network to source solutions. I call Affinity our ‘relationship ChatGPT’ because it helps us keep track of folks in our network.”

Amira Ouji

Senior Director of Portfolio Success at Revolution

[Source](#)



Level up how you grow your portfolio companies with Affinity

The market is constantly changing, and so are the needs of portfolio companies. Traditional approaches to portfolio support often fall short of meeting the nuanced needs of today's startups. But Affinity can help, empowering you to go beyond mere capital investment and become a true value-add partner to your portfolio companies.

Affinity's advanced relationship intelligence enables you to maintain a dynamic understanding of your portfolio, helping you identify areas to apply your connections and expertise. With Affinity's CRM built for private capital, you can continuously monitor key metrics and signals, gaining insights that guide timely interventions and open pathways for mutual growth. The result is a stronger, more resilient portfolio that is well-equipped to navigate market fluctuations and poised for long-term success.

See how Affinity's relationship intelligence can optimize your firm's portfolio support processes and position you as an indispensable partner in the startup ecosystem.

Interested in learning more?

Reach out to us for a personalized demo

Talk to sales

