

# Cost-effective financial expertise: The Fractional CFO

In a small or mid-sized growing company, the entrepreneurial owner may not be able to afford a fulltime financial executive, and therefore faces a serious problem – lack of time. Rather than focusing on what you do best (building your business), you often find yourself reviewing financial accounts, managing personnel functions, reviewing insurance policies, selecting telecom or computer systems and other tasks that fall within the realm of support functions.

## Leverage at a fraction of the cost

Fractional CFOs can be a cost effective method for small and middle-market companies to gain access to high-level executive expertise, on an as-needed, “just-in-time” basis. Any business owner facing time or internal resource constraints can reach for this tool and get an excellent return on investment.

## Fractional expertise

A “Fractional Chief Financial Officer” is a concept developed around the idea that while small and middle-market companies often need the high-level, sophisticated expertise that a seasoned executive can provide, they may not need it on a daily basis. Retaining a financial executive on a fractional, as-needed basis is the solution, enabling you to share the expertise and cost of a CFO without adding to your overhead. This affordable solution works well for companies that need expertise periodically, rather than every day.

## Accumulated knowledge

One of the benefits of a fractional CFO is that you establish a relationship with the executive and he/she becomes a part of your team, even if only intermittently throughout the year. You will not need to retrain a new individual every time you need help – the fractional CFO has a deep understanding of your business, your culture and your goals, and is able to use that accumulated knowledge to help your business succeed on an as-needed, recurring basis. Professionals who are hired out by agencies for specific projects often lack the personal investment and continuity that fractional CFOs have in your company. Project professionals generally remain focused on the singular task at hand, whereas the fractional CFO is able to identify opportunities and initiatives because of the accumulated knowledge and understanding from having worked with you over a period of time.

## The value of a fractional CFO

Many companies need this support and do not realize it, usually because the owner is absorbed in the daily issues of running the business. A fractional CFO can:

- Take full advantage of an opportunity
- Plan for growth
- Budget for the coming year
- Investigate an acquisition
- Deal with regulators
- Assist in the acquisition of bank or equity financing
- Set up financial reporting systems
- Spearhead an initiative
- Reduce expenses
- Perhaps most importantly: provide you with more free time to improve your quality of life



## Enhanced quality of life

If you are currently responsible for any of the above tasks, you can benefit from the assistance of a fractional executive. In each of these scenarios, a fractional CFO can add expertise, accelerate the project, or, if appropriate, assist behind the scenes while you take the lead in these matters. By bringing in the fractional executive, you can regain more time for those things that are a higher priority – such as a child’s school play or other personal matters that enhance the quality of life.

## A fractional CFO is leverage

The fractional executive can bring a higher level of sophistication to the financial issues that your business faces. More importantly, fractional ownership of the right CFO can translate into fractional ownership of and priority access to many experts capable of assisting your business become more successful, more profitable, more effective and more personally rewarding. The right CFO connection can be your quarterback for an extremely powerful team of “rented experts” on an as-needed basis. Any business owner facing time or resource constraints cannot afford to ignore this solution.



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