



What Outcomes Should You Expect From a CFO Services Engagement?

Arthur F. Rothberg, Managing Director, CFO Edge, LLC

“Begin with the end in mind.”

This time-tested advice holds true in most areas of business, and of life in general. It's especially good advice for any CEO who is considering engaging an outsourced CFO services provider.

Before entering into such an engagement, you should think carefully about the outcomes you hope to achieve from the engagement. Otherwise, you won't have any criteria against which to measure the performance of the outsourced CFO services firm—or whether you've achieved a satisfactory return on your investment in the engagement.

Potential Outcomes to Consider

Consider the following list of potential outcomes that companies might expect as a result of an engagement with an outsourced CFO services firm:

Enhanced productivity

The outsourced CFO should be able to identify inefficiencies in your business and your financial operations and prescribe solutions that will increase productivity, both among staff and in your core processes, financial and otherwise.

Higher profitability

Enhanced productivity, in turn, should result in higher gross and net profit margins.

Improved overall financial performance

In addition to boosting productivity and profits and controlling costs, an outsourced CFO should also help you increase revenue, ROI and, ultimately, overall shareholder value.

Reduced costs and/or better cost controls

With the perspective of an objective outsider, the outsourced CFO can usually spot waste and suggest and implement cost-reduction and control strategies.

A higher level of overall financial control

With this control, you and your executives can better understand the “big picture” of your company's finances and make better strategic business and financial decisions. It also enables you to think and act more proactively, rather than reactively.

New opportunities

All of this may place your business in a better position to take advantage of new and unexpected marketplace opportunities as they arise.

The meeting of compliance, restatement and other deadlines

Your existing staff may not have the capacity to meet such critical time-specific deadlines, but the outsourced CFO should bring the necessary expertise and focus to make sure they are met.

A more strategic focus

This is one of the greatest benefits of hiring an outsourced CFO: The ability to focus more on your business' core competencies, as well as other strategic areas of you staff and the business.

Greater satisfaction and peace of mind

Ultimately, engaging an outsourced CFO services provider should provide you and your executives with more satisfaction, since you will have the assurance that your company is operating at peak financial efficiency. And this may provide peace of mind that is hard to put a price tag on.

Concluding Thoughts

CFO Edge has worked a number of Southern California companies like yours to help them achieve outcomes like these. Our CFOs become trusted, fully integrated members of our clients' teams—a result of our goal to place CFOs who are a good fit with clients in terms of personality, work style and culture. This helps ensure a successful collaboration so that our clients realize the gains and financial outcomes that were targeted at the outset of the engagement.

Most importantly, our clients experience the satisfaction and peace of mind that come from delegating high-level objectives and tasks to experienced financial professionals who are capable of executing these tasks in ways that don't just meet—but exceed—their expectations.

In the ninth and final article in this series, CFO Services in Action: Mini Case Studies, we'll describe several real-life scenarios where CFO Edge was able to successfully accomplish the objectives and outcomes identified and targeted by our clients.

About CFO Edge

CFO Edge, LLC is a leading Southern California provider of outsourced CFO services. Based in Los Angeles, we are a group of experienced chief financial officers who engage with CEOs and CFOs on demand to address strategic planning, business management, and day-to-day financial operations challenges. Our seasoned professionals deliver services as interim CFOs, part-time CFOs, project-based CFOs, recruitment-to-permanent CFOs and interim-to-permanent CFOs. At CFO Edge, we're passionate about helping our clients create, grow and sustain value. For more information, visit www.cfoedge.com or call 626.683.8840.

This publication has been prepared for general information on matters of interest only, and does not constitute professional advice on facts and circumstances specific to any person or entity. You should not act upon the information contained in this publication without obtaining specific professional advice. No representation or warranty (express or implied) is given as to the accuracy or completeness of the information contained in this publication. The information contained in this material was not intended or written to be used, and cannot be used, for purposes of avoiding penalties or sanctions imposed by any government or other regulatory body. CFO Edge, LLC, its members, employees and agents shall not be responsible for any loss sustained by any person or entity who relies on this publication.