



When Should You Consider Hiring a Part-Time CFO?

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In this series of articles, we've been discussing the many ways that businesses can benefit by hiring an outsourced CFO services provider, as well as the different roles in which this professional can serve. In this article, we'll explain how an outsourced CFO can help your business by serving in the role of a Part-Time CFO.

A common scenario in which an outsourced CFO would serve as a Part-Time CFO would be when a business has a continuing need for the expertise that a CFO has but can't afford the salary and benefits for a full-time person. In many cases, a company's size does not justify the cost of a full-time CFO, nevertheless, the company has a need for the knowledge, experience and leadership that a seasoned CFO can bring to the table. A Part-Time CFO works closely with senior management, on a recurring basis, to address the financial and accounting challenges that a business faces. The flexibility of a part-time arrangement allows a company to have the needed expertise for as many days in a week or month that the situation requires.

Differentiating Criteria

Here are some differentiating criteria to help you determine when hiring a Part-Time CFO could be beneficial:

Skill Sets

- All three types of outsourced CFOs — Project CFO, Part-Time CFO and Interim CFO — bring the same skill sets: high-caliber financial leadership skills and authoritative financial project solution expertise.
- Part-Time CFOs provide financial leadership to all your financial staff.

Nature and Focus of the Engagement

- A Part-Time CFO brings the financial leadership and solution expertise of a full-time CFO on a part-time, rather than a full-time, basis.
- In this role, the Part-Time CFO brings full CFO leadership skill sets to lead your financial team and potentially oversee and manage other areas of your business, such as HR and IT.
- The Part-Time CFO also brings project expertise to address and resolve specific financial and operational challenges that arise.

Duration of the CFO's Presence

- You might hire a Part-Time CFO because you don't need a full-time CFO yet or you can't afford one.
- A Part-Time CFO can function as your company's CFO for a period of months or even years.
- The Part-Time CFO engagement can end when your company has grown to the point of needing your first full-time CFO. The Part-Time CFO can even help you search for and train your new full-time CFO.

Frequency of CFO Presence

- Your company and your Part-Time CFO will reach a frequency of presence agreement based on your specific requirements, objectives and budget.
- For example, your Part-Time CFO might come to your site two days a week and work remotely one day a week over a period of months or years.

The Benefits of Hiring a Part-Time CFO

Your business could experience a wide range of negative impacts by not having access to the senior-level financial expertise provided by a Part-Time CFO. The biggest negative is the absence of deep knowledge and expertise that a Part-Time CFO can offer, which results in more time and resources being spent on a task or event. Also, the work that should be performed by a CFO simply does not get done — especially strategic tasks — which impacts the rest of your financial staff.

Instead, your business could experience a wide range of positive outcomes by hiring a Part-Time CFO, including the following:

- The Part-Time CFO can be a cost-effective and valuable resource when circumstances arise that might require hiring an outside specialist at a higher price.
- Normal transactions can be reviewed in a timely manner to ensure that staff is handling them correctly.
- Unusual circumstances can be addressed immediately by a qualified financial expert.
- The Part-Time CFO can be available to deal with issues that arise when other management team members or the CEO are away or too busy to deal with them.

Concluding Thoughts

There are many situations in which your business could benefit by hiring an outsourced CFO services provider, including hiring an outsourced CFO as a Part-Time CFO. In this role, an outsourced CFO brings the financial leadership and solution expertise of a full-time CFO on a part-time, rather than full-time, basis, thus saving your company money. The Part-Time CFO will bring full CFO leadership skill sets to lead your financial team, as well as potentially oversee and manage other areas of your business, including HR and IT.

This is the third and final article in a series on the types of outsourced CFOs. Following are links to the other two articles in the series:

[When Should You Consider Hiring a Project CFO?](#)

[When Should You Consider Hiring an Interim CFO?](#)

[When Should You Consider Hiring a Part-Time CFO? – \(This article.\)](#)

About CFO Edge

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