



The Fractional Executive

Be the CFO, CMO, or COO of three companies at once. Executive-level pay, a portfolio instead of a boss, and clients who could never afford you full-time.

\$500-1,500

START LEAN

30-60 days

FIRST DOLLAR

85-95%

TYPICAL MARGIN

Is this your business?

A fractional executive holds a real leadership seat at two to four companies simultaneously, typically a day a week each at \$3,000-10,000 per month per client. The pitch writes itself: a growing company needs a real CFO or CMO but cannot justify \$300,000 fully loaded, so they buy a fraction of a proven one. For the corporate executive, it is the rare exit that raises total income while cutting hours, because you sell judgment by the seat instead of presence by the year.

\$500-1,500

LEAN STARTUP COST

\$2,500-6,000

STANDARD BUILD

30-60 days

TIME TO FIRST DOLLAR

85-95%

TYPICAL GROSS MARGIN

Yes, fully

SOLO-FRIENDLY

Yes, mostly

HOME-BASED

BUILT FOR THESE FOUNDER TYPES

THE ADVISOR

THE OPERATOR

■■■■■ 4/5 difficulty

THE HONEST FIT TEST

This demands genuine executive experience: you have owned a function, a P&L, or a team that buyers will recognize. You must context-switch across companies without dropping threads and lead through influence on one day a week. If you need the daily control of full-time command, or your seniority is more title than scar tissue, build toward this through consulting first.

Who pays, and why now.

The fractional model exists because of a math problem in the middle market. A company doing \$2-30 million in revenue has CFO-shaped problems (cash forecasting, banking relationships, pricing, a board that wants real numbers) but a full-time CFO costs \$250,000-400,000 fully loaded. A fractional CFO at \$5,000-8,000 a month solves eighty percent of the problem for a fifth of the cost. The same arithmetic holds for marketing, operations, people, and technology leadership. Tens of thousands of companies sit in exactly this gap.

Demand has accelerated for structural reasons. Private equity now owns thousands of small companies and installs fractional leaders as standard practice during holds and transitions. Founders normalized remote leadership, which made the one-day-a-week executive feel ordinary instead of exotic. And the executive talent supply grew as corporate restructurings pushed experienced operators out the door mid-career. Fractional CFO is the most established lane; fractional CMO, COO, CHRO, and CTO are all following the same curve a few years behind.

The economics for you are the point. Three clients at \$6,000 a month is \$216,000 a year on roughly three committed days a week, with margins above ninety percent. Unlike project consulting, the revenue recurs: the average fractional engagement runs well past a year because you become the institutional memory of the function you lead. And unlike a job, no single company can fire you into zero income. The portfolio is both the pay raise and the safety net.

The distinction that buyers pay for: a consultant advises, a fractional executive owns. You are in the leadership meeting, your name is on the plan, you hire and manage the team in your function, and the board knows you. That accountability is why the retainer is five figures a quarter while advice alone struggles to be. It is also why this playbook's legal section matters more than most: holding a title carries exposure that giving advice does not.

WHO BUYS	WHAT THEY PAY	WHAT THEY ACTUALLY WANT
Founder-led companies (\$2-30M)	\$4,000-10,000/mo	A real executive partner so the founder can stop doing every job
PE-backed portfolio companies	\$6,000-12,000/mo	Proven operators executing the value-creation plan, board-ready reporting
Funded startups (Series A-B)	\$5,000-10,000/mo	Investor-grade finance or growth leadership before the full-time hire
Family businesses in transition	\$3,000-8,000/mo	Professionalization, succession readiness, an outsider the family trusts
Nonprofits and agencies	\$3,000-6,000/mo	Executive discipline at a budget the board will approve

THE STANDARD PORTFOLIO

2-4 clients

The working model across the industry: each client gets roughly a day a week plus on-call access, priced at \$3,000-10,000 a month. Three mid-range seats out-earn most of the full-time roles their holders left, on fewer hours and with no single point of failure.

Every dollar, before you spend it.

Like consulting, the inventory is your career, so the costs are wrappers: entity, insurance sized for executive exposure, contracts, and a presence that survives a board member's background check. The one line that differs from ordinary consulting is liability coverage, because titles carry exposure that advice does not.

THE LEAN BUILD · START HERE	WHY IT EARNS ITS PLACE	COST
LLC + EIN (S-corp election later)	You contract as a firm, not a person. THE LAUNCHPAD Module Three walks it	\$50-500
Professional liability (E&O), \$1-2M	Priced for executive-level decisions, not generic advice. Bound before client one	\$60-120/mo
Engagement agreement templates	Attorney-drafted: scope, authority limits, indemnification, D&O language, termination	\$500-1,200
One-page positioning site + domain	Your function, your stage, three outcomes with numbers, calendar link	\$60-150
LinkedIn Premium or Sales Navigator	Where every referral checks you out before the intro call	\$30-100/mo
Tool stack for your function	The forecasting model, dashboard, or playbook templates you bring on day one	\$0-100/mo
Accounting + invoicing	Retainers via ACH, quarterly estimates calendared	\$0-30/mo
Lean total		\$500-1,500 to open the practice

THE STANDARD BUILD · ADD AFTER FIRST REVENUE	WHAT IT UNLOCKS	COST
Fractional community or matchmaker membership	Communities and platforms that route fractional searches (worth it in lane-specific groups)	\$500-2,500/yr
S-corp payroll + tax advisor	At \$150k+ profit, the election and a good advisor pay for themselves	\$1,000-2,000/yr
Executive brand sprint	Case studies, a point-of-view deck, and a talk you can give to any room of buyers	\$1,000-3,000
Cyber liability add-on	You will hold banking, payroll, or customer data access at multiple companies	\$25-50/mo

THE RULE

Capital is not the constraint here; credibility logistics are. Spend first on the attorney-drafted engagement agreement and real insurance, because your first client is likely to arrive faster than you expect, through a referral, and you want to paper an executive seat properly the first time.

Clean from day one.

No license governs fractional work, but the title you take and the authority you hold create real exposure that ordinary consulting never touches. The contract is where you manage all of it, before the first leadership meeting.

- Entity first, always:** Contract through your LLC. Procurement, PE firms, and boards expect it, and it is your first liability wall when an executive decision goes sideways.
- Define authority limits in writing:** Can you sign contracts? Approve spend? Hire and fire? Your engagement agreement should state exactly what you may do in the company's name and what requires the CEO. Undefined authority is unpriced risk.
- Manage the officer-title question:** Holding 'CFO' or 'COO' as a formal officer can expose you to fiduciary duties, and for finance roles, potential personal liability for unpaid payroll taxes under IRS trust-fund rules. Either stay clearly non-officer ('fractional CFO services') or insist on officer protections, knowingly.
- Get covered under the client's D&O policy:** If you sit in true executive or board-facing capacity, require in writing that the client adds you to their directors-and-officers coverage or indemnifies you to the same standard. Clients with real boards will not blink at this ask.
- Independent-contractor hygiene across the portfolio:** Multiple clients, your own tools, outcome-based agreements, no client controlling your full calendar. The portfolio itself is your best defense against misclassification, so protect it: never let one client become a disguised job.
- Conflicts and confidentiality protocol:** You will hold sensitive data from companies that may compete, bank with the same lender, or court the same acquirer. A written conflicts policy and scrupulous information walls are what let referrals trust you with a second client in the same industry.
- Termination and transition terms:** 30-day notice each way, a defined handoff deliverable, and survival of payment obligations. Fractional seats end well or end expensively; the agreement decides which.

INSURANCE, SPECIFICALLY

Professional liability at \$1-2M, priced for executive decision-making, is the floor. The D&O question is the one most new fractionals miss: your E&O does not cover acts taken as an officer, so for any seat with real authority, get added to the client's D&O policy or secure contractual indemnification. Add cyber liability once you hold systems access at multiple companies, because you become a single point of breach for all of them.

WATCH FOR

The trust-fund tax trap for fractional CFOs. If you control which bills get paid at a company that then fails to remit payroll taxes, the IRS can pursue 'responsible persons' personally, title or no title. Keep payment authority with the owner wherever possible, document any cash-crisis advice in writing, and walk away from clients who want you to choose which creditors to stiff. No retainer covers that exposure.

Requirements vary by state and city. Verify with your state, city clerk, and a licensed professional. Education, not legal advice.

Three doors. Real numbers.

Price the seat, not the hours: a flat monthly retainer per client, scoped by cadence and the weight of the function. Anchor every conversation to the cost of the full-time alternative, because that is the comparison the buyer is already making in their head.

	RECOMMEND	
<p>DOOR ONE</p> <p>The Advisory Seat</p> <p>\$3,000–4,500 per month</p> <ul style="list-style-type: none"> ◆ Half-day weekly cadence plus on-call access ◆ Own the function's plan and priorities ◆ Monthly reporting to the founder or board ◆ Coach the existing team in your lane 	<p>DOOR TWO</p> <p>The Executive Seat</p> <p>\$5,000–8,000 most-booked</p> <ul style="list-style-type: none"> ◆ Full day weekly, in the leadership meeting ◆ Run the function: team, plan, and numbers ◆ Board-ready reporting and presence as needed ◆ Hire, structure, and manage the team in your lane ◆ Quarterly planning ownership 	<p>DOOR THREE</p> <p>The Transformation Seat</p> <p>\$9,000–12,000 per month, defined term</p> <ul style="list-style-type: none"> ◆ Two days weekly through a defined push ◆ Fundraise, turnaround, systems overhaul, or exit prep ◆ Investor, lender, or acquirer-facing leadership ◆ Successor hiring and handoff built into the plan ◆ 6-month term, then step down to Door two

PRICING NOTES FOR THIS BUSINESS

- Anchor every quote to the alternative: 'a full-time hire for this seat runs \$250,000-400,000 loaded; you are buying the experienced version for a fraction.'
- Quarterly commitments, monthly billing, ACH autopay. A 90-day initial term filters tourists and protects your portfolio math.
- Hold a floor of \$3,000 a month. Below that you are a consultant with a fancy title, and the client will treat the seat accordingly.
- Cap the portfolio honestly: 3 full seats or 4 lighter ones. The fractional who overbooks delivers badly everywhere at once, and this market runs entirely on reputation.

THE UPSSELL THAT PAYS THE RENT

The defined-term surge. When a client hits a fundraiser, an acquisition, an audit, or a key hire search, offer the Transformation tier for a set term: same trusted executive, double the cadence, premium price, automatic step-down date. It captures the moments your value spikes without renegotiating the whole relationship, and the step-down date makes the premium easy to approve.

Names, not strategies.

Fractional seats are filled by referral and reputation, almost never by cold outreach. Your first clients come from people who have watched you operate: former employers, the investors and bankers around your old roles, and the service providers who see inside dozens of companies that need exactly your function.

1 Your former employer and its orbit

The company you left, its subsidiaries, its suppliers, its customers: all watched you run the function. A fractional arrangement is often the cleanest possible exit deal, and one anchor seat at \$6,000 a month changes every conversation after it.

2 CPAs, attorneys, and bankers

These advisors sit inside dozens of companies whose books, deals, or loans reveal a leadership gap. Two accounting firms and one commercial banker who trust you are a permanent deal flow machine. Meet one per week, forever.

3 PE and VC operating networks

Operating partners maintain benches of fractional executives for portfolio companies. One strong introduction plus one delivered result puts you on a list that refills your portfolio for years.

4 Founders one degree away

List every founder and CEO you know personally, then ask each: 'who do you know drowning in [function] problems?' The indirect ask produces more seats than pitching them directly, and often loops back to the person you asked.

5 Fractional communities and peer networks

Lane-specific communities (fractional CFO and CMO groups especially) share overflow leads, split engagements, and benchmark pricing. Peers are colleagues here, not competitors: nobody can take more than four seats.

6 Your function's vendor ecosystem

The software vendors, agencies, and outsourcers serving your function meet companies whose real problem is leadership, not tools. Become the executive they recommend when the tool alone will not fix it.

THE EXACT ASK

"Hi [name], after [number] years leading [function] at [company], I now hold fractional [title] seats at a small portfolio of growing companies: a day a week, I run the function like an owner, at a fraction of a full-time hire. I have room for one more seat this quarter. Who do you know whose [function] has outgrown the founder doing it themselves? And if that is you, I would be glad to do a complimentary working session on your top [function] question so you can see how I operate."

THE FOUNDING-CUSTOMER DEAL

First two seats: 20% off the retainer for the first quarter, in exchange for a results-based case study, a written testimonial from the CEO, and one introduction per quarter to a peer company. Founding pricing converts watchers into buyers, and two named CEOs vouching for you is the only marketing asset this business truly requires.

Owned, earned, then paid.

You are marketing an executive reputation, not a service. The work is visibility with substance: a sharp point of view in public, a referral network maintained like a board calendar, and proof that your seats produce numbers. Volume tactics actively hurt here; this market is small and everyone talks.

CHANNEL, RANKED	WHY IT WORKS HERE	THE FIRST MOVE
Referral network (advisors + investors)	CPAs, bankers, attorneys, and operating partners fill nearly every fractional seat	One relationship meeting per week, every week; report outcomes on every referral
LinkedIn executive presence	Every referral is checked there within the hour; your feed is the credentials check	Two posts weekly: real operating lessons from the portfolio, numbers included
A monthly operator's memo	Keeps you in the inbox of 200 people who will someday need a seat filled	One page, one sharp idea from real practice, written like an internal exec memo
Speaking to rooms of buyers	A CEO peer group session is a sales call with twelve qualified buyers	Pitch Vistage groups, EO chapters, and industry CFO/CMO roundtables quarterly
Case studies with hard numbers	Boards approve fractionals on evidence: cash freed, growth rate, exit multiple	Document every seat's before-and-after metrics; publish sanitized versions

FIVE CONTENT PIECES THAT WIN THIS NICHE

- What a fractional [title] actually does in a day a week (the explainer every buyer searches)
- The [function] numbers a board actually reads, and the ones founders waste time on
- When to hire fractional vs. full-time: an honest decision framework with the math
- Three months into a seat: what I found in this company's [function] and what it cost them
- The questions I ask in week one at every company, and why question four scares founders

THE REVIEW MACHINE

Your reviews are reference calls between CEOs. After every quarterly win, ask the CEO two things while the number is fresh: a written paragraph you may quote, and willingness to take a 10-minute reference call from a serious prospect. Five CEOs who answer the phone for you constitute a moat no marketing budget can buy, and in this market everyone calls references.

One unit, one month, no fog.

Two honest snapshots: the economics of one Door-two seat, and a full portfolio month at three seats. Note what is absent: equipment, inventory, fuel, staff. The margin is the career you already built, finally priced correctly.

ONE UNIT: ONE EXECUTIVE SEAT (\$6,500/MO)	AMOUNT	A WORKING MONTH: FULL PORTFOLIO (3 SEATS)	AMOUNT
Monthly retainer	\$6,500	Retainers (3 seats, avg \$6,300)	\$18,900
Travel + tools share	-\$200	Travel and client tools	-\$550
Insurance share (E&O + cyber)	-\$60	Insurance (E&O, cyber)	-\$140
Overhead share (software, admin)	-\$90	Software, phone, memberships	-\$300
Gross profit (~5 days of work)	\$6,150	VA + bookkeeper	-\$600
Tax reserve (30%)	-\$1,845	Marketing, events, network	-\$400
Yours, per seat per month	\$4,305	Pre-tax profit	\$16,910
		Tax reserve (30%)	-\$5,073
		Owner take-home	\$11,837

BREAK-EVEN

First month, first seat

One seat's first monthly retainer repays the entire startup cost several times over. The real runway question is the search: seats take 30-90 days to land, so enter with six months of living costs and treat the first quarter as a full-time selling job that happens to pay nothing yet.

Illustrative figures at typical market rates; your market, prices, and costs will differ. Run YOUR numbers in the One-Page P&L from THE LAUNCHPAD, Module Six. Remember the 25-30% tax reserve on every dollar of profit.

Pre-decided, so motivation is never consulted.

WEEK ONE: FOUNDATIONS

- Exit paperwork reviewed: non-compete, non-solicit, confidentiality
- LLC filed, EIN issued, business bank account open
- Lane defined: function, company stage, industry
- E&O insurance bound at executive-decision levels
- Engagement agreement drafted with attorney (authority, D&O, indemnity)

WEEK TWO: DOORS OPEN

- Positioning site live: function, stage, three quantified outcomes
- LinkedIn rebuilt as a fractional executive, not a job seeker
- 100-name network map: founders, advisors, investors, bankers
- Day-one toolkit assembled: the model, dashboard, or playbook you bring
- Former-employer fractional proposal drafted, if terms allow

WEEK THREE: MOMENTUM

- Five network conversations held; every one ends with an introduction ask
- Two CPA firms and one banker met about referral flow
- One PE or VC operating contact reached
- First two LinkedIn operator posts published
- Complimentary working session offered to two warm prospects

WEEK FOUR: THE SYSTEM

- First seat proposal delivered, anchored to full-time cost
- Fractional peer community joined in your lane
- Monthly operator memo sent to the full network list
- Reference bench confirmed: three people who will take calls
- Pipeline review: 10+ live conversations or double the network meetings

DAY 30 VERDICT

Green light: one seat signed or in final negotiation, 10+ live conversations, referral sources actively sending intros. Yellow: strong meetings but no proposals requested: you are presenting as a consultant, not a seat-holder, so re-anchor every conversation to the full-time hire they cannot afford. Red: network conversations under 15 for the month: this business is built one coffee at a time, and the calendar, not the market, is what needs fixing.

How this business fails, and how it grows.

THE FIVE KILLERS

- ✗ **Taking a disguised full-time job**
One client demanding four days a week at a discounted blended rate is your old job with no benefits and worse legal status. Protect the portfolio structure: it is your income security, your pricing power, and your contractor classification all at once.

- ✗ **Title without protection**
Holding 'CFO' on the org chart without D&O coverage or indemnification means executive exposure at consultant coverage. Paper the seat properly or hold the title informally. Never drift into authority you have not contracted for.

- ✗ **Underpricing the seat**
At \$2,000 a month you are not a bargain, you are implausible, and the client staffs you like a freelancer. The retainer prices the gravity of the seat. Hold the \$3,000 floor and anchor relentlessly to the full-time alternative.

- ✗ **Overbooking the portfolio**
Five seats at full cadence cannot all get executive-quality attention, and this market's referral engine runs on CEOs telling other CEOs the truth. One publicly mediocre seat costs more than two empty ones.

- ✗ **Letting the search go cold while seated**
Seats end: companies get acquired, hire full-time (often at your recommendation), or hit budget walls. One network meeting a week, every week, even fully booked, is the discipline that separates portfolios from gaps.

THREE SCALE PATHS

- 1 **The fractional firm**
Recruit other vetted fractional executives in your lane, place them in seats your reputation sources, and take a margin for origination and quality. You evolve from holding seats to running a bench: the talent-agency model for executives.

- 2 **The premium portfolio**
Keep three seats but climb the value curve: larger companies, transformation-tier pricing, equity participation, and board appointments. Same calendar, double the economics, plus upside that occasionally outearns the retainers.

- 3 **The platform play**
Codify your operating system for the function: templates, dashboards, playbooks, and training. Sell it to companies too small for a seat, license it to other fractionals, and let the IP earn while you sleep. The seat becomes the showroom; the system becomes the product.

YOUR FIRST HIRE

A virtual assistant at 5-10 hours a week for scheduling across portfolios, invoicing, meeting prep, and follow-ups: context-switching across three companies is your real capacity limit, and admin is what breaks it. Your second hire is a junior analyst or coordinator in your function who preps the reporting for every seat, effectively adding a fourth seat's capacity without a fourth seat's hours.

THE STAIRCASE CONTINUES

The playbook is the map. The machine is waiting.

Everything this playbook describes, Epic Advisory Group can build with you: the brand, the cinematic website, the entity, the engine. Describe your idea to the Launch Engine and see your business real in about sixty seconds, free.

- The Launch Engine: your idea, built free, in about a minute
- THE ASCENT: Founder Edition: the eight-module course
- Launch-in-a-Box: entity, brand, site, and first campaign, one flat price
- Growth, capital readiness, and the path to the public markets

"There is no right age. There is only the decision."



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