

## **FiOS1 News Long Island Money and Main\$street Interview Christa Laurie and William Lieberman**

### **Topic: Why Every Business Needs a Strategic CFO**

*Christa Lauri -CL*

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CL – This is Money and Main Street and it's now time for our one-on-one chat with our featured CEO of the week. And today, we are happy to have William Lieberman. William is an experienced Chief Executive and CFO. He offers consulting services to other CEOs with his consulting firm, The CEO's Right Hand, haply named. William thanks for being with us on Money and Main Street.

WL – Thank you.

CL – Today we're talking about how every business needs a strategic CFO and an owner should start by recognizing, really what a CFO is versus bookkeepers, so break those down for us.

WL - So a bookkeeper and even a controller, they can make sure all your numbers are accurate and inputted on a regular basis and so they very much have the historical record of your business. A CFO will help you look forward and think about what you do with all that information in order to move the company forward.

CL - So more of a visionary in terms of the CFO role but you are very specific and calling it a Strategic Chief Financial Officer, so what does that mean?

WL - So a Strategic CFO is a person that understands literally the business strategy, the business model that you've employed and can bring to the table their experience and knowledge in helping you craft that strategy but leveraging the financials as well, so understanding what assets you have to leverage and put in place to grow the business.

CL – So is there a minimum amount of experience needed for that role?

WL - I mean typically you want somebody that's been doing this for fifteen, twenty years.

CL - Okay and aren't there specific companies, even if they are not of a certain size that will need a CFO at some point? Or do you say all do?

WL – Yes, I think everyone should have at some level, some chief financial input, so somebody who's really understanding the physical management of your company from a strategic basis. Absolutely, every company should have somebody.

CL – So give me some examples of what a Strategic CFO really does for your company, break it down.

WL – A Strategic CFO is going to work with all the constituents inside the company and outside the company; so that is vendors, its customers, its bankers, its investors, it's the management team, the board. So they're going to interact and represent you as the owner, but represent you from a financial basis, but be able to have that communication so that they could say, "here's where the business is headed and here's how we're going to get there."

CL –And how critical is it to have one that will present your financials?

WL - Absolutely critical, right, so they need to really understand a deep level how did the business, what are the business drivers that are accelerating growth of your company or if you're having an issue help you get out of a problem and move forward.

CL - Problem solving of course. Give us your best advice in terms of sources on finding the right CFO for your company.

W - There's a variety of sources. You should for sure can go on the internet and troll out there but there are better places to look, as an example Financial Executive Network Group (FENG) is a group of about forty-five, fifty-thousand CFOs across the country and a lot are here in the tri-state area, New York and Long Island, so there's a way for you to post a job in and find people out there using something like that. As well as your own network and just say, "hey I'm looking for somebody that does this." Talk to your account. Talk to your banker and they'll help you find somebody.

CL - And various budgets for different companies will obviously guide you in terms of what you will be to afford.

WL – Exactly

CL- And that's my next question, you know if you can't afford a full-time CFO there are options for you. We talked about this before off camera in terms of a fractional hirer, so walk us through that whole process. How do you get started? What are you looking for and how does it work?.

WL- Right, so a fractional or part-time CFO is somebody who will come in work with you and your management team and be a part of that team, but like one day a week, or ten hours a week. As opposed to spending hundreds of thousands of dollars potentially, depending on the size of business, you spent a lot less, but you still get somebody with twenty-plus years of experience.

CL- Right.

WL- Lots of businesses need that input and that help but they can't afford and don't need a full-time person, so they go and look for and find a fractional CFO. There are companies that do that. There are solo practitioners that do it. Typically, you want to go with a company that has multiple different types of people and a team that they can bring to the table if you need it.

CL - As far as the numbers for salary what would a fractional higher-cost you versus a full-time?

WL - Fractional CFOs could be anywhere from a few thousand dollars a month to maybe ten-thousand a month. A salary person could be up to twenty to thirty thousand a month, all in with benefits and expenses and all those different pieces, and bonus that you need to pay a full-time person.

CL- Sure, monetary considerations for you to look at. Alright, William Lieberman, it's always great to have you on Money and Main Street.

WL - Thanks so much Christa.