

# How to hire a fractional manager for your business

*This is part three of a series about fractional management by Dan Elder.*

If you're just joining us, we're exploring the concept of using fractional managers to grow your business.



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As a recap, fractional managers are experienced, reliable, longer-term, in-house employees whose expertise is available at a

fraction of the cost of hiring a full-time manager.

Using them begins to make sense when your annual sales pass \$1 million. Now let's explore typical hiring arrangements and examples of their roles.

## Typical hiring arrangements

Fractional managers generally don't want to be "chair warmers" in one location five days a week, so they are usually employed by more than

one company at a time and, believe it or not, that's a good thing for you.

While they obviously can't divulge inside knowledge of other corporations, they can benefit you by bringing broad knowledge of best practices and current trends to the table, in addition to their personal experience.

Their participation in many forums in their area of expertise significantly broadens their knowledge base, knowledge that might not otherwise be available to you.

The most common arrangement is for fractional managers to commit to be on-site for about half of their charged time, in your offices, working with you and your teams. The rest of the time they're working from their own office. This gives them the freedom to react to whichever of their fractional employers has an urgent need for their services or to put time in on projects that need their attention.

This concept is hard for many employers to swallow but it's a good way to engage with a fractional executive.

## Example roles of fractional managers

There are many roles in business where a fractional manager might be a good fit: Peer review, for example, where fractional peers offer professional second opinions.

Business ownership can be a lonely situation. You probably have major strategic plans you'd like to bounce off someone you can trust because you know that having a second set of eyes look over a plan could save you from a huge mistake and, potentially, save you thousands of dollars.

You may have significant legal, HR or IT issues that you'd like to talk over with someone who's not trying to sell you a "solution." You have day-to-day aggravations that you'd really like some advice on addressing.

You might have social peers who work in a similar area, but your relationship with them is not professional. You really need someone who can talk freely with you, without fear of speaking into a microphone

directly to the competition.

Fractional peer managers can free up more of your time and empower your staff to solve problems.

What if your full-time permanent HR manager had a professional peer review for a half-day each month? What if your CIO had another guy come in, talk about what he's doing and give him a second pair of eyes over his plans, an alternate view of things? What if your department heads had access to an employed attorney a half-day each month?

Fractional managers can also be department heads, where they handle big picture issues, while day-to-day work is handled by lower-cost staff and technicians.

What about a head of IT who focuses on the upcoming computer upgrade, data security and similar headaches one or two days a week?

How about an HR head who handles hiring, medical insurance or workman's comp issues one day a week?

How about a legal specialist who reviews pending contracts, HR issues, business

practice risk assessment, regulatory compliance issues and other routine legal matters for a half-day, twice a month?

## The bottom line

The concept of fractional management can work in many areas where there is a regular need to address big picture issues as a member of your management support team on a less than full-time basis.

But, you say, isn't a fractional manager really just a fancy name for a part-time employee or a consultant? No, it isn't, and in part four, we'll contrast the concept of fractional management with part-time help, temporary help and consultants.

In the meantime, I'll enjoy receiving your thoughts, opinions and experience at [results@bgaccelerators.com](mailto:results@bgaccelerators.com).

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