

Fractional management vs. part-timers, consultants

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

Last time I shared several examples of where using a fractional manager

or executive might make sense. We've learned the concept 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, since a fractional manager isn't a full-time employee, isn't "fractional manager" really just a fancy term for a part-time employee or a consultant? Not so and here's why.

Fractional managers vs. part-time help

It's a common misconception that a fractional manager or executive is really just a part-time employee. Here's the reality.

Part-timers can be any age, where a fractional

manager is a seasoned professional with a mature skill set and an employed part of your management team.

Part-timers, generally at the lower end of the pay scale, finish work for the day and go home, forgetting about their part-time job until the next time they have to be at work.

A fractional manager is on-call and available (again, within reason) and still thinking about your business issues. Basically, they are professionals who continue to care.

Fractional managers vs. temporary help

A temporary employee is just that, a temp who actually works for the hiring agency with no vested interest in the long-term success of your business. A temporary employee knows they are subject to release at a moment's notice. They are generally hired "from the neck down" and not paid to care.

A fractional manager is a longer term, trusted member of your management team with a vested interest in the success of your company.

Fractional manager vs. consultants

Like consultants, fractional managers often work at more than one company. They may work a portion of their time while not on a particular employer's site (although, that's not universal).

The biggest difference is the term of engagement. Fractional managers or executives are a long-term part of the team, equivalent to a full-time employee (just not employed full time).

Management teams tend to pay active attention to them, knowing that they're not in the office full time, so they need to be as productive as possible when they are there.

Consultants can benefit from extending problems. Because consulting gigs are usually for short-term projects, there's good money to be made in extending the time the project takes by a few days — or weeks — or months.

And most standard consulting engagements are based on billable hours worked, so consulting

clients only get value if the consultant works honestly, giving fair measure for each hour worked.

Conversely, fractional managers work to solve your problems. Their compensation doesn't depend on the need to create work, so their motivation is to fix the problem and remove the roadblock or aggravation as soon as possible.

The bottom line

Fractional executives or managers are normally permanent members of your management team, exactly like non-fractional execs or managers. They're committed to your success and with you for the long haul, too useful for you to casually cast aside and affordable so you can keep them on.

Recapping, fractional managers are experienced, reliable, longer-term employees whose expertise is available at a fraction of the cost of hiring a full-time manager.

They work under your guidance, in accordance

with your plans and within your budget to help move your business forward.

Using fractional managers begins to make sense when your annual sales pass \$1 million or so.

The concept can be applied to any area of your business 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.

They just might be the cure for your company's management growing pains.

Well, did I hit the nail on the head or hit my thumb? I'd enjoy your feedback, especially hearing from you on how you think of one or more fractional managers might work for your business. Share your thoughts and insight at results@bgaccelerators.com.

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