



Nicole Ballestrin,  
CPA and founder of  
Aspire CFO

# THE CHIEF FLEXIBLE OFFICERS

Crisis manager. People person. Revenue expert.

A new breed of part-time CFOs are doing  
their best work as they juggle multiple responsibilities  
across a range of companies.

Most wouldn't have it any other way.

BY LIZA AGRBA

PHOTOGRAPH BY DANIEL EHRENWORTH; HANDS BY ISTOCK

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hen Nicole Ballestrin got her CPA designation, she never envisioned becoming an entrepreneur. But after spending 15 years working in industry at Nortel, EY, McKinsey & Company and others, she couldn't shake the sense that she didn't belong at a large corporation. "I was always trying to take things to the next level, automate and improve, but was consistently frustrated by the politics and bureaucracy," she says. "I thought a more innovative, fast-paced environment would suit me better, and I was right."

At the age of 40, she left the familiar pace of life in massive corporations to become a fractional CFO, lending her expertise to small and medium-sized companies on a part-time, contractual basis. Today, she helms Aspire CFO—a team of 30 professionals set up to fulfill all the functions of a traditional finance department, from CFOs to VPs, bookkeepers to controllers. Aspire CFO is made up of about 95 per cent women employees, and focuses on women-owned and impact-oriented businesses. Ballestrin thinks the market for fractional finance professionals can only expand from here—but argues that the role is not for everybody, and especially not for the faint of heart.

"For one thing, being a fractional CFO is higher risk than the traditional route," she says. "You're generally not dealing with huge, fully financed companies with robust infrastructure and established processes. Plus, fractional CFOs often come in at desperate moments that require decisive action. For me, that thrill is part of the appeal, but you really have to love the challenge and be highly skilled at change management. To be successful at this, you must be able to overhaul finance functions very quickly—and under a lot of pressure."

Hiring a full-time CFO can be prohibitively expensive for SMEs, with median salaries in the Canadian market amounting to multiple hundreds of thousands per year. But just as importantly, a smaller company may simply not need a full-time employee to look after their finances. Shauna Frederick—a CPA who provides fractional CFO services under the banner Frederick OTG, and who co-founded the Finance Cafe, a financial literacy platform for women entrepreneurs—initially tried to work herself out of a job every time she took on a new client.

"I thought the goal was to grow every company to a place where they could afford to hire someone full-time," she says. "But I quickly realized that—depending on the business, and the unique goals my clients expressed—that wasn't always the right approach. Some companies never get to the point where they need that level of entrenched support, and that's just fine."

Shannon Pestun, a financial consultant and former business banker who co-founded the Finance Cafe with Frederick, says the market need for fractional CFO services is especially pressing for businesses owned by women and diverse individuals, which on average tend to be smaller and less robustly capitalized.



Shauna Frederick (left) and Shannon Pestun (right), are fractional CFOs and co-founders of the Finance Cafe

aspirations, and can help plan for your future financial success—but at a fraction of the traditional cost. And while businesses with in-house bookkeepers can take care of day-to-day accounting needs, fractional CFOs take a fulsome look at a company's strategy and provide ongoing support integrated with a business's broader goals. "I know too many entrepreneurs who would only see their accountant as a year-end nuisance," says Pestun. "They didn't have that day-to-day or month-to-month point person to say 'hey, can we go over my three-month cashflow projection together and talk about where I want to be in a year?'"

Meanwhile, for CPAs who would agree that variety is the spice of life, potential exposure to a wide range of clients brings a great deal of interest and excitement to the job. Even as they juggle multiple clients, some fractional CFOs focus on a particular sector—but many, like Frederick, purposefully avoid limiting themselves and make a point to work in many different types of businesses.

Frederick works with homebuilders, lawyers and retailers, to name a few. "I benefit from my clients' very different experiences and perspectives," she says. "But I also get to find common threads between processes and procedures from different industries, which can sometimes be similar with respect to strategic planning, budgeting or KPIs."

Ballestrin also runs the gamut when it comes to the type of business she chooses to work with. "It's very exciting to be exposed to so many different companies and scenarios. Working this way is incredibly intellectually stimulating," she says. When she hires for Aspire CFO, Ballestrin specifically looks for people who, in her words, find the standard corporate route "mind-numbing." To make it, you have to enjoy a fast-paced work life—and know how to organize multiple priorities on any given day.

"Women and other equity-deserving groups—like Black or Indigenous entrepreneurs—often have financial barriers to taking on a permanent, full-time CFO," she says. "But when you bring in a part-time CFO, chances are you're connecting with someone who's an entrepreneur themselves." In her work as a financial consultant, she's seen the direct impact of fractional CFOs on businesses that couldn't otherwise afford dedicated in-house support. "These fractional CFOs take the connection out of the transactional into the relational, really getting to know the business owner's individual needs and motivations. That, in turn, makes entrepreneurs more confident to ask for advice. The numbers show us that women self-report being less confident in the financial aspects of their company. Fractional CFOs fill an important needs gap."

Pestun enlists fractional CFO services for her own consulting company. "What I love about it is being able to customize the level of service I need," she says. Her fractional CFO took over the company's bookkeeping, which allowed her to allocate more time to

## Fractional CFOs often come in at desperate moments that require decisive action

revenue-generating aspects of the business. But beyond that, Pestun meets them every quarter for a thorough review of her company's financial performance. "I say to them, this is what I want to accomplish this year, and then we look at my margins and explore possible opportunities together," she says. "They often challenge my thinking and provide the emotional support that helps furnish good financial decision-making."

For many business owners, that's the crucial upshot of the part-time CFO model. You get the advantage of an in-house expert who intimately understands your business, takes the time to get to know your professional

But while a full-time CFO has the benefit of all-day exposure to a company and the respective nuance of its inner workings, a fractional CFO has to be intentional about getting that exposure and deciphering what makes a given business tick. "It really helps to make sure I have face-to-face time with my clients in their office at least once a month," says Frederick. "You have to physically be there and listen to their team members to get a full picture of what's going on." And given the importance of accounting for the nuanced differences between clients across myriad industries, a meticulous process for maintaining clear, detailed notes about every client is an essential part of the job.

Just as crucially, your people skills have to be first-rate. “The real value-add for a fractional CFO goes well beyond the core skills any CPA would have. You have to be able to hold a room and influence people,” Ballestrin says. “From the point you meet a client to when you present an assessment, convince them that what you’re proposing is the best decision for their business, and follow through by helping lead their team. People skills are absolutely crucial.”

That’s especially true given that some SMEs don’t think to bring on a fractional CFO until they reach a crisis moment in their financials. Many smaller companies get away solely with having a year-end accountant take care of their taxes—until, that is, their business increases in complexity and their financial situation suddenly spins out of control.

“Small businesses can get very complicated very fast,” says Ballestrin. “And sometimes they take too long to bring in help, precisely because in-house expertise is seen as so expensive. And so, I often come in when there’s a significant amount of cleanup to do.” Ballestrin says that crisis management is the reality of her job more often than not, and that it takes no small measure of grit and perseverance to turn the proverbial ship around in a high-stakes moment.

On the bright side, clients who find themselves at this unfortunate juncture tend to have a strong appetite for change—which makes for a very different set of challenges than Ballestrin faced in the world of behemoth corporations. “If you’re an innovative, fast-moving CFO, it’s a perfect fit,” she says. “You can come in, recommend a plan and implement change very quickly.”

For Frederick, getting her CPA designation was crucial for her success as a fractional CFO, largely because a CPA is trained to look at a problem with a broad lens and understand that solutions are seldom black and white. “As CPAs, we’re trained to ask questions and remain curious. If you’re not doing that, you might be solving the wrong problem for clients and leaving them in more trouble than when you went in,” she says. And given the breadth of her client base, her research training also regularly comes in handy, affording her the ability to seamlessly shift between industries and adjust her strategies accordingly.

Ballestrin also sees her CPA training as hugely advantageous. In order to be a successful CFO, she argues, you can’t just be a high-level people manager—you have to have a strong accounting background. “I’m just going to say it—there are CFOs out there with no accounting background who often attempt the job and fail. I have come in several times to replace former investment bankers who have done exactly this,” she says. “We often start by overhauling the books. We’re in the nitty-gritty of the numbers from the get-go. If you don’t have those core skills, and if you don’t know how to coordinate with auditors, you’re unlikely to succeed at this job.” Almost all Aspire CFO team members have a CPA designation or a local equivalent (the company also has branches outside Canada, including in Ghana and the Philippines).

Ballestrin thinks fractional CFOs—and fractional finance more broadly—are apt to become more broadly accepted as awareness of this option grows for business owners. But the key, she says, will be for the industry to

## Crisis management becomes a regular part of the job for a fractional CFO



The early stages of a client relationship are often the most intensive in terms of time commitment. Initially—especially if the CFO comes on in the midst of financial crisis—Ballestrin might allocate as much as 40 hours a month to a single client to conduct a full assessment and get the ball rolling. Once there’s an established routine, regular and accurate financial reporting, strong processes and some level of automation, the time investment goes down. “Now, the CEO can focus on strategy and growth and actually move the company forward, instead of being dragged down into some financial crisis they don’t know how to handle,” says Ballestrin. On average, getting there takes two to three months. “It’s fast, but it’s worth it when you get to the other side.” Some fractional CFOs may leave at that point, while others, like Ballestrin, tend to stay on indefinitely, dialing their support up or down as needed.

scrupulously maintain a high standard of quality. That’s why she doesn’t run Aspire CFO with an agency model, in which every professional would be an independent contractor. Collaboration, mentorship and some degree of central oversight are as key to her business model as the policy of hiring people who can multitask and enjoy exciting challenges.

Because if there’s one thing fractional CFOs seem to have in common, it’s a tendency to grow weary in static situations. “Multiple times I’ve been offered the opportunity to come on board full-time for my clients, and I’ve always turned them down,” says Frederick. “The honest reason is that I believe I would get bored. I think there are a lot of accountants out there who don’t want to do the same thing over and over again with a single company. For people like that, this career route might be a good fit.” ♦