

# CFO for Hire

By Bari Faye Siegel



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In an economy where all businesses are desperately grappling with the ugly necessities of staying afloat -- including ever-growing accounts receivables and longer-than-ever sales cycles -- it's more crucial than ever that companies focus on core competencies.

Vladimir St. Phard, president of Customized Benefits Solutions, a full-service health insurance benefits and human resources provider in Hightstown, admits that his staff of 10 was juggling the administrative tasks of the firm -- including critical financial paperwork -- until he learned about B2B CFO and began working with consultant Steven Schertz.

"The idea of an outsourced CFO was incredibly interesting when Steve was recommended to me. I really wanted to see what he could do for us," St. Phard says. "He consulted with us for no charge, took a look at our books, and came back with some interesting ideas of ways to reduce costs, save money, and even some tax benefits we hadn't thought of. I was sold right away."

Typical B2B CFO clients are small-to-mid-sized companies that need an experienced financial professional but are unable to afford one full-time. The idea behind B2B CFO, a partnership firm consisting of 134 financial professionals across 43 states, is straightforward. Founded in Arizona in 1987 and now in place in 43 states, B2B CFO is a cooperative, not a franchise, of 134 consultants like Steven Schertz -- an option that's becoming increasingly popular for struggling businesses as well as out-of-work CFOs. New Jersey is currently home to 11 B2B CFOs, and there are two more in New York City.

"I perform all financial work except for CPA-related tasks such as audits, reviews, and taxes," says Schertz, who has been a consultant specializing in retail, manufacturing, distribution, and logistics at B2B CFO since late 2008. "I do the work that is necessary for the accountants to get that work done on time."

Each B2B CFO partner pays a five percent gross-proceeds fee to the partnership. In exchange, partners share a web portal filled with a seemingly never-ending supply of useful articles and links to brochures and other marketing materials. When CFOs join the partnership, they get six months of mentoring from the company about venturing out on their own as outsourced financial professionals. This mentoring came in especially handy for Schertz, who found himself jobless and with few options in a downward spiraling economy.

Joe Worth, another B2B CFO partner located in nearby Wall, welcomed Schertz to the partnership and continues to be a valued resource. Schertz learned about the concept of "outsourced CFOs" after being laid off at Congolium from his position reporting to the senior vice president of finance in June 2008. After considerable due diligence, Schertz joined B2B CFO in the last quarter of 2008. Less than a year later, his business is flourishing.

Schertz, who has 30 years experience in public accounting, including six years at Seidman & Seidman, was initially concerned about finding any sort of professional work, and then about being satisfied as a B2B CFO. "At 54, age discrimination was starting to creep in," he recalls. "People saw my college graduation year as 1976, and I really felt that was weighing against me. I knew companies could hire younger professionals and pay them less."

But now the tide has turned for Schertz, who has six regular clients. "Every company, regardless of its size, needs a chief financial officer," he says enthusiastically. "Not every company can afford an accomplished CFO -- with B2B CFO, they can."

Like Schertz, Worth is enthusiastic about the benefits of going out on your own -- even in the midst of a down economy. Before joining B2B CFO two years ago, Worth had been feeling frustrated as a full-time, in-house CFO for five different companies since 1993. "Each job lasted less time than the previous one, which is a reflection of what's going on in the CFO world," Worth says. "CFO tenure is shrinking. In fact, the average tenure for CFOs is about 22 months."

Worth decided to join B2B CFO in order to be his own boss for the rest of his life. "When you work for one employer, you have all your eggs in one basket," he says. "If you work part-time for multiple clients, you can always get more clients if something happens to one of them. You aren't relying on one company for your entire income."

"Now, they can afford the kind of help I can give them when they can't afford to hire somebody like me full-time," says Worth, who focuses on technology, software, and professional services clients and, like Schertz, has about half a dozen clients. "Clients pay a fraction of what they would pay for a full-time CFO and they only pay when I'm at their office or performing work specifically for them. They can pick up a phone and I'm there for them."

Customized Benefits Solutions' St. Phard says that "more than anything else" working with a B2B CFO provides access to an "efficiency expert" the company otherwise couldn't afford. "I've found that working with Steve is a much less expensive way to get these financial services done -- he helps our accountants at tax time, but he works with us all year long to strategize," St. Phard says. "We get an experienced consultant and the value has been incredible. [Steve] has freed us up to do what we do best -- health insurance. We don't have to worry whether we are getting the best deals -- on rent, for example."

But while Schertz sees his work as a B2B CFO as providing the "ultimate value proposition for a client," he acknowledges that the position has equally benefited him.

"At the time [of being laid off], I was severely concerned that finding a traditional job was going to be difficult," he recalls. But now, he says, "I'm no different than a CPA firm or a law firm. I do the rainmaking and I service my own clients."

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