



May We Help You Achieve Your Goals?

By Jerry L. Mills

I recently completed a study of the last 100 CFO resumes that were submitted to our firm as of July 2007. The information is interesting and informative for any CFO that has one or two dozen years left in his or her career. This graph shows the results of that study.

	Average	Median
Years of work experience	28.4	27.0
Number of jobs held	6.8	6.0
CFO jobs held in past 12 years	3.7	4.0

I'd like to take some time to explain how these statistics might impact CFOs. Granted, one could claim that these numbers are not empirical; however, studies show this information is more than anecdotal. For example, CFO.com recently reported, "Various surveys estimate the average tenure of a CFO at anywhere from four and a half years to 17 months."¹

ADDITIONAL INFORMATION

CFOs, especially those that are approaching their 50's and 60's, will experience unemployment between their W-2 jobs in the future. CFO.com has reported the following about CFO's that are looking for jobs: "The average search [consumes] six months or more."² Our experience with CFOs is that it typically takes around 12 months to find a job.

WHAT DOES THIS MEAN TO A CFO?

CFOs in their 50's or 60's can expect to have three to four CFO jobs during the next 12 years. They will experience between 18-24 months of unemployment between multiple job searches. Assuming

an average salary of \$150,000, the CFO will lose between \$225,000 and \$300,000 in salary over the next 12 years during these 18-24 months of unemployment. This loss of income does not include savings or retirement that will be eroded during their job searches.

OPPORTUNITY COST

I advise my partners to put at least \$40,000 a year into their SEP/IRA as deferred compensation. This allows my partners to both reduce their current-year taxable income as well as build a retirement fund. We would expect our partners to have about \$900,000 in their SEP/IRA account if they invest \$40,000 a year for the next 12 years with earnings of 10% (making monthly contributions). Needless to say, a W-2 CFO that will have three to four jobs and 18-24 months of unemployment will not get close to the deferred retirement amount that our partners are advised to accumulate.

A LARGER COST

There is an even larger cost to the W-2 CFOs other than the lost salaries, erosion of savings/retirement and

lost opportunity for retirement savings.

"Many CFOs grumble that the pressure is reaching break-point proportions. Sixty-eight percent of the CFOs polled by CFO magazine late last year said they're feeling more pressure on the job than they did two years ago. They're working longer hours, 52.9 hours a week on average vs. 49 two years ago. And 63% think all of this work and pressure is hurting their health, the poll found."³

GOALS FOR OUR PARTNERS

We are very focused on helping our partners achieve the following goals:

- Job security
- Control over the partner's future
- A good six-figure income
- Steady cash flow
- Little or no overhead
- A recession-proof model
- Build equity in the firm

JOB SECURITY AND CONTROL OVER A CFO'S FUTURE

We are now starting our 3rd decade of being in the part-time

CFO business. We have found that there is much more job security for CFOs that have 10 to 12 clients than do those that have one W-2 employer. There is much less risk of a CFO losing income when he or she is being paid \$200,000 to \$300,000 from 10 or more clients than one W-2 employer. Additionally, we have discovered that it is much easier for our CFOs to say “no” to anyone that might ask them to do something unethical. We simply say “no” and fire the client. There is always another client waiting that will enjoy having a CFO on board that has the highest of ethics and standards.

A CFO TO MORE THAN ONE COMPANY?

It is much easier than you might think to be the CFO of many companies. I am the CFO of about 15 companies. Each client has a good accounting staff, many of which I have helped hire and train. The client provides the hardware, software and other tools to let me do my job. Several of my clients have been with me for more than a decade. They refer to me as their “permanent part-time CFO.” They are like family and pay me very well.

A MUCH EASIER SELL THAN YOU MIGHT THINK

One of my partners in Atlanta was recently communicating with a CFO that was struggling to understand our concept. My partner cc'd me on an email to this CFO, which read, “I look at it this way: Which is harder: finding someone to pay you \$150,000+ a year for your time, or finding someone to pay you \$20 - \$40K year for your time.”

Any good CFO understands the law of supply and demand. We live in a market where there is more supply of companies that will pay us \$20,000 to \$50,000 a year for part-time CFO services than those that will pay a six-figure income for W-2 services. Additionally, CFOs today face an ever-increasing supply of qualified CFOs for those low-demand jobs, which causes lower salaries, longer unemployment time between jobs, lower benefits and longer work-weeks. These basic laws of economics, which work against the W-2 CFO, work for and propel success to the partners of our firm.

A NEW SKILL TO LEARN

I talk with hundreds of CFOs each year around the country about this subject. Would it surprise you to learn that the vast majority of CFOs tell me that they can't sell? They say things like, “I can't sell,” or “I don't like selling and never will,” or “I'm a professional, not a salesperson.”

Well, I do not want to burst anyone's bubble, but you are a salesperson, whether you like it or not. If you are a W-2 employee, you are selling your services for a certain amount of money. You are selling yourself when you try to get a raise and/or other benefits. If you are presently earning less than you wish, it merely means you are not very good at sales. You are selling, but are not selling well enough to make the money you feel you should make.

In retrospect, I wish someone would have told me 20 years ago that I needed to get over my pre-determined feelings about sales and learn the skills of selling.

Fortunately, I was introduced to the proper people to teach me the skills I was so woefully lacking. I am pleased that I can now not only sell, but I can sell very well! In fact, if a CEO gets in front of me and tells me his or her problems, they will more than likely hire me. That is how confident I am about my sales skills. I have become a rainmaker and did not have to change my personality, beliefs or ethics in order to learn those skills. All I had to do was get the desire to improve myself and learn the skills necessary to find clients and close the sale.

WE CAN TEACH YOU

B2B CFO® is the industry expert at helping CFOs find clients. We have no peer in this area. We have the ability to teach you new skills that you did not know were available to you. All you need to do is to put forth the effort to learn skills and have faith in yourself that you can put new skills into practice.

INFORMATION PACKAGE

We enjoy sending our information package to qualified CFO candidates. Please send your resume, along with a mailing address to me at jmills@b2bcfo.com. Your resume will be held in confidence.

You can contact any of our partners by clicking on the Partner page of www.b2bcfo.com.

¹CFO Magazine *The Three-year Itch?* April Issue 2007.

²CFO Magazine *Bouncing Back* April Issue 2004.

³USA Today; Careers Today, March 24, 2005.