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The Rise Of Fractional Leadership: A Lasting Shift In The Business Landscape



By [Ryan Kunkel](#), Forbes Councils Member.

for [Forbes Finance Council](#), [COUNCIL POST](#) | Membership (fee-based)

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Ryan Kunkel is the President of [Third Road Management](#).



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The post-pandemic world has fundamentally altered how professionals approach their careers. Flexibility and autonomy are now top priorities, even among senior leaders who were once bound by the rigid structures of traditional corporate roles.

We are witnessing an unprecedented transformation in employment, with no signs of slowing. Projections show that the majority of the workforce is expected to be freelance by 2027—[rising more than 19 million](#) from 2017 to 2024 and poised to soar to 86.5 million by 2027. If realized, independent workers will make up [more than 50% of the workforce](#) in just three short years.

Simultaneously, small businesses and startups—traditionally unable to afford top-tier operational expertise—now have access to sophisticated support at early stages, enabling them to scale like never before. The convergence of these trends and more underscore why C-suites, including marketing, human resources, finance and other departments, are being built with fractional services models, and why that trend is here to stay.

Fractional Financial Services

Today, fractional financial services are not just alternatives to traditional financial roles but instead catalysts for cultural and operational change. As the president of a company offering fractional CFO and accounting services, I have firsthand experience with this shift. Small- to medium-sized companies, once limited by their budgets and/or their internal teams, can now afford to integrate high-level financial expertise without the full-time commitment of a traditional CFO role.

This model provides the flexibility to scale as the business grows, delivering crucial support at every phase of development. Additionally, when using a fractional firm, the business benefits from the collective expertise of an entire think tank that goes beyond reliance on one single individual's experience, and also ensures continuity in the case of turnover.

But this shift isn't limited to finance alone. The reimagined C-suite now includes fractional roles in marketing, IT, human resources and other essential business functions. This evolution opens access to specialized knowledge and strategic insight, allowing businesses of all sizes to compete on a more level playing field.



Reshaping What Success Looks Like

With flexible access to deep expertise, companies are now building robust operational foundations without the heavy overhead traditionally associated with full-time executive-level hires. This structure empowers businesses to pivot quickly, make informed decisions and seize growth opportunities that might otherwise have been out of reach.

As forward-thinking businesses continue to normalize this operating shift, the fractional model can not only fill gaps in the workforce but also reshape what success looks like for the companies that adopt it.

The question is no longer whether the fractional model will last—it's how businesses can best leverage this shift to drive growth and innovation. In an era where access to specialized talent is no longer out of reach, companies are uniquely positioned to harness these trends to their advantage. Fractional leadership isn't merely a stopgap solution for resource-strapped businesses, it's an enduring model that promises to redefine how organizations of any size approach leadership and growth.

In many ways, fractional options are not just the best option, but they might also become the only option. This is especially true in financial services given [the steady decline](#) in the number of students pursuing accounting degrees and becoming CPA candidates over the last 30 years. But outside of accounting/financial services, employers are citing skill gaps, work flexibility and more as major hurdles to recruitment—a trend that is very likely to continue.

Challenges And Considerations

While fractional services can offer flexibility and cost savings, they aren't always the right fit for every organization.

For companies requiring more than three days a week of executive support, or for those exceeding \$100 million in revenue with complex operations, a full-time hire may be necessary to meet the scale and depth of their needs. Additionally, when a function is core to the business, such as a marketing agency relying on a CMO, fractional leadership may not provide the continuous strategic oversight required for long-term success.

Fractional executives may also struggle in environments with unclear goals and shifting priorities. Given their limited time, these leaders must be laser-focused on initiatives that drive the most impact, with priorities reassessed at least quarterly to ensure alignment with organizational needs.

Equally critical is their integration into the company's leadership team. If a fractional executive is treated as an external consultant rather than an embedded decision-maker, their ability to influence and drive change diminishes. Real-time accessibility, i.e., via Slack, email and/or phone, is essential for them to make meaningful contributions and address urgent challenges as they arise.

Evolving For The Future Of Business

As Marcus Lemonis famously says, "If you don't evolve, you will die." While some might take this as a doom and gloom perspective, we view this more optimistically. As business leaders, startup founders and entrepreneurs, we crave building things, and continuously evolving sits at the center of what we do—i.e., how do we evolve to serve our customers and employees better.

Looking ahead to 2025 and beyond, we as business leaders must remain steadfast in our commitment to grow, innovate and yes—evolve. The great news is that the fractional services model can be a valuable tool to support us on this journey.

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