STAY IN THE BLACK

NEWSLETTER

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You Don't Need a CFO, Yet

By Colin Barnhart · 19 Aug 2025 · 5 min read

There's a point in a company's growth when finance starts to feel like a drag chute. Reports take too long to get to you. Questions don't have clear answers. The numbers you do get are either overwhelming, confusing, or incomplete.

For many leaders, the first instinct is to hire a CFO. On paper, it makes sense: bring in a senior leader to take it all off your plate. But for most small and mid-sized companies, especially in the creative and professional services world, that's not the right first move.

The truth is, you don't need a CFO yet. You need the right financial horsepower, at the right time, without adding a full-time salary and benefits package for someone who may be underutilized and find their job underwhelming.

The real problem: finance is slowing you down

When finance can't keep pace with your growth, the business starts making decisions in the dark. You may think you have solid bookkeeping, but that only tells you what happened, not where you're headed.

You need sharper forecasting, more reliable data, and guidance from people who've seen your challenges before. Without it:

You hesitate on hiring because you're not sure about cash flow.

You guess at pricing because you don't have margin clarity. What's margin? 🙄

You miss opportunities because you can't move fast with confidence.

And while you might think a CFO will fix all this, here's the reality: one person alone, no matter how senior, can't run a full finance function and solve every operational bottleneck.

Why hiring a CFO too early can backfire

A good CFO is expensive. They're also most valuable when there's already a well-oiled finance department in place to manage the day-to-day work. Without that infrastructure, your new CFO may spend too much time buried in tactical work instead of providing strategic leadership. Or worse, doing the work of someone half the price.

Here's what often happens:

You bring in a high-level hire with big expectations.

They get stuck cleaning up messy bookkeeping, chasing invoices, or doing basic reporting.

The strategic projects you hired them for get pushed to the side. After all, they need good data first!

You still don't get the forward-looking insight you need.

This isn't a knock on CFOs (we love them, and we are them). It's about timing. If you don't have the right foundational systems, you're setting them up to fail and burning budget in the process.

What you actually need at this stage

Instead of one person trying to wear every finance hat, think about building access to a full bench of expertise, on demand.

An outsourced finance team can:

Manage your bookkeeping with accuracy and timeliness.

Provide FP&A (financial planning and analysis) so you can see the road ahead.

Deliver clear, digestible reports that help you make informed decisions fast.

Offer senior-level insight when you need it, without paying for unused capacity.

This approach gives you flexibility. You get senior thinking when there's a big decision to make, and hands-on execution to keep the wheels turning, all without the overhead of building an internal department too soon.

Why this works better for companies in growth mode

All companies, especially creative agencies, consultancies, and other service-based businesses, often grow unevenly. You may experience significant fluctuations in revenue, sudden hiring needs, or projects that require substantial upfront investment.

An outsourced model can scale up or down with you:

Slow quarter? You don't have to carry unnecessary payroll.

Big client win? You can quickly pull in senior expertise to forecast the impact and plan resources.

Complex contract? You can get business affairs and finance collaboration without hiring two separate roles.

You're not committing to one person's capacity. You're buying the exact mix of skills you need in the moment.

The myth we need to kill

Many founders believe that hiring a CFO is a magic bullet, that once they have one, finance is "handled" and they can stop thinking about it.

In reality, finance will always need your attention as the leader. The right team can take a huge amount off your plate, but you still have to make the calls only you can make. The best financial partners give you the clarity and confidence to make those calls without wasting your time or drowning you in irrelevant details.

Let's wrap this up

If finance is slowing you down, it's tempting to rush into hiring a CFO. But unless your business already has the scale and infrastructure to support that role, you'll get more value from an outsourced solution that gives you access to every level of expertise, when you actually need it.

Before you commit to a full-time hire, ask yourself:

Do I need one person, or do I need a team's worth of capability?

Will this role be fully utilized right now?

Can I get the same or better insight without adding permanent overhead?

You don't need a CFO yet. You need better data, smarter forecasting, and flexible access to senior financial thinking. Start there, and you'll grow into the point where a CFO isn't just a title on the org chart, it's the right next step.

If this resonates, let's talk. I'm happy to share how we help founders and business leaders build a finance function that scales with them, without the false start of hiring too soon.

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