

# The Fractional Leadership Decision Guide

Full-Time vs. Fractional vs. Interim: Which Model Fits Your Organization?

This guide helps nonprofit boards and EDs evaluate whether a fractional CDO, fractional COO, interim executive, or full-time hire is the right move — based on your budget, timeline, and operational reality.

## The Decision Matrix

Factor	Full-Time Hire	Fractional CDO/COO	Interim Executive
<b>Annual Cost</b>	\$120K-\$200K+ (salary + benefits)	\$60K-\$120K (no benefits liability)	\$75K-\$150K (6-9 month engagement)
<b>Time to Impact</b>	3-6 months (search + ramp)	2-4 weeks	1-2 weeks
<b>Commitment</b>	Ongoing	6-12 month retainer (flexible)	3-9 months (defined term)
<b>Best For</b>	Stable orgs with budget + pipeline	Growth-stage orgs needing senior talent	Leadership vacuum or crisis
<b>Risk</b>	Mis-hire costs \$200K+ to fix	Lower commitment = lower switching cost	Temporary by design
<b>Institutional Knowledge</b>	Builds over time	Builds quickly, transfers at exit	Preserves existing, documents gaps

## Decision Flowchart

**Q1: Do you have \$150K+ available for a full-time CDO salary + benefits?**

YES → Go to Q2. NO → Fractional is your path.

**Q2: Is your fundraising operation stable and growing?**

YES → Go to Q3. NO → Consider interim leadership to stabilize first.

**Q3: Can you wait 4-6 months for a full-time hire to ramp?**

YES → Full-time hire may be right. NO → Start fractional now, hire later.

**Q4: Have you had CDO turnover in the past 3 years?**

YES → Fractional reduces transition risk. NO → Full-time is viable.

**Q5: Do you need someone 5 days/week or 2-3 days?**

5 DAYS → Full-time. 2-3 DAYS → Fractional delivers the same impact at half the cost.

# The ROI Calculation

Use this framework to calculate your specific ROI for fractional vs. full-time leadership.

Cost Category	Full-Time	Fractional	Your Numbers
Base compensation	\$150,000	\$90,000	
Benefits (25-30%)	\$37,500	\$0	
Recruiting costs	\$30,000	\$0	
Ramp time (lost revenue)	\$50,000*	\$0	
<b>Total Year 1 Cost</b>	<b>\$267,500</b>	<b>\$90,000</b>	

*\*Estimated revenue impact of 3-6 month vacancy/ramp period for a \$5M organization*

## When to Switch Models

- Fractional to Full-Time: When revenue consistently exceeds \$5M and the CDO role requires 40+ hrs/week
- Full-Time to Fractional: After unexpected departure, during budget constraints, or when you need senior talent fast
- Interim to Fractional: When the crisis stabilizes but you're not ready to commit to a full-time search
- Any Model to AI-Augmented: When repetitive operational tasks consume 30%+ of leadership time

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**Find out which leadership model fits your org**

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