



# The Fractional Chief Revenue Officer Role: The Hidden Secret to Maximising Sales and Revenue?

Finding the right person to lead your sales team can be a game-changer.

But sometimes hiring a permanent CRO is not attainable or desirable at this point in your company's journey – due to budget, time or market constraints.

That's where a Fractional (Contract) Chief Revenue Officer (CRO) could come in.

Often overlooked, the Fractional CRO role can be the hidden secret to unlocking your company's sales potential, at a point in your journey where you do not seek a permanent hire.

With their extensive experience and expertise in sales and revenue generation, they can provide the strategic guidance and leadership your business needs to thrive – with the flexibility on the length they are contracted for, meaning they can be a **short-term**, **high-impact hire**.

## When should a business consider hiring a Fractional CRO?

You are not ready for a Permanent Hire: Ultimately, this is the main reason a company would typically choose Fractional over Permanent – business readiness.

This could present itself in a number of ways including:

- Financials no budget for a permanent hire.
- Workload no identified long-term workload.
- Business 'immaturity' a lack of clear structure / knowledge about how the business would fully utilise a permanent CRO hire.

If your business is not yet ready or able for such a key permanent hire, choosing a Fractional option can bring some of the desired benefits without the same risk levels as a permanent option.

**Optimising Product Market Fit:** We typically see businesses hiring a Fractional CRO at the point they are optimising their product market fit and getting ready to start scaling their company.

A Fractional CRO can help you at this crucial time and support also in structuring and building your outbound sales team. When launching your new product, they can develop targeted sales strategies, identify the ideal customer profile, and ensure a successful market entry.

**Revenue Plateau:** If your company is struggling to achieve consistent revenue growth, you might require an expert for the short-term to help you identify the root causes and develop strategies to overcome this stagnation.







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A Fractional CRO can analyse the sales process, identify bottlenecks, and implement improvements to drive better results.

**Expanding into new Territories:** We all know that selling a product, for example, in the US versus Germany, requires different approaches and techniques. We know to never assume what works in one territory, will automatically work in another.

We have seen Fractional CROs utilised successfully when a company is looking to expand into a new territory where they perhaps have limited experience of dealing in previously – or a lack of internal resource to place on such an important project.

Hiring someone experienced in this territory, for a short-term period, can ensure a successful set-up, launch, and process from the outset, to see an ROI quicker - and burn through less cash in the process.

### **Benefits of hiring a Fractional CRO**

A main driver for hiring a Fractional CRO, as opposed to a permanent hire, is of course flexibility.

Unlike a permanent hire, hiring in this way offers flexibility in terms of engagement duration and scope, allowing your company to access top-tier talent without committing to long-term contracts.

Other benefits you should expect to see are:

**Expertise and Experience:** A Fractional CRO will join your company with a wealth of expertise and experience to bring to the table. If you hire correctly, you will bring on board an expert with a deep understanding of sales strategies, revenue optimisation, and market dynamics.

Leveraging this knowledge in the short term could drive high value impact, with your business gaining a competitive edge and accelerating revenue growth.

**Fresh Perspective:** Using this experience, means a Fractional CRO will provide a fresh perspective on sales and revenue generation. They bring an outsider's view, which can uncover hidden opportunities and identify areas for improvement that may have been overlooked internally.

Focus: Unlike a Founder who is forced to split their time across all areas of the company, a Fractional CRO will focus solely on sales and revenue – placing a real focus and drive in this core area of your business.

They will work on 'what moves the needle' in terms of sales and support you in ensuring the whole company has a focus on this.







Ultimately, they will focus on the core of what will help you hit your plan.

**Process:** Using their experience and 'fresh' eyes, a Fractional CRO is an expert who can help you create (or upgrade) your process.

Some key areas you should expect them to improve would be:

- Creating or upgrading your sales playbook.
- Fixing pricing.
- Driving deal sizes up.
- Creating more urgency in the sales process.

Which, if done successfully, could increase sales by up to 30%.

**Tech Stacks and Automation:** As part of this process review and upgrade, a company should also expect a Fractional CRO to be able to complete a complete tech stack review, making improvements to ensure this is a scalable and integrated eco-system, which allows for automation of key tasks to continually drive efficiencies and optimise your Customer Acquisition Cost (CAC).

Hiring: A time-consuming but key process for growth.

Allow your Fractional CRO to take charge of building our your GTM sales function. Using their network, expecting them to hire 1-2 strategic sales reps (including the key first on the ground hires), should not be unachievable for them.

A truly experienced CRO, will know that hiring is at 50% of the job.

Should you require, you should also expect them to be able to offer some support in terms of hiring a Permanent CRO.

### The cost of hiring a Fractional CRO compared to the potential Revenue Increase

Hiring a Fractional CRO can be a cost-effective solution for businesses, as instead of investing in a full-time permanent CRO, businesses can leverage expertise, whilst eliminating the costs associated with hiring, training, and retaining a full-time employee.

Whilst of course hiring a CRO involves costs, the potential revenue increase they can generate often far outweighs the investment, so it is essential to consider the potential ROI when evaluating the cost of hire.







When calculating the potential revenue increase, consider factors such as:

- Increased sales volume
- Higher average deal sizes
- Improved customer retention
- Expansion into new markets.

Also, do not forget to assess the long-term impact of a Fractional CRO's strategies, as their contributions may continue to generate revenue growth even after their engagement concludes.

#### **Our Final Thoughts**

A Fractional CRO should be seen as a different hire to that of their permanent counterparts.

Warning: Do not engage a Fractional CRO, as a 'try before you buy,' temp-to-perm option!

Typically, such a seasoned professional has chosen the Fractional route for a reason. They relish the challenge of joining a business for the short-term, rolling up their sleeves to fire fight, problem solve and leave the business in a better place in the short-term period they are there.

If you utilise a Fractional CRO to their full potential and set clear aims at the point of contracting, then they really can be the hidden secret to maximising sales and revenue for your company.

If you want to learn more about how <u>Strive</u> can support your business in hiring for Fractional roles, please check out our Solutions page or reach out to one of our Founders to arrange a call.

