

VIRTUAL CFO NEW OPPORTUNITIES TO FINANCE PROFESSIONALS

By
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Summary

- ▣ Preliminary
- ▣ VCFO Function
- ▣ Need of VCFO services
- ▣ Areas can be covered by VCFO
- ▣ Challenges in VCFO services
- ▣ Conclusion

Preliminary

- ▣ Introduction
- ▣ VCFO means

VCFO Function

- ▣ Mandate and Appointment
- ▣ Responsibility
- ▣ Authority
- ▣ Exclusions
- ▣ Responsibility 24/7 Physical Availability depending upon need
- ▣ Advise on small as well as important matters
- ▣ No cheque Signing is best OPTION

Need of VCFO Function

- ▣ Qualified Persons
 - ▣ Experienced Persons
- ▣ Cost of Experts
- ▣ Small and medium Firm do not have that much work to employ fulltime persons.
- ▣ Cost v/s benefits
- ▣ Need of hour is Handholding to
 - Owners
 - Staff
- ▣ VCFO brings Experience from Industry ..Contd

Need of VCFO Function Contd

- ▣ VCFO is having resources known to him which can be available for “DIRECT USE OF SERVICE”
- ▣ Having current updated knowledge in the field or knowing that where that is available.
- ▣ Continuity of services
- ▣ Acts as Buffer between staff and Owners
- ▣ Owners are novice ant may not have Finance awareness.
- ▣ VCFO acts as independent

Areas Can Be Covered by VCFO

- ▣ Day today Accounting
- ▣ Finance and Banking
- ▣ Direct and Indirect service guidance
- ▣ Hiring and Firing of Staff
- ▣ Family Office and Succession Plans
- ▣ Collaborations and Joint ventures
- ▣ Migration to new Business
- ▣ Trainings

VCFO v/s Consultant

- ▣ Need to have authority to control and monitor staff
- ▣ Sense of Belonging
- ▣ Continuity
- ▣ Representation with outside authorities like banks, customers, Govt. Authorities

Challenges in VCFO Services

- ▣ Right Selection of VCFO services
- ▣ Clarity in assignment
- ▣ Support from Top Management
- ▣ Getting right persons for day today work
- ▣ Time sharing and important matters on particular day
- ▣ Updates on changes applicable to particular client

Real Life Case Study

Proposal for assignment of Virtual CFO for ATC group:

- 1 We, that is Sham wagh and shirish Deshpande will work as Virtual CFO for ATC.
- 2 Concept of Virtual CFO is an Innovation of Shri Shantanu Bhadkamkar. This is an Idea where we will undertake all functions of CFO, without physically remaining present in office , but will still guide, monitor and control the accounts team for smooth and effective functioning.
- 3 We will undertake at least a weekly visit, either by both of us, or by any one of us. Additional visits may also be made depending on needs/urgencies.
- 4 Tasks given/assigned to team leaders-their responsibilities will be reviewed during weekly visits.
- 5 Deliverables from Accounts Dept. and in turn virtual CFO will be listed from time to time.
- 6 All work priorities- change in assignment of jobs of team members will be decided in consultation with Virtual CFO, to ensure smooth functioning.
- 7 New recruitment/outsourcing to be decided after taking opinion of Virtual CFO>
- 8 we assume that Internal audit, as a concept, will continue, and will be an important input for us to monitor the quality, accuracy and timeliness of functioning of accounts dept.
- 9 All organizations under ATC group are covered.

Conclusion

- ▣ Effective for small and medium Firms
- ▣ Clarity between owners and VCFO for dos and DONTs

- ▣ Any question
- ▣ Contact...

Thank You