THE FRACTIONAL COO MODEL

OPERATIONAL LEADERSHIP WITHOUT THE FULL-TIME COST

RESOURCE GUIDE

THE FRACTIONAL COO MODEL

Capacity without full-time cost.
Many minority-led nonprofits are led by visionary Executive Directors who wear too many hats. They are the fundraiser, the program manager, the compliance officer, and the operations lead..all at once. This works until it doesn't. **When an organization wins a government contract, scales a program, or navigates a major transition, the need for dedicated operational leadership becomes urgent.**

A Fractional COO offers a solution: **experienced operational leadership**, deployed at the level of commitment the organization needs **without the cost of a full-time executive hire.**

A Fractional COO is a part-time or project-based Chief Operating Officer who provides senior-level operational leadership to an organization on a contracted basis. Unlike a full-time COO, a fractional arrangement is scoped, time-limited, and cost-efficient while delivering the same depth of expertise.

This resource covers:

- What a Fractional COO does and doesn't do
- Signs your organization is ready for fractional COO support
- Core areas of fractional COO engagement
- How to structure and evaluate a fractional COO relationship

WHAT A FRACTIONAL COO DOES

Operational Systems & Infrastructure

A Fractional COO **designs and implements the operational systems an organization need**s to function efficiently workflow processes, staff accountability structures, internal controls, vendor management, and technology systems. Many nonprofits operate for years without intentional infrastructure; a Fractional COO builds it in a compressed timeframe.

Example: A nonprofit that has grown rapidly from three to fifteen staff engages a Fractional COO to document core operational processes, implement a project management system, and establish a staff performance review cycle for the first time.

Post-Award Compliance & Contract Management
For organizations managing government contracts or large grants, a Fractional COO **ensures that reporting systems, budget tracking, subcontractor oversight, and audit documentation** are in place and functioning. They serve as the operational bridge between program delivery and funder requirements keeping the organization compliant without pulling the Executive Director into the weeds.

Example: A re-entry services nonprofit wins its first city contract. A Fractional COO leads the internal launch, sets up the compliance tracking system, facilitates the kickoff meeting, and manages monthly reporting to the funder on behalf of the organization.

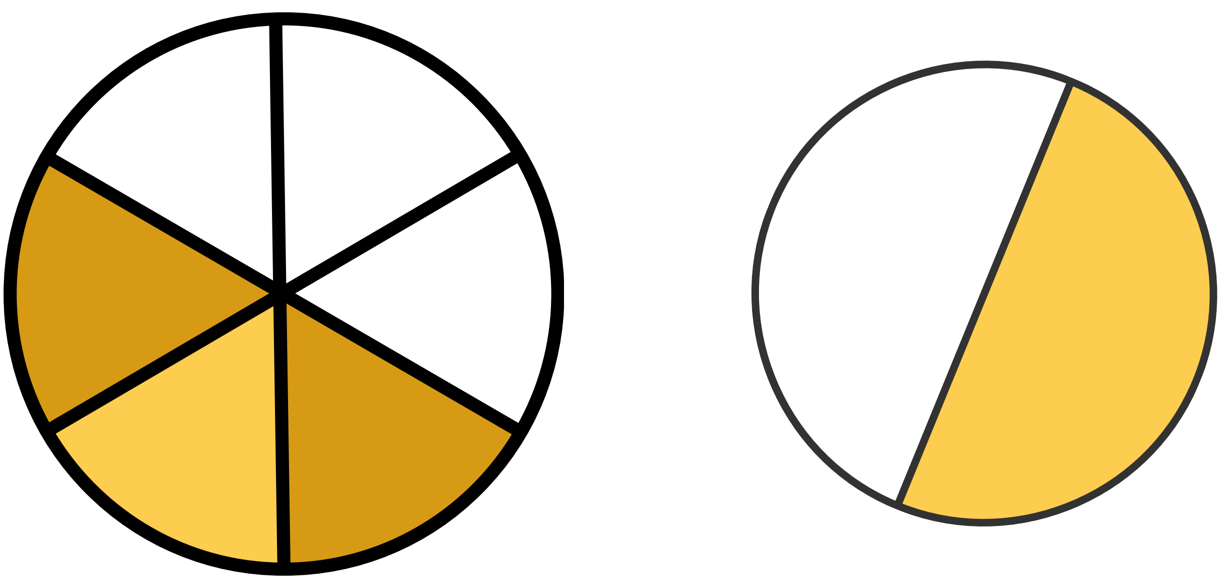
Strategic Planning Implementation
Many nonprofits complete strategic plans that sit unused. A Fractional COO **translates strategic goals into operational workplans,** assigns accountability, tracks progress, and reports to leadership and the board on implementation milestones. They serve as the **connective tissue between vision and execution.**

Example: Six months into a new strategic plan, a nonprofit engages a Fractional COO to convert the plan's five goals into a 90-day operational workplan with named owners, success metrics, and a monthly board reporting dashboard.

WHAT A FRACTIONAL COO DOES

Leadership Transition Support
When a nonprofit experiences an Executive Director departure, interim leadership gap, or rapid growth, a Fractional COO provides operational continuity. **They stabilize day-to-day operations,** maintain funder relationships, support board engagement, and document institutional knowledge buying the organization time to make sound permanent leadership decisions.

Example: When a longtime Executive Director retires with 60 days' notice, a nonprofit engages a Fractional COO for six months to manage operations, complete two active grant reports, support the board's search process, and onboard the incoming leader.



SIGNS YOU'RE READY FOR A FRACTIONAL COO

Fractional COO services are not for every stage. They deliver the most value when an organization is at a specific inflection point. The signs below indicate that fractional operational leadership may be the right investment.

Organizational Growth Signals

You just won a major contract or grant and don't have the internal infrastructure to deliver on it without significant risk.

Your budget has grown faster than your systems, and staff are improvising processes that should be standardized.

You are adding staff rapidly but lack onboarding processes, HR policies, or management structures to support growth.

Leadership & Capacity Signals

Your Executive Director is doing operational work that should be delegated and it is pulling them away from fundraising, board engagement, and external relationships.

You have experienced staff turnover in key operational roles and institutional knowledge has walked out the door with departing employees.

Your board is concerned about compliance or financial controls, but there is no senior operational staff member positioned to address their concerns.

Compliance & Sustainability Signals

You have had audit findings, funder concerns, or reporting errors that point to systemic gaps rather than isolated mistakes.

You are approaching the end of a major grant period without a clear sustainability plan or the infrastructure to pursue the next award.

Your programs are doing good work but your documentation and data don't yet tell that story in a way funders and partners can evaluate.

STRUCTURING A FRACTIONAL COO ENGAGEMENT

Define the Scope Before You Start

A successful fractional engagement begins with a clear, written scope of work. This document should outline the **specific deliverables expected,** the number of hours or days per month, the duration of the engagement, reporting relationships, and the metrics by which success will be measured. Vague scopes lead to scope creep, misaligned expectations, and diminished value.

Example: Before signing an agreement, a nonprofit and their Fractional COO co-develop a one-page scope of work that identifies three priority areas: compliance system setup, staff onboarding documentation, and grant reporting, with specific deliverables and a six-month timeline.

Set a Realistic Time Commitment
Fractional COO engagements typically **range from 10 to 20 hours per month**, depending on organizational complexity and urgency of need. Organizations should be honest about what they need and avoid under-contracting in ways that limit impact. Some engagements begin intensively and taper as systems are stabilized; others maintain a consistent cadence throughout.

Example: A nonprofit contracts for 15 hours per month for the first three months of a post-award engagement, then reduces to 10 hours per month for the remaining three months as internal systems are established and staff take ownership of operations.

STRUCTURING A FRACTIONAL COO ENGAGEMENT

Establish Board & Leadership Alignment

A Fractional COO operates most effectively when leadership including the Executive Director and relevant board committees understand the role, support the engagement, and have agreed on priorities. Regular brief **check-ins between the Fractional COO and the ED ensure alignment and allow for scope adjustments** as organizational needs evolve.

Example: At the start of an engagement, the Fractional COO presents a 30-day workplan to the board's Finance and Operations Committee, establishing shared expectations and a monthly reporting structure that keeps the board appropriately informed without over-involving them in day-to-day operations.

Plan for Transition & Knowledge Transfer

A fractional engagement should end with the organization more capable than when it began. This means **documenting all systems created, training internal staff to maintain them,** and completing a formal knowledge transfer process before the engagement closes. **Organizations that plan for transition from the beginning extract the most long-term value.**

Example: In the final month of a six-month engagement, the Fractional COO delivers an operations manual, conducts a two-hour staff training on all new systems, and facilitates a final debrief with the Executive Director and board chair to document what was built and what comes next.