ISSUE #1

CFO VOICES

Fractional CFO Quarterly Insights

Based on responses from fractional CFO consultants across CFO Selections' network, representing professional services, construction, manufacturing, the nonprofit sector, and other industries.

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ABOUT CFO VOICES

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We work in numbers. But we're in the business of people.

That's been true since CFO Selections was founded in 2002. The financial reports matter. The forecasts matter. But what we've always known is that behind every number is a person making a hard decision, and the quality of that decision depends on the quality of the insight supporting it.

CFO Voices is our quarterly window into what's actually happening inside the organizations our consultants serve. Our fractional CFOs sit in rooms where decisions are being made. They see the cash flow anxiety before it becomes a crisis. They know what leaders are asking for and what they don't yet know to ask. They understand the difference between what the headlines say and what the numbers in front of them say.

Each quarter, we ask them what they're seeing across industries, sectors, and the full range of organizations that make up our community, which is focused on the small to lower-middle market. We compile those responses into this report and share them with the business owners, executive directors, partners, and financial leaders we have the privilege of working alongside.

The goal isn't to predict what the economy will do. It's to reflect what our consultants are navigating right now, so the leaders who work with us, and the partners who trust us, can see a little more clearly from wherever they stand.

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EXECUTIVE **SUMMARY**

Despite the noise (tariffs, global conflict, domestic volatility), CEO confidence is at a three-year high. Leaders have stopped waiting for clarity to arrive. Instead, they're building it themselves: getting sharper on where to focus, how to allocate, and how to grow without stretching what they've built.

What that looks like in practice depends on the sector. For-profit leaders are investing in operational efficiency and targeted sales, spending deliberately before scaling. Nonprofits are in a different position: in stronger times, the conversation centers on mission reach. Right now, sustainability has replaced that conversation. The question is more immediate: how do we stay viable long enough to keep doing the work?

Q4 2025: FOR-PROFIT BY THE NUMBERS

WHAT'S IN THE WAY

46%

of for-profit clients lack the time or expertise to plan and forecast effectively

WHERE FOR-PROFIT INVESTMENT IS GOING

44%	**33%**
Operational Efficiency	Sales & Marketing

EXECUTIVE **SUMMARY**

Most of the leaders navigating these decisions are running small to mid-market businesses — the kind that make up the bulk of economic activity in communities across the country, but rarely show up in national headlines. They're close to the day-to-day, managing competing priorities. Growth is on their minds. Working on it is another matter.

Bottom line: The question has changed. It's no longer whether to grow; most leaders have already decided. It's whether the financial foundation is ready to support it.

Q4 2025: NONPROFIT BY THE NUMBERS

WHAT'S IN THE WAY

47%

of nonprofit clients cite declining grant renewals as their top financial concern

WHERE NONPROFIT INVESTMENT IS GOING

40%

People & Leadership Development

33%

Operational Efficiency

THE REPORT

Ask a fractional CFO what they found when they stepped into their last engagement, and the answer is rarely about the numbers themselves. It's about what wasn't there. The forecast that didn't exist. The budget built on a gut feeling. The leadership team making decisions in the dark.

In our Q4 2025 survey, 46% of for-profit CFO consultants identified "lack of time or expertise" as the single biggest barrier their clients face in financial planning and forecasting. What's missing isn't a better system. ***It's someone who knows what questions to ask.***

BIGGEST BARRIER TO FINANCIAL PLANNING FOR FOR-PROFIT CLIENTS

46%

of for-profit clients lack the time or expertise to plan and forecast effectively

THE
REPORT

Each quarter, we ask our network of fractional CFOs what they're seeing inside their clients' organizations. Not the headline economic data, but the ground-level reality: what leaders are worried about, where they're investing, how they're thinking about the months ahead.

What they're seeing is this: the dominant pressure has changed. A few years ago, organizations were constrained by who they could hire. Today, the harder question is whether leaders can see their own numbers clearly enough to know what they can do next. Cash flow, revenue predictability, cost structure, that's what's shaping decisions in 2026.

"Our team of CFOs are hands on within the organizations we serve. By seeing the actual impact of operational events, reporting comes alive with real-time information. As a result, they see the actual impact on the organization, And regularly see differences from what's being reported on a macro level. It's extremely important that information be contextualized."

Kevin Briscoe, Partner
CFO Selections

THE CONSTRAINT **HAS SHIFTED**

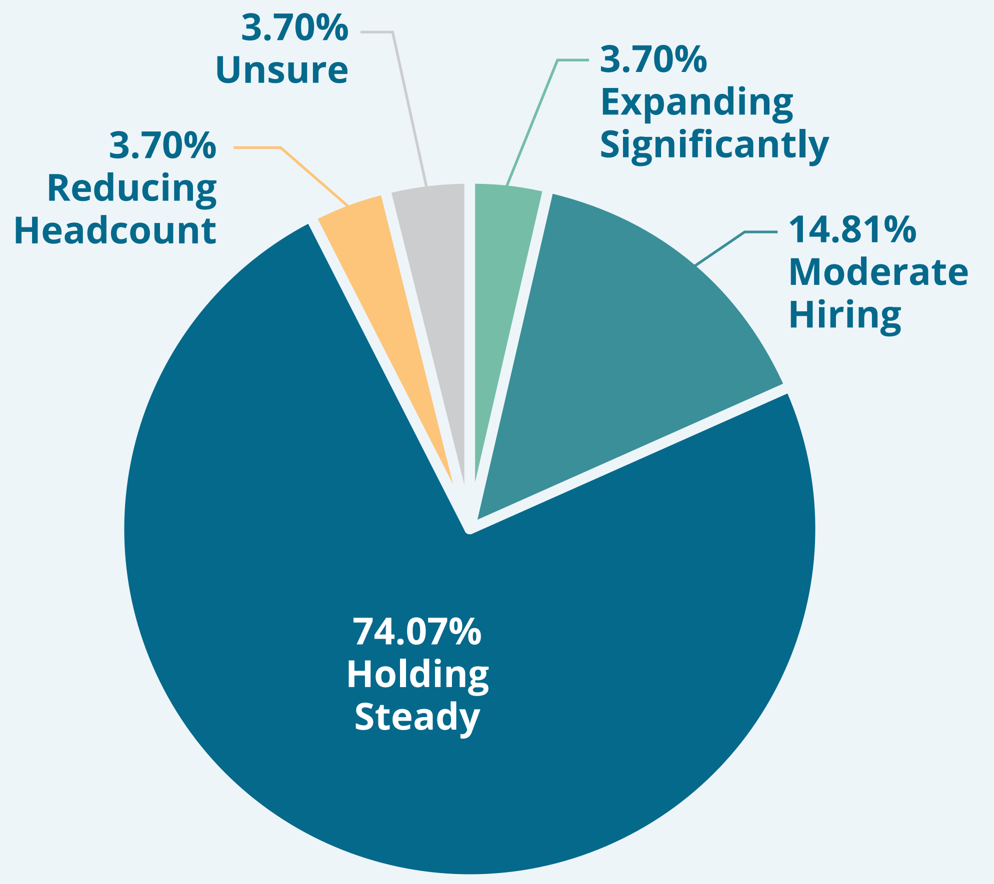
In 2021 and 2022, the defining challenge for most organizations was labor. Record quit rates and historic job openings meant that hiring and retention dominated capital allocation. Not because leaders chose that priority, but because they had no choice. If you couldn't staff the work, nothing else mattered.

That pressure has normalized. In our Q4 survey, when for-profit CFO consultants were asked to name their clients' biggest financial concern heading into the next quarter, labor availability didn't register.

HOW FOR-PROFIT CLIENTS ARE APPROACHING STAFFING OVER THE NEXT 6 MONTHS

74%

of for-profit clients are holding headcount steady



THE CONSTRAINT **HAS SHIFTED**

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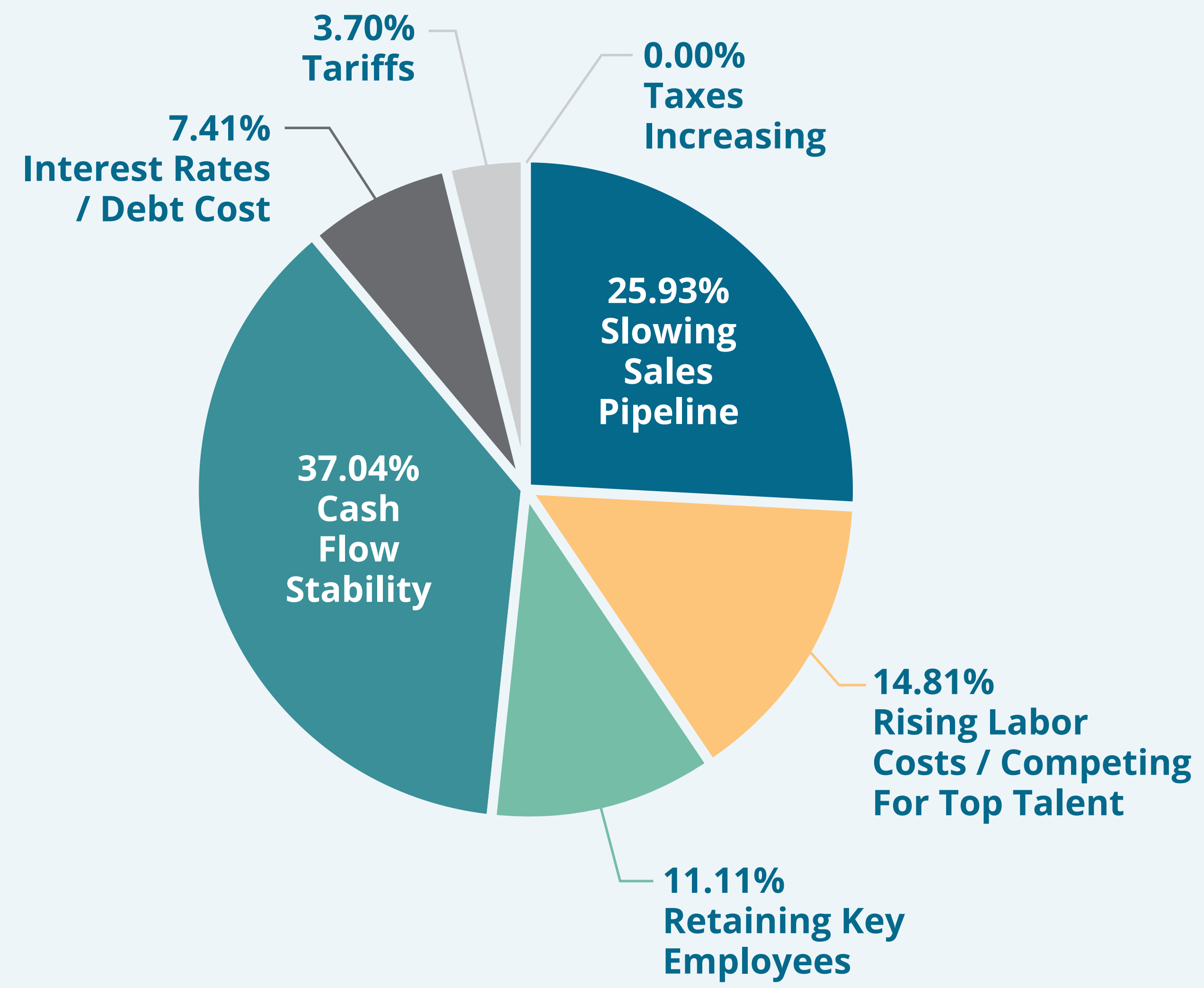
What CFOs did register as a concern: cash flow stability, a slowing sales pipeline, and rising labor costs. The concern about people has shifted from finding them to affording them.

The question has changed. It used to be: can we hire enough people? Now it's: can we grow without stretching our financial foundation?

FOR-PROFIT CLIENTS' BIGGEST FINANCIAL CONCERN HEADING INTO THE NEXT QUARTER

37%

Cash flow stability is the top financial concern for for-profit clients

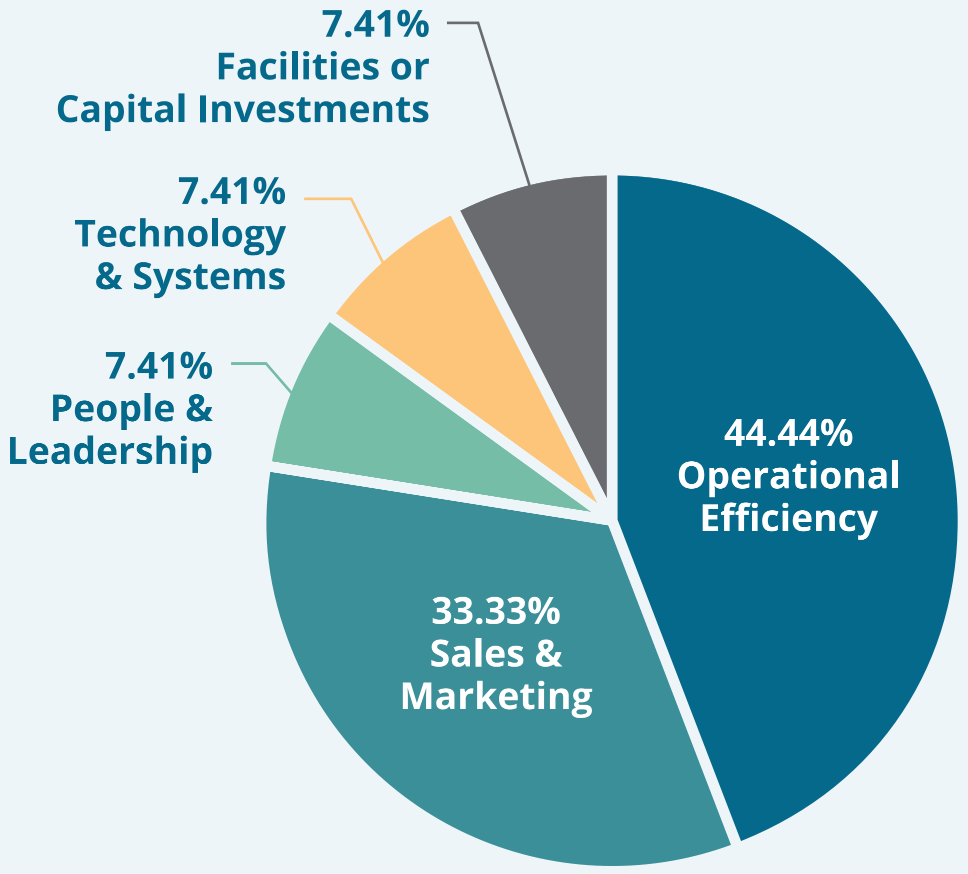


THE CONSTRAINT **HAS SHIFTED**

Investment priorities tell the same story. For-profit organizations are directing capital toward operational efficiency and targeted sales and marketing initiatives. Workforce expansion, technology, and facilities together account for the remaining quarter.

Leaders are strengthening the financial foundation before scaling cost structure; ***the goal isn't to avoid growth, but to sequence it.***

WHERE FOR-PROFIT CLIENTS ARE INVESTING MOST RIGHT NOW



"Everybody's holding on tight, CEOs and job holders. And I get it. But business owners are hungry for improvement. At some point, the fear of making a change becomes its own kind of risk. The real question isn't whether to move. It's when."

Scott Fowle,
Partner & Practice Leader
CFO Selections, Colorado

THE SAME DISCIPLINE, **A DIFFERENT KIND OF PRESSURE**

Nonprofit organizations are navigating a version of the same constraint, with higher stakes and less margin for error.

Unlike the for-profit picture, where CEO confidence data offers a useful macro comparison, no equivalent index captures the ground-level financial reality inside nonprofits.

When nonprofit CFO consultants described their clients' financial outlook for the next 12 months, 53% said mixed or uncertain; only 6% said strong and improving. The numbers reflect something real: 71% of nonprofit CFOs identified economic uncertainty and the funding environment as the greatest external factor affecting their clients' planning, and 46% said declining grant renewals are their clients' top financial concern.

71%

of nonprofit CFOs cite economic uncertainty and the funding environment as the top external factor affecting planning

46%

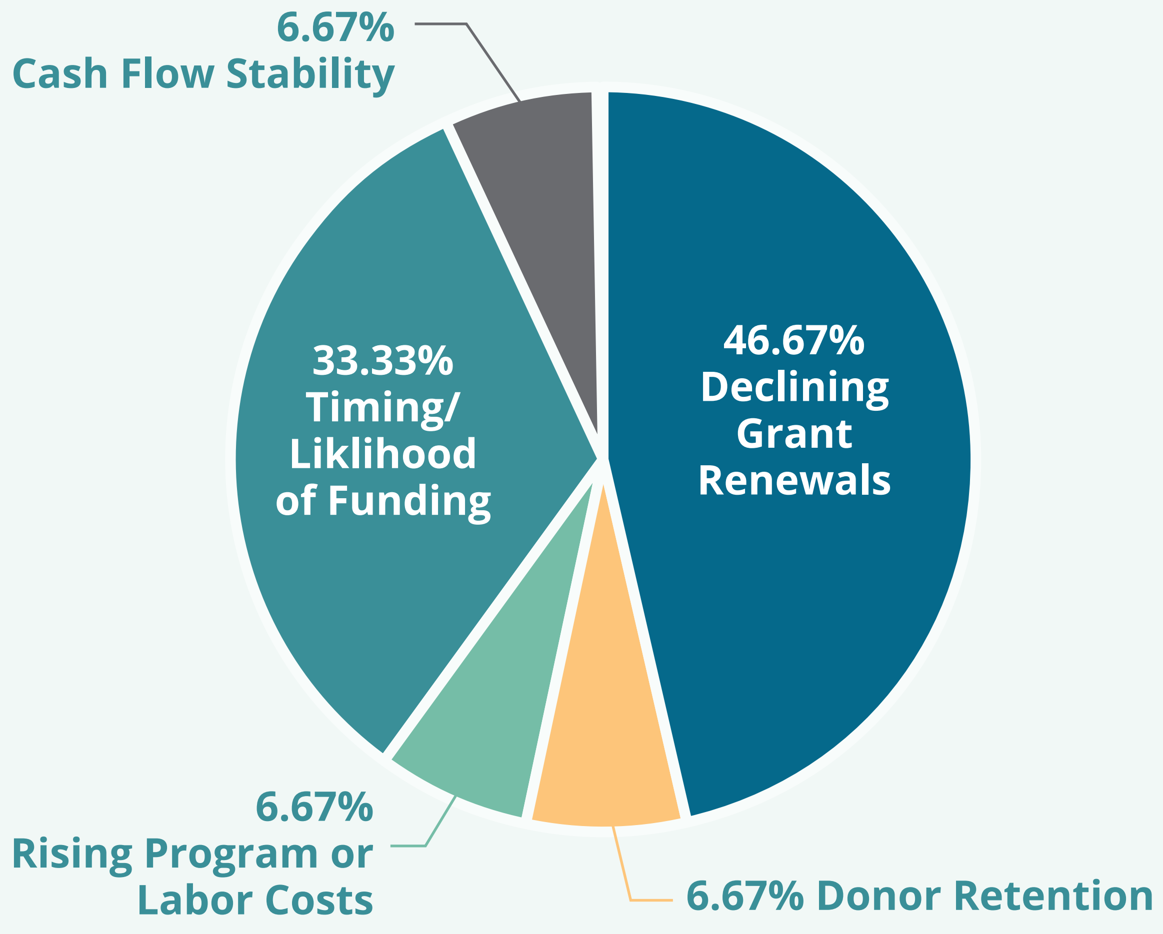
of nonprofit clients' biggest concern heading into next quarter is declining grant renewals

THE SAME DISCIPLINE,
A DIFFERENT KIND OF PRESSURE

Behind that number is a specific and acute anxiety: the uncertainty around federal funding.

Multiple consultants named it directly in open responses: an unpredictability in government funding streams that makes planning genuinely difficult, even for well-run organizations.

NONPROFIT CLIENTS' BIGGEST FINANCIAL CONCERN HEADING INTO THE NEXT QUARTER

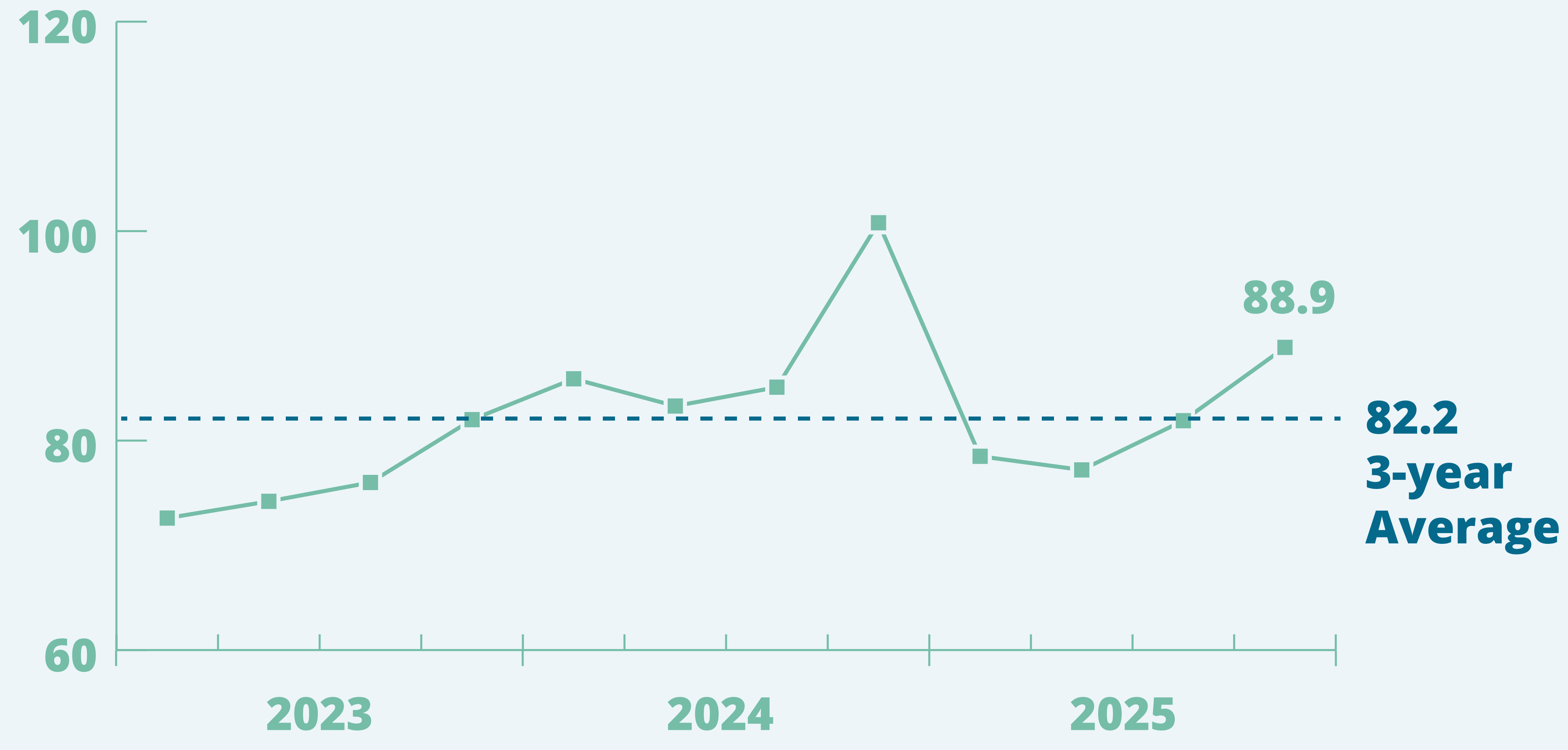


CONFIDENCE AT THE TOP, **CLARITY IN THE MIDDLE**

There is something interesting in the gap between what CEOs are feeling and what CFOs are seeing.

The Vistage Q4 2025 CEO Confidence Index reports a three-year high, in line with pre-pandemic confidence levels from Q4 2019. The uncertainty that defined 2025 has given way to what Vistage calls "acceptance and adaptation." Revenue expectations are rising. Investment plans are moving forward. ***Growth is expected to build gradually.***

The Vistage CEO Confidence Index rose by 7 points in Q4, ending the year nearly 7 points above the 3-year average.



CONFIDENCE AT THE TOP, **CLARITY IN THE MIDDLE**

The Vistage index closed Q4 at 88.9, a 7-point rise and a 3-year high, with 57% of CEOs planning to expand their workforce in the next 12 months. On the ground, our consultants are watching those same organizations hold headcount steady (74%), prioritize cash flow, and strengthen operational infrastructure before expanding fixed costs.

That's not a contradiction. ***That's what disciplined optimism looks like in practice, and it's the gap CFOs are helping leaders navigate.***

There is no universal playbook for growth in 2026. From professional services firms to construction companies to nonprofits managing federal grants, the situations are different and the numbers tell a different story in each one.

57%

of CEOs plan to expand their workforce over the next 12 months, up from 48% in Q3

Source:
Vistage CEO Confidence Index
Q4 2025

74%

of CFOs are seeing for-profit clients holding headcount steady

Source:
CFO Voices
Q4 2025

ONE CONSTRAINT THAT HASN'T EASED

In a period where sequencing and margin visibility matter most, one constraint hasn't eased: the availability of experienced financial leadership.

Unlike most functions where hiring pressure has normalized since the Great Resignation, finance and accounting talent has remained structurally constrained. Long-standing talent shortages have been compounded by accelerating retirements among senior financial professionals, a generational transition that reduces the pool of experts who've navigated previous cycles.

The data points in the same direction across both sectors. For-profit organizations are investing in operational efficiency and revenue clarity before expanding headcount. Nonprofit organizations are protecting institutional knowledge and funding stability while funding streams shift. Different pressures, same instinct: understand what you have before you commit to more.

> *"With unreliable or lack of financial information, many clients are uncertain in their decision making. It's about missed opportunities. Having confidence in the financial information enables decision making for growth and market opportunities."*
>
> **Tom Rieke, Consultant**
> **CFO Selections**

AI & THE FINANCIAL **FUNCTION**

Among the trends our consultants flagged most consistently in open responses, artificial intelligence stood out, though not in the way it often does in headlines.

Consultants described AI as taking hold "with caution": a tool being explored for efficiency, not wholesale transformation. Several noted it as a priority for improving administrative and operational processes. Others flagged it as a myth worth interrogating: the capabilities are real, but so is the hype.

For financial leaders, the more immediate question may be practical: ***where can AI improve the quality and timeliness of financial information: the forecasts, dashboards, and reporting that make the CEO/CFO relationship more effective?***

We'll continue tracking how our consultants and clients are navigating this in future surveys.

WHAT WE'RE WATCHING **IN 2026**

If 2021 was defined by labor urgency and 2025 by adaptation, then ***2026 may be defined by discipline:*** leaders acting on what their own numbers are telling them, with enough clarity to move.

In coming quarters, we'll track:

- Whether workforce expansion begins to accelerate, or whether the hold-steady posture persists into mid-year
- How pricing strategies evolve as cost pressures persist
- Whether operational efficiency remains the dominant investment priority as revenue clarity improves
- How nonprofit funding visibility shifts and whether federal funding uncertainty eases or intensifies
- How AI adoption progresses inside the financial function, and what our consultants are actually finding useful

The leaders positioned to move in 2026 are the ones who already know what growth would cost them.

Vistage is watching the same horizon, demand acceleration, labor as a structural constraint, pricing discipline, AI's role in productivity. We're watching it from inside the organizations where those decisions get made.

ABOUT **THIS REPORT**

CFO Voices draws on a curated group of fractional CFO and Controller consultants within CFO Selections' network, with client relationships spanning professional services, construction, manufacturing, the nonprofit sector, and other industries. We ask the same questions each quarter so that shifts in sentiment and priority are meaningful over time. Q4 2025 responses reflect work across both for-profit and nonprofit clients.

Vistage data referenced from the Q4 2025 CEO Confidence Index.

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