

The role of the **Interim CFO**

In PE-backed businesses

2026



Executive summary

Interim CFOs are increasingly central to the performance and stability of Private Equity (PE) backed businesses. As deal cycles extend and operating conditions tighten, they are deployed not only for financial stewardship but also as value creation partners across the investment lifecycle.

This report explores how the interim CFO model is working in practice. Drawing on input from experienced practitioners in PE-backed businesses, we reveal the key dynamics shaping the nature and impact of the role.

Key findings:

- **Interim CFOs are being deployed as operating leaders, not temporary cover.** The role is most often engaged to address specific operational or governance challenges, and mandates extend beyond financial stewardship. Interim CFOs are drivers of organizational change.
- **PE sponsor involvement is material.** PE operating partners are closely involved in interim CFO hiring and governance, reinforcing their position as critical leaders.
- **Rates remain consistent, and scale with complexity.** Day rate increases are more common than decreases, particularly in larger portfolio companies where scope and delivery risk are greatest.
- **Extensions are common but controlled.** Interim CFO contracts are frequently extended in short increments, but temp-to-perm transitions are not the default.
- **Effectiveness is shaped by conditions, not just capability.** Clarity of mandate and alignment between PE sponsors and executive teams can be the difference between success and failure.
- **The approach of the interim CFO is vital too.** Those who succeed take time to define success, build a credible baseline and target top priorities first.

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Who we spoke to:

- We surveyed 73 UK and US-based interim CFOs in PE-backed businesses of different sizes and investment scenarios.
- Almost half (49%) of contributors have been in the role for five years or more. It is a cohort of repeat operators, familiar with PE expectations and portfolio dynamics, transaction environments and performance-focused settings.

Figure 1: Tenure as an interim CFO

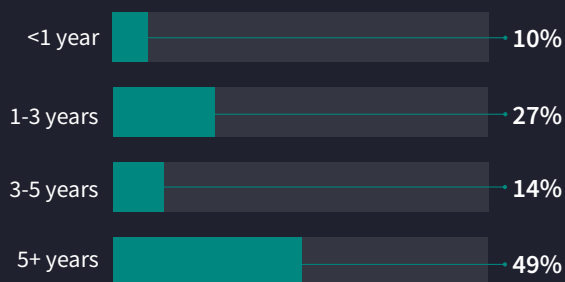
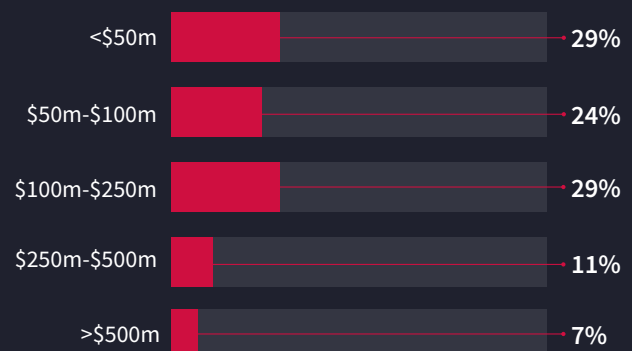


Figure 2: Annual revenue of the PE-Backed portfolio companies



Interim CFOs are deployed as operating leaders, not temporary cover

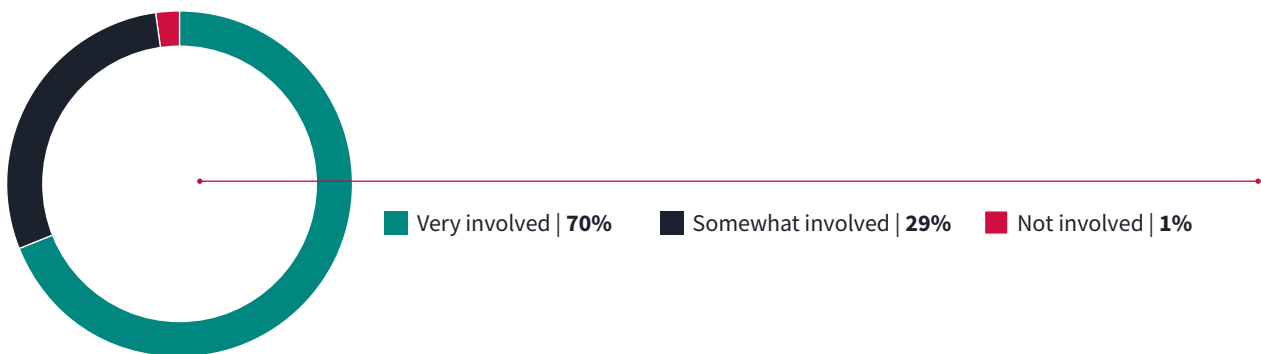
Interim CFO appointments are most commonly deployed in portfolio companies to:

- ➔ Drive financial and operational transformation
- ➔ Stabilize performance
- ➔ Improve financial visibility
- ➔ Support decision-making at pace

Rather than bolstering temporary capacity, interim CFOs are most often engaged to address specific operational or governance challenges that underpin value creation and exit readiness.

Survey respondents told us that their major challenges include data quality, cash management and alignment of expectations. In these contexts, judgement and execution capability are critical from the outset.

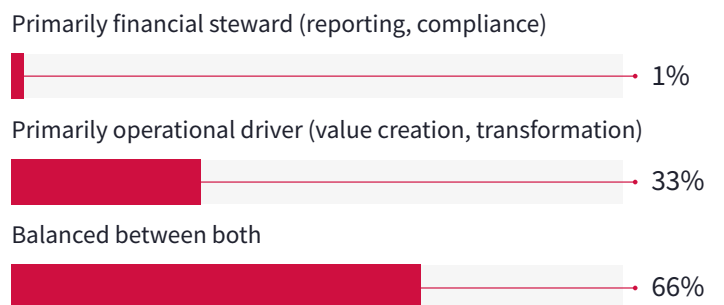
Figure 3: PE sponsor involvement in the hiring process



Sponsor involvement is high at the point of hire. Only 1% of respondents reported no PE sponsor involvement in the hiring process, signalling that these appointments are treated as material leadership decisions rather than routine interim cover.

Nearly all respondents described their role as an operational driver, sometimes balanced with financial stewardship. Just 1% viewed the role as solely a financial steward, focused on reporting or compliance. Expectations are firmly oriented toward value creation and transformation beyond the finance function.

Figure 4: How interim CFOs define their role





Across PE-backed businesses, the CFO role has evolved significantly. CFOs are increasingly expected to operate as strategic partners to the CEO, contributing to operational performance, commercial decision-making and delivery of the investment plan. In defining interim CFO mandates, sponsors and operating partners are placing greater emphasis on operational capability and commercial judgement, alongside traditional accounting and reporting expertise.

The scope of the role is therefore shaped by the condition of the asset, sponsor objectives and the stage of the investment cycle.

Responsibilities include:



Strengthening financial control



Supporting transaction activity



Improving visibility and reporting



Supporting transformation initiatives
(e.g. integrations, migrations)



Managing liquidity



Hiring into or restructuring the finance function



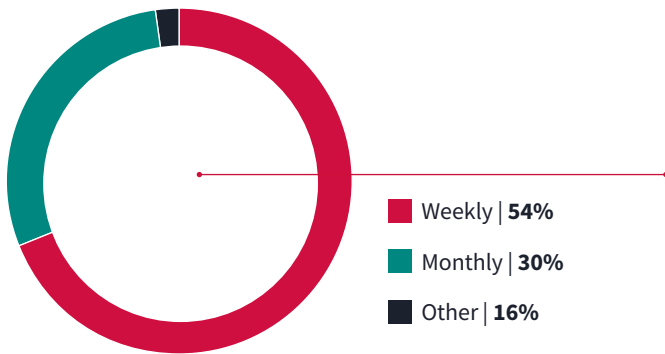
Engaging directly with sponsors

PE sponsor engagement shapes governance and mandate depth

PE sponsorship does not end at the point of appointment. The interim CFO hire is often most critical post-investment, when portfolio companies need to strengthen financial leadership and capability. This reflects the financial literacy of deal teams and the demands placed on management teams, particularly in first-time leveraged buyout environments.

Once in seat, interim CFOs typically operate within structured governance arrangements, with regular sponsor interaction and defined reporting cadences. They play a central role in sponsor–management communication, particularly following a change of ownership, where finance functions are required to evolve. Interim CFOs are commonly tasked with improving reporting standards, data availability, building FP&A capability and strengthening cash flow forecasting, including the implementation of 13-week cash flow models.

Figure 5: Reporting cadence



Most respondents participate in structured forums for financial overview, performance monitoring and decision-making, most commonly weekly (55%) or monthly (31%). Many describe an initial period of daily or weekly oversight, typically moving to a monthly cadence once stabilization has been achieved.

The mandate is frequently accompanied by responsibility for strengthening the underlying finance function. 80% of respondents report hiring into the finance team during their contract, including both permanent and interim appointments.

Figure 6: CFO hiring into finance function

Yes | 80% No | 20%

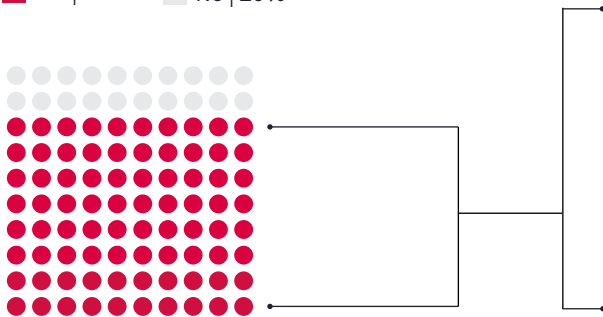
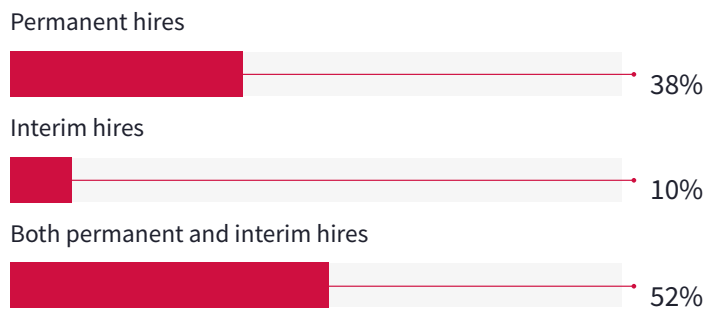


Figure 7: Role types hired into finance function



Finance function requirements evolve across the investment lifecycle. Early in the mandate, the focus is on stabilizing reporting, improving visibility and addressing immediate issues. As the business matures, attention shifts to building a more structured function, with capability in FP&A, reporting and systems.

In some cases, hiring is limited, particularly in smaller portfolio companies or later-stage investments focused on maintaining stability through to exit. In these environments, interim CFOs operate in a more hands-on capacity within existing team structures.

Interim CFO mandates therefore extend beyond oversight of the existing finance function. They are expected to address capability gaps and ensure appropriate financial support at each stage of the investment cycle.

Pricing tracks mandate scale and complexity

Day rates for interim CFOs vary materially by mandate scope and complexity, and differ meaningfully across markets. While the drivers of pricing are consistent, the scale of the business, the nature of the mandate and the depth of transformation required, the absolute levels reflect local market dynamics, cost structures and the availability of experienced operators.

Figure 8: Day rates for US-based interim CFOs (\$)



Figure 9: Day rates for UK-based interim CFOs (£)



In the US, rates cluster higher in absolute terms, with the majority falling between \$2,000 and \$2,500 per day and a meaningful proportion above \$2,500. In the UK, rates are most commonly in the £1,300-£1,599 range, with 27% of respondents commanding above £1,600. In both markets, rates are shaped by the scope and complexity of the assignment rather than uniform market pricing.

Across recent assignments, more than half of respondents reported an increase in their day rate, most commonly in mid to large organizations, while only a small minority, all in smaller organizations, saw a decrease.

Figure 10: Change in day rate for interim CFOs in their last 2 contracts



Where rates have risen, respondents point to larger or more complex mandates, more demanding transaction environments and the premium attached to relevant sector or situational expertise. Flat or declining rates tend to reflect narrower scope or reduced delivery risk, rather than any broad-based market repricing.

Interim mandates are often extended, but generally stay temporary

Interim CFO mandates in PE-backed businesses rarely follow a fixed or linear path.

While engagements are typically time-bound, continuity is common as delivery progresses and priorities evolve. 84% of respondents report having been extended beyond their original contracts.

Where contracts are extended, the majority (59%) are for periods of less than six months, 86% of extensions are for twelve months or less. Extensions are being used to bridge delivery milestones, to maintain continuity during periods of uncertainty, or to support the asset through transaction or transition phases.

Figure 11: Respondents extended beyond original contract

■ Yes | 84% ■ No | 16%

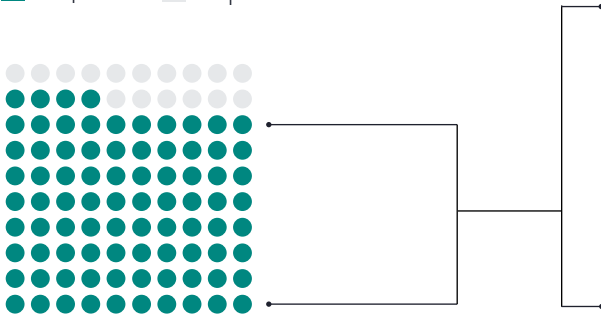
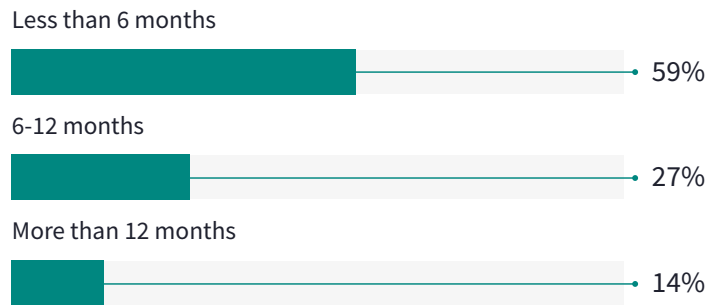


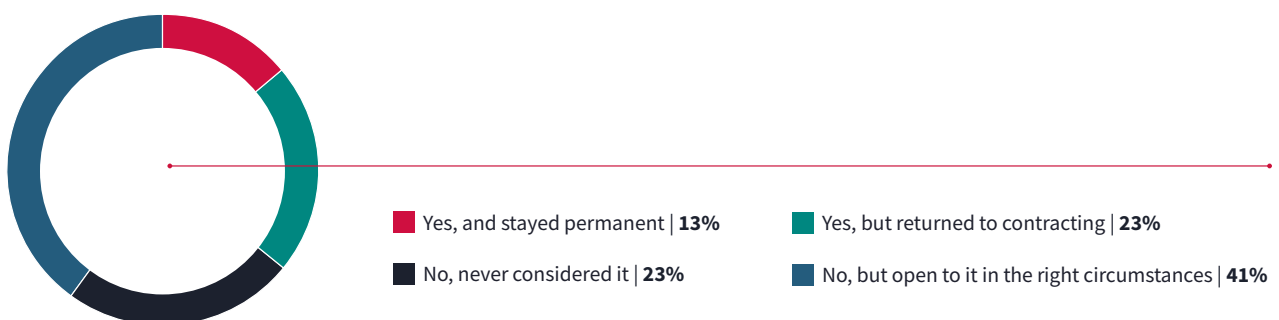
Figure 12: Length of contract extensions



Permanent transitions are not the default outcome of interim mandates. While 36% of respondents report having moved into permanent roles at some point, most do not approach interim work as a pathway to permanency. Openness to transition is typically conditional on the right scope, timing and broader context of the mandate.

Where transitions do occur, they are most often driven by changes in the nature of the role rather than initial intent. Respondents point to situations where the mandate expanded beyond its original scope, where continuity was required through a critical phase such as transformation or exit, or where alignment with the sponsor and executive team suited a longer-term appointment.

Figure 13: Temp to perm transition



Interim CFO effectiveness relies on clarity and alignment between PE and executive leaders

Much of an interim CFO's impact relies on clarity around their mandate. They report being able to mobilize and deliver effectively where expectations, sequencing and hierarchy are defined early. Where these are ambiguous, much of an interim CFO's early effort is taken up managing stakeholders rather than delivering change. This is exacerbated by the data quality and visibility challenges that are common in finance functions within fast-growing businesses.

Alignment between PE sponsors and executive teams is key here. Interim CFOs said their progress was slowed by delayed escalation lines, unclear accountability or divergent priorities across the PE and management teams.

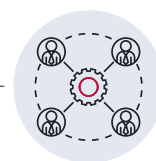
PE sponsors



Interim CFOs told us they achieve greater impact where sponsors:

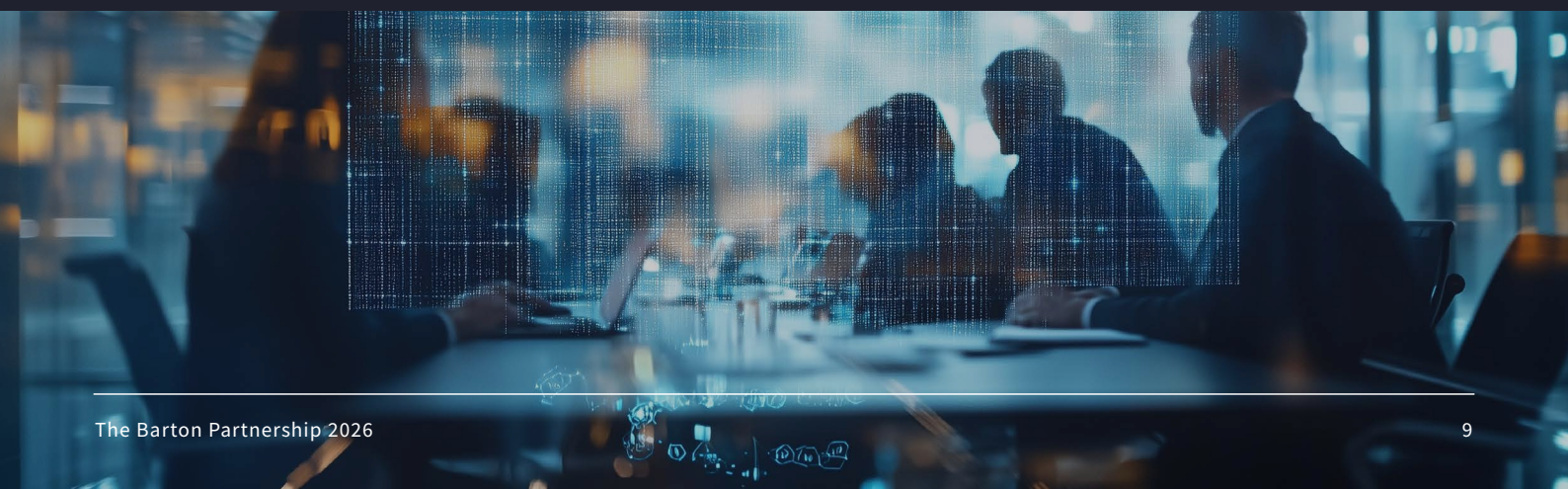
- **Define the mandate clearly at the outset:** Articulate priorities, success criteria and decision-making authority to reduce ambiguity and accelerate mobilization.
- **Maintain structured and timely engagement:** Establish regular review forums and prompt escalation to facilitate delivery momentum.
- **Ensure alignment with management teams:** Set consistent expectations with PE and executive stakeholders to prevent conflicting direction.
- **Provide active oversight:** Engagement might be weekly or daily during periods of stabilization, transformation or in the lead up to a transaction.

Executive teams



Interim CFOs report greater effectiveness where management teams:

- **Provide early access to reliable data and key stakeholders:** Address visibility gaps to enable stabilization and control.
- **Agree sequencing of priorities:** Set a clear schedule for stabilization, improvement and transaction activity to drive focus and execution.
- **Integrate the interim CFO into core decision-making forums:** Include the interim CFO in the leadership team to advance awareness and alignment.
- **Flag data gaps and financial constraints early:** Visibility of reporting weaknesses or liquidity pressures reduces course correction and preserves momentum.



Top interim CFOs differentiate themselves through structure, sequencing and team building

Though the input and actions of PE Operating Partners and Exec teams is vital, interim CFOs and finance operating partners also highlight the common steps that shape their own success:

01 Define success early

- Clarity at the outset of the mandate is critical. This includes alignment across sponsors, deal teams and management on objectives, timelines and the required profile. Without this, interim CFOs often face conflicting expectations that slow delivery and dilute focus.

02 Establish a credible baseline

- Early diagnostic work is essential to understand the effectiveness of the finance function. This typically includes assessing data integrity, reporting quality, systems and financial control frameworks. Establishing a clear baseline enables more targeted intervention and reduces delays in execution.

03 Sequence delivery through a clear roadmap

- In environments characterized by compressed timelines and competing priorities, effective interim CFOs focus on sequencing initiatives rather than addressing multiple structural issues simultaneously. Defining a clear roadmap enables prioritization of the most critical actions and supports delivery of value creation objectives.

04 Design the right team structure

- The effectiveness of the interim CFO is closely linked to the strength of the surrounding team. Ensuring sufficient support beneath the CFO, particularly through a strong number two or equivalent leadership layer, allows focus to remain on strategic priorities rather than day-to-day reporting.

This often requires augmenting teams with interim or permanent hires to address capability gaps as they emerge, while retaining core management and introducing complementary skill sets where needed. Alignment across sponsors, operating partners and management teams remains critical to maintaining momentum.

Finally, leadership requirements are not static across the investment lifecycle. Different phases of the deal require different skill sets, contributing to turnover at CFO level and the continued use of interim CFOs across portfolio companies, particularly where sponsors seek to deploy trusted operators.

In practice, effectiveness depends as much on how the mandate is defined, structured and supported as on the capability of the individual in the role. Leadership requirements are not static across the investment lifecycle, different phases of the deal require different skill sets, contributing to turnover at CFO level and the continued use of interim CFOs across portfolio companies, particularly where sponsors seek to deploy trusted operators.

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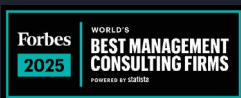
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