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Fractional & Portfolio CXO: A Passing Trend or Fundamental Shift?

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Introduction

The demand for fractional leadership, specifically C-suite professionals like CTOs, CFOs, and CMOs grew by **68% year-over-year** between 2023 and 2024. The number of fractional leaders globally doubled in just two years, climbing from **60,000 to 120,000**. These figures are not marginal footnotes to a workforce trend story, but a structural signal about how executive talent is being conceived, deployed, and valued in the post-pandemic economy.

Yet, data alone does not fully explain the phenomenon. At a deeper level, fractional leadership represents a philosophical reorientation. Organizations are seeking '**stagility**', a blend of stability for their workers and agility for their strategic operations. The fractional executive sits at the intersection of these two imperatives.

Drawing on industry intelligence, the organizational case for adoption, and established theoretical frameworks of HR and Organisational Behaviour, this paper examines the motivational shifts driving executive supply, the sectors and firm types leading the way, the mechanics of value creation, the risks organizations must actively manage, the evolution of hiring practice, and the role AI will play in its next chapter. The argument throughout is consistent: **fractional leadership is not a dilution of the executive function, it is a redefinition of it.**

Understanding the Fractional Executive Role

A fractional executive is a seasoned executive who offers strategic expertise to one or more companies on a part-time or contract basis.

Full-time executives represent continuity and institutional depth. Consultants represent external expertise and advisory capability.

Fractional executives are in a unique middle position where they combine strategic ownership with modular engagement, execution with adaptability and ingrained leadership with flexibility.

A fractional executive typically commits a regular, predictable slice of working time to each client organization: common structures include a 2-3 days per week retainer or a defined monthly retainer to an oversight function. By contrast, a consultant or external advisor is typically engaged on an ad hoc or episodic basis, often billed per visit or against hourly or daily engagement. The distinction matters because it changes the talent conversation. Consulting relationships are transactional and time-bound; they deliver analysis and recommendations. Fractional leadership is relational and ongoing; it delivers execution, mentorship, thought leadership, and institutional knowledge transfer.

Another critical dimension lies in how fractional executives engage with organizational systems in building processes, frameworks, and decision-making structures that can function independently without their constant involvement.

At a deeper level, this aligns closely with the idea of **The Boundaryless Career: A New Employment Principle**, where professional

identity is no longer confined to a single organization but spans multiple engagements and contexts. The fractional model brings this idea to life at the most senior levels, where leaders are no longer tied to one organization but contribute meaningfully across multiple contexts.

The first group of interim workers are the Baby Boomer/Gen X former/current executives who are seeking flexible job opportunities that allow them to apply their vast knowledge and experience to challenging executive roles and functions.

“They don’t just fill in the gaps; they make sure the boat stays afloat, whether it’s in an early-stage or a later-stage organization. They bring an external view and keep bouncing ideas off, bringing fresh perspectives into the system. In fact, at times, I’ve seen full-time leaders also appreciate having such people around.”

- Senior CFO from the edtech sector on ‘What sets fractional leaders apart?’

Market Landscape

Industry Concentration

Not all sectors have adopted fractional executive models at the same pace, and the pattern is instructive. It has concentrated in sectors where three conditions co-exist: rapid change, high specialization requirements, and structural constraints on executive compensation that full-time hiring cycles cannot satisfy quickly enough. **Technology, SaaS, healthcare, financial services, and manufacturing are the dominant sectors in adopting the fractional executive models.**

In these sectors, the cost of a leadership gap or a mis-hire at the C-suite level is not merely financial but strategic. A wrong call on a CFO in a scaling SaaS business can delay a funding round by a year. A weak CMO appointment in a D2C brand during a competitive window can cost a market position that is nearly impossible to recover. Fractional models reduce that risk by enabling faster access to proven expertise, with a shorter commitment.

Role Demand

The roles in highest demand reflect the functions where specialized expertise is scarce and most consequential for strategic decisions and business outcomes. CFO, CMO, CHRO, COO, CDTO and CTO positions dominate the fractional executive market today.

The demand for fractional leadership grew by 68% year-over-year between 2023 and 2024.



Source: <https://fractionus.com/blog/10-statistics-fractional-work-future>

However, the landscape is expanding. Emerging demand is also visible for Chief AI Officers, driven by organizations that recognize the strategic importance of AI governance and deployment but lack the internal capability to lead it. **As per a Deloitte-Nasscom report, there is a significant “demand-supply” gap in AI & digital talent in India, where demand is expected to outpace supply over the coming years. Such conditions can help fractional models to flourish in this space.**

Geography: How the Pandemic Rewired Access

A critical structural enabler of the fractional model’s acceleration is the pandemic-induced normalisation of remote work. As the physical office ceased to be a prerequisite for leadership credibility, the geographic constraints that had historically confined executive talent to specific cities and organizations dissolved. A senior marketing leader based in Bengaluru can now serve a SaaS startup in Pune, a financial services firm in Mumbai, and a growth-stage company in Singapore, all within the same working week.

Platforms dedicated to matching fractional talent with organizations have accelerated this transformation. **Based on an HBR study, LinkedIn profiles mentioning fractional roles grew from approximately 2,000 in 2022 to over 110,000 by early 2024, an expansion that reflects not just supply growth but the normalization of fractional as a credible and searchable identity in the professional marketplace globally.**

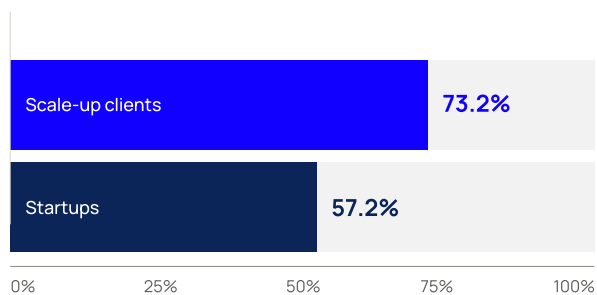
The major driving force for this model is how experienced leaders thought about commitment. Fractional work offered something rare: defined scope, clear deliverables, and a built-in exit that neither side had to negotiate awkwardly.

“I had been doing similar work alongside earlier roles, so the shift felt natural. And at this stage, when you’ve built a certain credibility and network, this model really lets you use that, work with more agility, and be involved in building things from scratch.”
- Senior HR Leader with tech-media, finance, and sustainability sector experience on ‘Why he explored fractional roles.’

Organizational Life Stage: Early Adopters of the Model

Organization life stage is perhaps the strongest predictor of fractional leadership adoption. Startups and scaling SMEs are the most consistent early adopters. They reach technical readiness before commercial readiness. Organizations here often possess strong product capabilities but lack depth in functions like finance, governance, HR, regulatory compliance, and market strategy that become critical as they grow. Fractional executives bridge exactly that gap of providing the commercial and strategic leadership that allows technically excellent companies to excel across domains.

Who fractional executives primarily work with



Source: <https://community.nasscom.in/communities/productstartups/how-fractional-cxos-help-startups-grow-fast-without-big-costs>

According to the Frak Conference State of Fractional Industry Report 2024, fractional consultants work primarily with scale-up clients, followed by startups. The common thread is not size but stage and circumstance. These are organizations that have outgrown their initial team configuration but are not yet in a position financially or strategically to commit to a full C-suite build.

“Smaller firms and startups, without a doubt, they get the most out of it. For bigger organizations, it is more of a choice than

a necessity. But going forward? I think this becomes the go-to model. It’s already moving that way. The ones who weave this into their system are going to get the long-term recipe for success.”

- A Seasoned Fractional CHRO with nearly two decades of experience across startups and scaling firms.

Executive Career Stage

An important dimension of the fractional leadership market is the life stage of executives themselves, which plays a significant role in shaping both the supply of fractional talent and its relevance to organizations.

Fractional leadership tends to attract executives who are at an inflection point in their careers, typically those who have already spent 15 to 25 years in full-time roles, bringing decades of cross-industry experience. This creates a strong pool of highly experienced leaders who are not exiting the workforce but redefining how they participate in it.

At this stage, the motivation for them shifts from traditional markers such as title progression or financial security toward autonomy, flexibility, and meaningful engagement. This shift is not anecdotal but reflects broader leadership trends.

“It’s a bit of a high risk, high reward space, you get to learn a lot by working across different industries, and at the same time, you have the flexibility to choose your clients and manage your own time.”

- A Senior Fractional CHRO

For executives themselves, these projects often represent a meaningful “second curve” in their professional lives. After decades of building functional expertise, the appeal of portfolio work is not just about flexibility- it is about identity. They are making an active, values-driven choice. They bring perspective that has been tempered by failure, calibrated by success, and tested across industries and economic cycles. That is a rare and undervalued asset and the market, increasingly, knows it.

What makes fractional leaders uniquely positioned at this stage of their careers is not just what they know, it is how freely they are willing to share it. This is the coaching orientation, mentoring teams, that emerges almost naturally at this career stage, and it is something organizations, particularly resource-constrained nonprofits, rarely get access to through any other model. That is the **real promise of fractional leadership**: at this stage of life, it is not just about impact during the engagement, **but progress that endures** well beyond it.

Why Are Companies Embracing Fractional Leadership?

Companies today are under pressure to scale faster, operate leaner, and make high-stakes decisions without structural rigidity or the luxury of time. In such a context, the traditional model of hiring full-time CXOs is either being complemented or replaced by more flexible leadership arrangements.

“I think it’s more of a strategic business call, they act as expert troubleshooters, brought in as and when required. From a company’s financial standpoint, when such big names get associated, they bring a lot of credibility, which becomes especially valuable during or even before IPO stages.”

- Senior CFO

Cost Efficiency and Financial Risk Reduction

Hiring a full-time C-suite executive represents a substantial financial commitment. From the base salary, performance bonus, ESOP, benefits, and the embedded cost of the recruitment process, along with the compounding cost of a mishire. Fractional leadership on the other hand, can reduce executive hiring costs by **30-40%** while still providing access to senior-level expertise.

Fractional leadership models can reduce executive recruitment costs by up to



40%

Source: <https://www.forbes.com/sites/cherylrobinson/2023/12/08/why-companies-should-embrace-the-fractional-employee-business-model/>

From an organizational economics perspective, the fractional model reframes the executive function as a variable cost rather than a fixed one, aligning expenditure more precisely with the actual value created during a specific phase of the organization’s development.

Speed and Strategic Agility

In high-growth or volatile environments, speed becomes a competitive advantage. Traditional executive search in this context is relatively time-intensive, whereas fractional platforms can provide access to pre-vetted executives much faster. A fractional executive drawn from a known network or a specialist platform can be engaged, onboarded, and contributing quickly. This speed advantage not only compounds the capability, but the organization avoids the productivity drag of an extended vacancy at the senior level.

A recent case at the Noida International Airport in UP highlights this shift. Where a regulatory hurdle led to an immediate leadership change, with the CFO stepping in as the interim CEO to ensure continuity and keep operations on track. This highlights how organizations today get the specific expertise they need, for precisely as long as they need it sans the legacy constraints of a permanent headcount decision.

Access to T-Shaped and H-Shaped Expertise

The traditional model of executive hiring favoured deep domain expertise: the I-shaped 'specialist' who had spent decades mastering a single function. The demands of modern organizations have shifted that requirement. **Today, organizations value T-shaped or H-shaped leaders that combine depth with cross-functional understanding.** This is helpful in industries like health tech and fintech, where regulatory, technological, and operational complexities collide. Because they operate across multiple firms, fractional executives naturally develop this broader perspective.

A good example can be seen in leadership transitions at Honasa Consumer (**Mama Earth Parent Co**) following the exit of its CMO, the CEO took over as the interim CMO, drawing on his cross-functional understanding of the business to ensure continuity in a **critical function**. This highlights the value of leaders who can step beyond their core functions, taking broader responsibilities when required.

Risk Mitigation

A mishire at the CXO level is one of the most expensive mistakes an organization can make, not just in terms of the financial cost, but also the opportunity cost, team disruption, and strategic delay. Fractional models reduce this risk in a structural way. The commitment horizon is shorter, the performance evaluation is tighter, and the exit is designed into the engagement from the outset.

"If you're looking at optimum tenure, it's not one-size-fits-all; most engagements need about a year to see real outcomes. Though it really depends on the role, project, and external factors also. Something like an M&A can easily take longer than planned."

"Typically, it's somewhere between 6 months and a year. The first 2-3 months are really about testing the waters, seeing if the fit and direction make sense. It's usually not stretched to 2-3 years, because a lot of these situations need immediate action, and if things drag on, they can become harder to manage."

- Senior Fractional Leaders on the ideal tenure for fractional engagement

Flexibility and Scalability

The fractional model allows organizations to dial expertise up or down in response to their actual strategic needs at any given moment, aligning leadership investment with business needs rather than fixed structures.

A manufacturing firm navigating a supply chain overhaul may need intensive CFO support for six months, then a reduced advisory presence thereafter. Full-time hiring may not accommodate this kind of dynamic calibration. Under fractional models, experienced executives are structuring their engagements to support exactly this kind of flexible demand from their client organizations.

The Supply Side: Why Experienced Executives Are Choosing Fractional Careers

The growth of fractional executives reflects a deeper shift in what experienced leaders desire from their professional lives. Understanding this shift is important for organizations that want to attract and retain fractional talent, as their motivation structure is fundamentally different from that of someone seeking a full-time appointment. While **Maslow's** higher order needs (esteem and ultimately self-actualisation) provide a foundational lens, the motivational texture of fractional career choice is better captured by several more contemporary frameworks from HR and Organizational Behaviour research.

The Protean Career

Douglas Hall's Protean Career model

describes a career orientation in which the individual, rather than the organization, is in the driving seat of career direction. The 'protean' person is self-directing, values-driven, and defines success by internal standards such as psychological success, meaningful impact, and personal growth rather than salary or title. This framework maps almost perfectly onto the experienced executives, not because they have failed, but because the institutional constraints of the role, budget cycles, board dynamics, and hierarchical deference have begun to consume more energy than the work itself.

The fractional model strips away those constraints. McKinsey's 2022 research on independent workers found that among high earners, the top reason for choosing independent work was simply that they **'enjoy what they do'** – a finding that aligns directly with the protean career's internal success criteria.

"The ambiguity, and I mean that in the best way. Every engagement throws you into a different context/problem, and you have to figure it out! That's what keeps years of expertise sharp. There are moments where you're building something from the ground up, entirely on your own. The autonomy is of course there, but it's really that feeling of challenge that's tangible to me and keeps me choosing this over and over."

- A Senior Fractional Leader on the 'most fulfilling part of working in the fractional model.'

There is also a **Human Capital Motivation dimension** worth noting. As organizations have come to understand the value of tailoring work environments to individual goals and preferences, particularly for high performers, the best executives have developed expectations to match. They seek environments where their expertise is genuinely valued, their time is used efficiently, and their contribution is legible.

The 2024 **State of Independence report** by MBO Partners found that 84% of full-time independent professionals reported being happier working independently, reflecting the growing preference for purpose-driven work.

How The Model Works in Practice & Creates Value

While the conceptual appeal of fractional leadership is strong, its real significance lies in how it operates in practice and the kind of value it creates for organizations. Four engagement models have emerged as the primary structures through which fractional executives operate, each suited to different organizational conditions.

- The **project-based model** defines a specific deliverable and timeline. For example, a digital transformation roadmap, a market entry strategy, a financial restructuring, and the fractional executive's engagement are scoped accordingly.
- The **interim model** often covers a defined period of transition, such as a leadership vacancy or a post-merger integration, including team management and cross-functional coordination.

- The **advisory model** provides periodic strategic guidance, often to the founder or board, without embedding in day-to-day operations.
- The **hybrid model** combines elements of the above, with the executive shifting between advisory, execution, and mentoring modes as the organization's phase demands.

Most experienced fractional executives operate across more than one of these models simultaneously, across different client organizations.

"It really depends on the need and stage of the organization. During peak phases or financial year-end, companies may want domain experts on a retainer basis aligned to business cycles. Whereas for more specific requirements like legal, taxation, or accounting, they may prefer a fractional CFO or finance specialist on a more flexible, project or hour-based engagement."

- Senior CFO from the EdTech space on 'How organizations choose between different engagement models.

One of the most distinctive mechanisms of value creation is **reverse mentorship**. Senior fractional executives, when positioned correctly, can serve as development catalysts for the organization's permanent mid-tier leadership, exposing them to different mental models, challenging their assumptions about how their function operates, and building capabilities that outlast the **fractional engagement itself**.

This cross-contextual knowledge transfer, not the transfer of craft skills from master to novice in a single workshop, but the transfer of strategic wisdom from an experienced leader to an organization's team and systems.

Many fractional executives are explicit about building internal capability as a core objective, deliberately working to make themselves redundant within the engagement timeline by elevating the team's own capacity to lead.

“Honestly, it’s the inflection point where things move faster than the organization can keep up with. Your business is scaling, and you know you need senior expertise in a function. However, it’s not quite big enough to justify a full-time hire yet. That’s the sweet spot where a fractional leader comes in without any of the political baggage. You’re not just getting expertise; you’re getting someone who can see the full picture without the blind spots that come with being too close to it.”

- A Senior Fractional HR Executive

From an organization’s perspective, adding a complementary value to fractional leadership work is less about finding the right person and more about building the right conditions for them to actually contribute. The organizations that get the most out of these engagements are the ones that show up prepared, with a systematic framework, and minimize integration challenges.

This implementation framework consists of several critical phases that organizations should consider when adopting fractional leadership solutions:

- Assessing organizational needs to identify specific capability gaps where fractional leadership can create value.
- Defining the expertise, expected outcomes, and leadership alignment required for the fractional role & integrating with existing leadership.
- Establishing structured onboarding processes to ensure seamless integration

with teams and stakeholders.

- Clarifying reporting structures, communication flow, and decision-making authority across the organization.
- Monitoring role-specific KPIs through regular review cycles and performance evaluation mechanisms.
- Formalizing knowledge transfer processes to retain expertise and strengthen long-term organizational capability.

Risks and Challenges Associated with The Model

Integration & Authority Ambiguity

The most immediate operational challenge is integration. A fractional executive working limited hours with multiple clients cannot build relationships at the pace a full-time hire can. Without deliberate onboarding, fractional leaders can find themselves marginalised by internal dynamics they do not have the bandwidth to navigate.

Research consistently shows that companies that include fractional executives in leadership team meetings, shared channels, and strategic planning processes extract significantly more value than those that treat them as **external service providers**. Authority ambiguity is a related but distinct problem. Outcome matrices are not in place, and often a fractional executive has to figure things out on their own. This may result in further expectations misalignment. In organizations where execution depends on formal authority rather than influence, this creates real limitations. The most effective fractional executives compensate for this through deliberate relationship-building and by ensuring that their mandate is clearly defined

and communicated to the teams they work with.

“In most cases, there isn’t really an organization-wide readiness to begin with. These roles are usually brought in by founders, without very defined mandates. The fractional leader comes in, starts executing, and often ends up shaping the mandate along the way. In fact, one of the biggest challenges faced by fractional executives is around stakeholder buy-in. Many still have a strong preference for full-time leaders and tend to view fractional leaders as outsiders, which often leads to people-related dynamics and makes integration more difficult.”

- A Senior Fractional CHRO on internal readiness and how it helps organizations benefit from fractional engagements.

Cultural Complexity: The Hofstede Diagnostic

Another structural challenge is the cultural complexity of moving between client organizations with fundamentally different values, power structures, and communication norms. **Geert Hofstede’s** framework of cultural dimensions provides a diagnostically useful lens. Hofstede identified six dimensions along which cultures vary: power distance, individualism versus collectivism, uncertainty avoidance, long-term orientation, masculinity versus femininity, and indulgence versus restraint.

For a fractional executive moving between organizations with different cultural profiles, say a high-power-distance Indian family business and a low-power-distance Nordic-style startup, the adjustment required is not merely stylistic. It is substantive. Hierarchical structures, the pace of consensus-building,

the appetite for direct feedback, and the degree to which authority is expected to be visible rather than earned through results all vary meaningfully across these dimensions. They must adjust not just their communication style but their operating theory of how authority is earned & how decisions are made.

The implication is that organizations hiring fractional executives and executives designing their portfolios should make cultural compatibility and adaptability an explicit criterion in the matching process, not an afterthought.

The Hesitation Gap of Organizations

Not out of hostility, but because the mental model of the psychological contract of employment is built on the assumption that real commitment looks like full-time presence, a quiet but persistent hesitation lives inside many organizations. Fractional executives are sometimes given half the access they need, restricting their information access.

Further, the share of executive positions referencing fractional work has grown sharply over the past few years. However, despite this momentum, many organizations, particularly in India still interpret fractional leadership through a gig economy lens. This is largely because both models involve flexibility and non-traditional engagement structures. But, that comparison misses a key distinction.

Unlike gig roles, which are typically transactional and execution-focused, fractional leaders operate at the level of strategy, decision-making, and organizational direction. The overlap in structure creates a perceptual bias, even though the nature of work and value delivered are fundamentally different.

Organizations fear fractional executives may work for a direct competitor or adjacent player, producing a self-defeating response: to the fractional leader, which then limits their strategic effectiveness. This concern is particularly acute in scale-up environments, where investor perception matters. The result is that fractional arrangements are sometimes kept deliberately quiet, which undermines the executive's ability to operate with full authority.

How Appointment Strategies Are Changing

As fractional executive engagement has evolved from an ad-hoc to a structured model, the way organizations source, evaluate, and contract is changing significantly.

The Switch: From Role-based JD to Outcome-Based Projects

Fractional executive appointment is shifting toward outcome-based contracts specifying what will be delivered, by when, and how success will be measured. Linking to this, organizations are building specific project engagements with data-driven structures and matrices for evaluation that will further help them evaluate the ROI in the fractional model. Organizations that are building the structured KPIs & timelines for deliverables are not only better utilizing the strategic ability of fractional leaders, but also making sure they're getting the long-term impact.

Rise of The Pod Model

Instead of hiring a single expert, businesses will engage "**fractional pods**"; mini teams offering leadership, analytics & delivery

capability bundled together.

Expansion into new Functional Areas

Organizations are expected to see emerging domains like fractional AI officers, ESG directors, DEI strategists, IP Officers, Cybersecurity leads, etc. Some are already blending with fractional executive teams, while the rest continue to grow.

Platform-Driven Talent Marketplaces

Fractional specialist platforms play an essential role in enabling this development pathway by professionalising matching, vetting, and engagement governance. Unlike general freelance platforms, these curate for seniority, domain expertise, and sector relevance, addressing the quality assurance problems that organizations were mostly hesitant about. The following platforms serve fractional and high-level interim executives globally:

1. Chief Outsiders - USA
2. Toptal - USA
3. Paro - USA
4. Interim Executives - UK
5. GigCXO - India
6. Cohire - India

When asked if there were any leadership practices from overseas that Indian organizations could realistically adopt, especially in the context of fractional leadership roles, a senior HR leader from a Big 4 firm said, "**While it differs across organizational scales, one thing Indian organizations could definitely learn from Europe is the far more skill-driven personality assessments. Another important practice could be building talent communities beyond immediate hiring needs. Engaging with passive talent is something that we still tend to overlook at times.**"

Leveraging the Model in the Future

The fractional model is not static. Multi-fold forces are likely to reshape its operating architecture over the coming decade more deliberately than current practice allows.

Decoding The Twin Engagement Model

One of the most structurally interesting developments is the gradual emergence of hybrid C-suite designs: “The Twin Engagement Model”, where the organization deliberately combines permanent full-time leaders in certain functions with fractional expertise in others.

The decision framework is based on a principled analysis of where deep continuity versus a broad external perspective creates more value.

Considering India’s business landscape, the most critical bottleneck is not the absence of technical talent but the relative scarcity of experienced commercial leadership capable of taking technically strong companies to market at scale. The fractional-hybrid model offers a viable and underutilized solution to this structural gap.

However, there are mixed views on this model. Some leaders believe that this works well in setups where the existing leadership may not yet have the required depth of experience, and a fractional leader can step in to support and groom them. In such cases, the role often goes beyond just leadership, it adds a mentoring layer, not only for the senior leader but also for the broader team.

At the same time, others point out that this model can create friction if not structured well. For instance, in a setup where the Head of HR is already in place and a fractional CHRO steps in, it can become difficult to navigate responsibilities, especially if the existing ecosystem is already being handled by the internal leader.

“This twin model can only really work if it’s designed deliberately; founders should invest time upfront in setting it up properly for it to work well.”

- A Senior Fractional Leader on the effectiveness of the Twin Engagement Model

AI as an Enabler of Fractional Productivity

AI tools are beginning to address the concern of time constraints for fractional executives. AI-driven analytics platforms will sharpen the value proposition of fractional executives by a speed that amplifies their impact across multiple engagements simultaneously. The implication is that the effective capacity of fractional executives will expand as AI tools mature.

Deloitte’s 2026 Global Human Capital Trends survey found that

70%

business leaders identify being ‘fast and nimble’ as their primary competitive strategy over the next three years, with the two most important drivers being the ability to orchestrate people and resources quickly, and increasing adaptability.

The challenge of connecting the right leader to the right organization can also be solved using AI tools that will be able to surface the most relevant candidates for a given mandate with a specificity that personal networks cannot match. Using Psychometric tools with AI integration, hiring decisions can be better aligned with **Person Job Fit (PJ)** as well as **Person Organization Fit (PO)**. AI augmentation of fractional executives directly serves all imperatives.

Fractional Leadership as an Executive Development Pathway

The pipeline implications of fractional leadership are underappreciated. As more senior executives build portfolio careers, organizations can create opportunities like deliberately engaging fractional executives not just for their immediate strategic contribution but for their effect on the development of permanent mid-tier leadership. The reverse mentorship mechanism, when designed into engagement structures from the outset, can accelerate the development of the next generation of leaders in ways that internal programs rarely achieve.

The fractional model mirrors the logic of the Build-Operate-Transfer (BOT) framework from operations management. The fractional executive builds the capability, operates it to performance standard, then transfers ownership to the permanent team, before moving to the next engagement. The objective is not indefinite engagement but structured capability transfer, with the fractional leader's value measured partly by how effectively they make themselves redundant.

Conclusion

The fractional executive model is not a passing trend. It is the natural evolution of how executive value is created in a world that rewards adaptability, cross-contextual intelligence, and purposeful professional design. The question for India's organizations is not whether the model is legitimate, but whether their hiring practices, engagement protocols, and organizational cultures are sophisticated enough to extract its full value in the near future.

As the model matures, a more interesting question would be whether hybrid leadership designs will become the default architecture for growth-stage companies, with permanent and fractional leaders co-designed from the founding stage rather than retrofitted during transition.

The model isn't about replacing traditional leadership, it is about extending it and making it smarter. As more companies that embrace fractional CXOs are future-proofing their businesses, ensuring they have the right expertise at the right time and can extract maximum meaning and impact from it, the demand for fractional executives will only grow.

About the Author(s)



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Kritika is currently pursuing her Post Graduate Programme in Human Resource Management (PGP-HRM) at IIM Indore, after completing her Bachelor of Commerce (Honours) from the University of Delhi. With 18 months of hands-on experience in Human Resources at Comviva, a Tech Mahindra company, along with HR internships during her undergraduate years, she has developed a strong foundation and a practical lens on how people practices vary across organisational settings.

At IIM Indore, she is actively building on this foundation through student-led initiatives and collaborative projects, approaching the program not just as an academic pursuit but as a live environment to test ideas, build relationships, and cultivate an inclusive culture she hopes to champion professionally. Kritika is particularly drawn to HR Advisory and Talent Management, with an emphasis on data-driven decisions that integrate HR meaningfully into the business, and aims to thrive in agile environments by continuously incorporating new technologies and approaches to create lasting impact.

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Anil Thankachan

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Anil is a seasoned Human Resource professional with the experience of working a significant amount of his career in scaling startups ground up. He brings more than 20 years of deep hands-on and consultative experience across Human Resources. Throughout his career playing multiple roles, he has been deeply involved with VC investors, founders and executive leaders in the area of people practices which have helped organizations grow seamlessly. His key contributions have been in:

- Talent acquisition across the hierarchy and functions.
- Creation of frameworks for performance management and talent engagement.

- Develop frameworks which enable in building diverse, high potential and performing teams.

In addition to his successful stints with large organizations like GE Capital (now GENPACT) and Avaya, Anil has had impactful stints with start-ups as well where he has scripted success stories for each one and helped them scale quickly and seamlessly. His stints have been with Tavant Technologies (Software Solutions), Mu Sigma Inc (Data Analytics – Sequoia & GAP funded) and SuperProfs (EdTech – Kalaari funded). In his last role, he played the role of CHRO at Innoviti Payments (Fintech - a Catamaran, SBI & Bessemer funded company).

Anil's deep experience spans functions, industries and geographies. His first principles-based approach to problem solving and thought leadership is deeply valued by clients and leaders alike.



Varun Sarin

Co-Founder, Director at
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Varun has over 25 years of experience in the corporate world, of which the last 18 years have been in executive search where he has led and managed critical client relationships across diverse industries. While working at EMA Partners, he managed engagements that span the sr. leadership suite with a special focus on Digital, Tech & IT Services, VC/PE-Portfolio and Professional Services. He was instrumental in developing firm's capabilities in the Digital & Technology space. Before co-founding PeopleAsset in December 2018, Varun was leading the tech practice at one the fastest growing executive search and hiring firm, headquartered in India.

Prior to joining EMA Partners, Varun was associated with Korn/Ferry where he was part of the Global Technology Markets (GTM) India practice. His areas of focus at Korn/Ferry included: Business & Professional Services, Business Information Services, IT/ ITeS, Electronics, Software & Emerging Technologies, Consulting, Big Data & Analytics, HR, and Finance. Earlier, between 2008-2011, Varun ran his own search firm before which he was associated with a niche economic, business and market research firm, IMA India.

Varun comes in with multi-domain, multi-functional expertise in Executive Search, and Leadership Coaching & Development. He had successfully completed Decision Dynamics Certification in the Executive Assessment Suite, is an Executive Coach, and regularly advises early-stage ventures/ entrepreneurs.

About PeopleAsset

PeopleAsset is a boutique Executive Search & Talent Advisory Firm geared to deliver high quality results. We help our clients dramatically improve performance through focus on leadership & talent.

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