



# The Rise of the Fractional Integrator

Need help with operations management but can't afford a COO? A fractional integrator may be the answer. Listen and discover what this expert does.





**James Schramko and Lloyd Thompson**

**James:** James Schramko here. Welcome back to SuperFastBusiness.com. This is episode 875. Today, we're going to be able to talk about getting organized. And for that, I've brought along my special guest, Lloyd Thompson. Welcome, Lloyd.

**Lloyd:** Thanks for having me, James.

**It started in the surf...**

**James:** So we're in the deeper echelons of Lloyd's lair here, I can see. We put aside some time to have a chat. Now, our story is quite an interesting one and is almost too difficult to believe. But I'm going to share a technique today that if you happen to be a surfer or outdoor adventurer could be handy.

Back when I was really interested in surfing a new area, because I moved, I found out there was no camera available. So I used to search Instagram looking for hashtags of that geographic location. And I found on a regular basis, there was this account, and it kept posting recent pictures of that location. And so I followed that account. And I was able to view this new location, on Instagram, as a sort of unofficial webcam, which if you're a surfer, you'll know how important that is.

Now, sometime later, this person also followed me back. It was under the name of a business, not a person. And I was in the surf one day, and this guy paddled over to me, and he said, Are you James? And I said, Yes. He said, I think you follow me on Instagram. I'm such and such. And I said, You're the guy. Okay. Well, thank you for that. And by the way, do you know there's a camera now? And it was you, Lloyd, and I think that was a surprise to you that there was.

But that's how we met. We were surfing buddies. And I found out what you do for a living. And you were working at the time for a very large organization, doing really big projects and working with remote teams, super highly organized, complex, difficult stuff. But I remember, you used to not enjoy going to work on Mondays,

**Lloyd:** No, definitely not.

**James:** And I asked you, what are you going to do about it? And you're like, Well, I don't really have a choice. I'm not sure. What else is there? And I'm like, Well, there's so many things.

And we got onto this topic of me basically saying, I think a lot of my clients could really do with help from someone as qualified as you. And you said, Tell me more. We talked about Gino Wickman, about the concept of rocket fuel and the fact that a huge number of my clients are visionary types, and they need someone organized to just get their projects done.

## **Mondays just got better**

And so we talked about this role of integrator. That's what we're going to be chatting about today. We might start off with, firstly, how are you enjoying your new business, having a business?

**Lloyd:** Well, Mondays for a start are incredibly different. My clients are mostly US-based, and that means that Monday is their Sunday. Just before this call, I went out for a surf. So Mondays now are something I look forward to, it's just much better. And also, it's a virtual business, and now I'm working from home, or I could work from anywhere.

And I think the recent Coronavirus outbreak has really shown a lot of transformation on how people can work from any location. A lot of business can adapt to this. So yeah, it's really changed things for me.

**James:** Well, it means a couple of things there. I mean, from a personal perspective, I love seeing this transformation happen for you. I think you called me James the Liberator at one point, which made me smile.

**Lloyd:** Yeah, you are.

**James:** But you do get to surf every day, and you love traveling. And when you can, which I think sort of starts from now for where you're located, you will start traveling, and it won't really impact your ability to make an income.

And now that you've got a team, which is another great transformation that's happened, as you've gone from a solo operator to having a team, as you grow and learn more about the clients, and that's what we're going to talk about today - what are the trends, what sort of clients you get results for, what is getting result actually look like for them? Because I know a lot of people will be leaning into this, thinking, Oh, okay, there could be something that I could learn from this, or perhaps I need a fractional integrator. We'll talk about what fractional integrator even means in just a moment.

But the other thing that has happened is that you're in this whole new world where you've brought these hard core skills. You know how to do Scrums and Kanbans. And a lot of people listening to this don't know what that means yet, or maybe they've had an inkling, or if they do know what it means, they might have been involved in software or things that cost a lot of money.

So we're going to talk about how some of these techniques can be applied to small businesses like the ones that we're used to dealing with. And so anyway, from a personal perspective, I love that you invested in your own confidence and abilities and said, Yes, I'm going to do this. You transformed yourself from employee to business owner.

Your website is called [virtualdoo.com](http://virtualdoo.com). If you want to check out Lloyd's service, which I've been helping him with in the background there, you'll see what he's been able to put together and how it actually works. But we're going to talk about that in the show. Let's just kick off with, what is a fractional integrator?

### Exactly what does Lloyd do?

**Lloyd:** Sure. So, perhaps let's start with what an integrator does. An integrator will oversee your projects, your daily operations; they'll make sure your trains run on time. They can be a proxy for the founder or the COO, they will manage your team. And they will continually identify ways to improve processes. So that's what an integrator does.

But they will typically be a permanent member of staff, like a COO. They'd have an expectation to be quite well remunerated. And they would want a stake in your business, generally. So that's probably the downside of hiring an integrator, apart from them taking cares of your business.

So this is where a fractional integrator service comes in. They will do this on a fractional basis. They will take care of your clients, they will take care of other clients on a fractional basis. And so this enables you to have someone operate your business at a reduced cost without the need to employ someone who might cost too much or want equity in your business. And you can typically expect a fractional integrator for the cost of 4K to 8K USD per month, depending on scope.



**James:** That's a really good metric to throw out there, because I work with plenty of people who are in that sort of six- to seven-figure revenue region. And for them, an overhead of a COO or a general manager is going to be too heavy. They would normally have to pay \$100,000 to \$180,000 a year. And as you said, that person will almost always ask for a slice of the action.

And they can be amazing, and they can be pivotal to the business. But they can also be difficult to make changes if they don't work out, or they can chew through staff, they could cost a lot of money if you need to buy them out or exit them. If they're Westerners, of course, you have higher wages, and payroll tax, and superannuation and legal obligations, etc. versus just hiring a service.

Now, we are used to hiring services for all sorts of other things. We hire copywriting services, we hire SEO services, we hire traffic services. It makes sense there that we can actually get all of our stuff implemented by just paying a smaller amount for a service who's going to work with a few others. Essentially, your clients are sharing you and your team with a few other people.

**Lloyd:** Correct. Yeah.

**James:** And what you bring to the table, like I know how much you used to earn at an actual job, and it was a lot. They wouldn't be able to afford you in the sort of micro size businesses that we're talking about.

Now, I've got another category of businesses that are in the sort of seven- to eight-figure region, whether they're early millions, or right out to \$10 or \$15 million, sort of range. Those people have a lot of moving parts already. They've usually got all the roles filled, they've usually got project management tools, they've usually got so many things on their plate, the founder is just in an absolute frenzy, pulled from left, right and center, that we're in a highly innovative industry that changes all the time - it's dynamic, they need to stay up in tune with it.

And it's very hard to find that key person who's going to come in and just fix it. Or they just hire you, your business, VirtualDOO, and you just come in there, and you assess what's going on. The visionary founder tells you what they're trying to do.

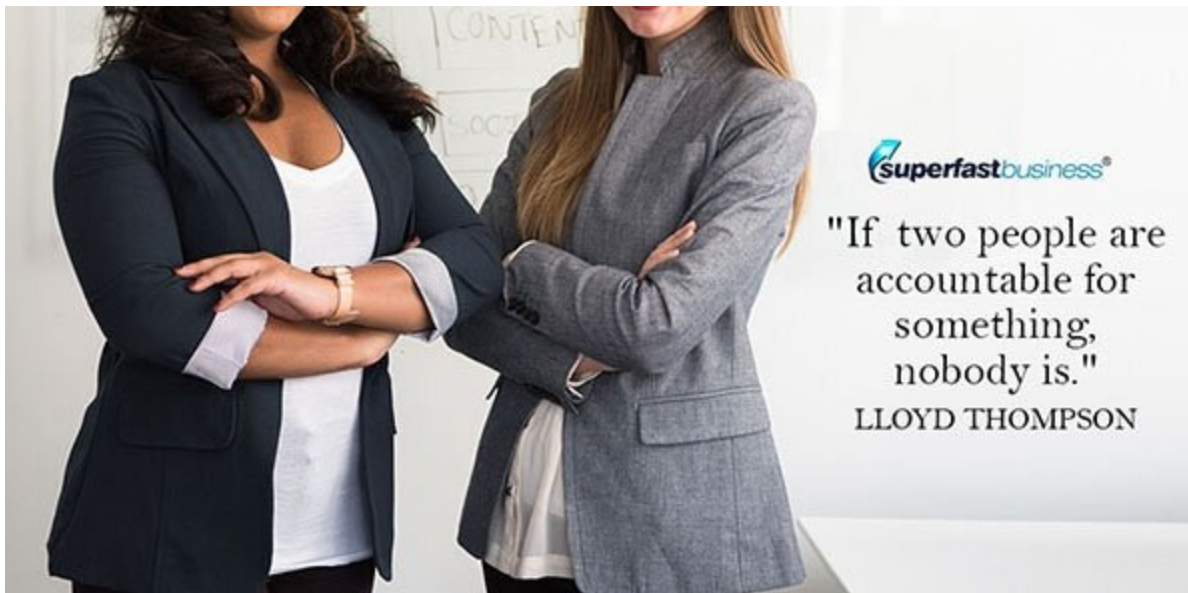
And I'm sure you've probably heard some of these sound bites, Lloyd, but the sort of thing I hear as a coach is, why don't my team just know what to do? How come my team can never translate my vision? Why is it that I'm always chasing them up, or they get distracted easily, or I'm not sure what projects they're working on? They don't know how to prioritize. Like, all these things.

## **What hiring a fractional integrator involves**

That's what VirtualDOO fixes, because you put in a system. So let's just talk for a second about, let's say someone takes on a fractional integrator. What does that look like for them in terms of, what will they have to brief, what kind of tools or systems will they need to either have or get, and how do you actually interact with their team?

**Lloyd:** Okay, so typically, I mean, my customers are typically online businesses, they're not huge corporations. And so the focus is quite often different to what a huge corporation would want. A huge corporation might be focused on large scale project plans, whereas the online businesses I'm working with, they want simple planning techniques that they can just take on, get going. They want predictability, and they want to ensure that their team are focused on the right things.

So what would happen is, I would come in, and the first thing I'd do is just get to know the team and understand who is responsible for what. So I would report to, or my team would report to the founder, the CEO, the visionary. I will manage that team, I will be the proxy for the COO or CEO or founder. And so then the first thing I'm doing with working with the team is understanding who's responsible for what.



And when you come into these places, one thing I've seen quite a bit is the founder has been doing this themselves. So they've been assigning out tasks to everybody. And so it can be a bit unstructured, and it can be a bit hard to understand who was actually responsible for what. And so first thing is actually establishing that is quite important, and making sure that two people aren't accountable for one thing, because if two people are accountable for something, nobody is.

So coming in, clarifying roles and responsibilities, is a very early step. And if that's not documented, working with the team to figure that out. So understanding what their day job looks like, where the work comes from, who do they interact with, etc., to establish their responsibilities. So that's really the first thing that would happen, getting in, knowing the team and establishing that clarity.

From there on, it's sort of understanding what the rules of engagement are going to be. So this could be understanding how decisions are getting made. Is there a sign-off process? And how do we prevent any disagreement around things? So this, unfortunately, is a classic, this comes up a lot. There'll be different departments or different teams wanting to ultimately solve a problem. But sometimes, this ends in discord.



So one of the rules of engagement we have is not just understanding how sign-off works, but how the team will engage with each other. And so if it's anything that's going to come up with any kind of disagreement, so firstly, we've talked about roles and responsibilities, whose team is responsible for what, but if there's something that's unclear about team one and team two, who's going to be responsible for it, the first thing I recommend is that these people talk to each other, like, give each other a call and work these things out. And if they can't work it out, then the integrator comes in as a tiebreaker.



So that's a classic rule of engagement. And that comes up quite a lot, because if people aren't calling each other to work it out, there can be a bit of discord about where the responsibility lies, and how things are going to be moving forward.

**James:** It typically is a visionary entrepreneur is dishing out a lot of instructions that have high velocity, and not waiting till each project is defined and structured and laid out and sequenced properly until they dish out the next instruction, right? They're just like, [sound effects] people everywhere.

**Lloyd:** Scattergun, tasks everywhere.

**James:** Yeah, it's like, they're probably not ideally skilled for that either. The things that made them great at coming up with this idea for a business, at driving the business, all the relationships that went into it, sometimes the business gets bigger and more complicated than their ideal skill set. And they should spend more time on just that visionary stuff and just get some help to come in.

## **When you're the cleanup person**

Now, what about a scenario where you come in initially to clean up and structure and systemize and get everything working properly, as you said, getting all the trains to run on time? And then over time, they hire someone to come in and take over that. Is that a feasible situation?

**Lloyd:** Absolutely. Yeah. And as a fractional integrator, this is something we'd hope to help the visionary solve these problems. So if they want to bring someone in and ultimately take over whatever responsibility, we're there to just help that happen. Yeah.

**James:** Yeah, that's nice. And because you have multiple clients sharing your services, you're not desperately trying to hook someone into a long-term contract. You're not trying to create a black box that makes it impossible to have visibility or transparency on what's happening. You're the exact opposite.

You're like, here's everything, here is total transparency. This is ultimate visibility. And you're just basically coming in, it's like those people when you want to move house, they'll come in and just pack everything and organize it for you and then get it to the other end and then unpack it and put it in place.

It's like magic. This is like magic for a hectic visionary, who's frustrated as hell that their projects aren't getting delivered. They come up with the ideas, but they can't get it there. Have you seen scenarios where you would recommend someone needs to hire a role or separate roles or change the structure based on what you know that they're not seeing, or they're not aware of?

**Lloyd:** I think it's important to really bring in these systems and make sure that they're working. So when you're talking about how are we going to bring on someone else in the long term, I think it's important to make sure that we are documenting everything and putting those systems in place. And identifying all of those systems and making sure every team has those systems documented so that the next person can take them on, that information is not being stored in silos with individuals. And so that's a large part of what we're doing, is we're working with the teams, is making sure that information is written down.

### **The most surprising things about small businesses**

**James:** What have been some of the things that surprised you the most, when you come into these smaller businesses? Having come from a huge enterprise, I mean, some of the projects you were working on, and correct me if I'm wrong, but I think some of them were worth tens of millions or even hundreds of millions of dollars, like there was some serious stuff.

And then you come into our little Wild West, right? Like, this world where you can come up with an idea, build a website and start generating income from scratch, like you did over the space of a short time, right? You went from idea in the surf to having, I hope you don't mind me saying, but you know, a solid six-figure business with team, and still maintaining your lifestyle within the space of a click of the fingers, right?

When you come into our Wild West world, like, what things shock you that you think, Wow!?

**Lloyd:** I think there's positives and negatives there. So the positives, just amazing how quick things move. So, if you want funding to just do something, hey, this needs to happen, approved, let's go, let's get it done. That is a real positive. Probably the downside is when you come in is how unstructured things are. Whereas when you've been in a corporation, the amount of structure can be almost too slow, sometimes.

Oh, the frustration about analysis paralysis, you don't get that with the smaller online businesses. But you do need to make sure that you both are agile, but then the structure is there. So that is definitely a big one there. And what we were saying earlier about the founder was probably much more in the creative mindset, would have been handing out tasks in a less than structured fashion.

So one of the things that we'll have to do is work out what kind of methodology is going to suit this business? Is it Kanban or is it Scrum? What are we going to do? What's going to fit this operation? Is it more repetitive and something that happens a lot? Or is it going to be something that's going to be putting in sprints, regular size, prioritize backlogs, that kind of thing? So yeah, it's about balancing needs there.

**James:** Well, there's a couple of things there. One is, you know, what tools are available to you. And two is that you're not forcing your one way. There are people out in the market, I've done them and I made you research them as well when we were coming on. Sorry, when I say made, I mean I strongly suggested or urged you to, you know, to be in a professional situation.

A lot of them have their one way. They have their system, or their framework, or their structure, and they push that, it's their hammer. What I like about you is, it's like I had a guy just actually repair my washing machine, which was still under warranty and was repaired under warranty. And on the way out of my house, he had a look at my surfboards, which are neatly stacked along the wall, and he goes, You have trouble choosing the surfboard?

I said, No, no, no, it's not like that at all. I said, Like, you need different boards for different conditions, like all the tools in your toolkit, you know? Like, that one over there is for really big waves. And that one over there is for the crappy little sloppy waves, like, you get to have the right equipment for the right conditions. And he goes, Yeah that makes sense.

## Kanban, for those who don't know it

Now, I've used Kanban in my business, especially when we had the SEO business and 65 people in our team at one point. It was a very simple but effective system. I think I borrowed it from Toyota, it's where I first heard about it. I would say a good chunk of people listening to this don't actually know what Kanban even means. Do you want to explain it in simple terms?

**Lloyd:** Yeah. So Kanban is about having a number of labeled-out steps of how a task is going to get from beginning of where it was created until the end when it's finished and it's done. And so a classic one might be steps for a new customer workflow. So there might be request for consultation, then we might do a follow-up. So this task is going into those different steps.

Creating a proposal, that's the next step. Reviewing that proposal, sending the proposal, creating the contract, and then it might be win, lost or followed up. So all of those would be stepped into Kanban. And that should be predictable. That should be something that we would know how long we typically expect for a task to flow between those individual steps. So that's very predictable.

And then we as a company, at VirtualDOO, we'll be looking at that Kanban and then try to identify the slowest piece and speed that up to make sure that things are constantly improving.

**James:** Right, you get high visibility on where things get stuck. And I remember in our business, we had to do, doing and done. So I could at a glance, look at and see, you know, which column is it in? I know the stuff we haven't even started, I know the things that are working in progress. And I know the things that are finished. So it was a very simple way to get a feel for the momentum of our projects. And then of course, within there, there's little steps.

## When they already have a system...

Now, some of the project tools that people automatically have in their business, I'd say, most people, of the type of business who would need a fractional integrator, already have systems. What if someone has a system? Will you get in there and say, No, you can't use that system? Will you adapt to that system? Or will you suggest a better system? How does that work?



**Lloyd:** We'll just have to look and see what they've got. I mean, to be honest, I need some kind of task-tracking tool, that's a must-have. So I don't actually mind what task-tracking software they've got. There's only a few things you actually need to get things working effectively. You need lists, so you can prioritize. And you need boards that you can work through.

And so I come across ClickUp and Jira, but it can be Asana, I really don't care. As long as they've got something, they've got those simple concepts, we'll be familiar, we'll be able to take that on. So that's something we need to see. And we can make recommendations. Absolutely.



There are other things we'd want. So we want some kind of group chat functionality. But you'd absolutely expect any online business to have this.

**James:** They've all got [Slack](#) or something like that.

**Lloyd:** Slack. Yeah. Google Chat or something like that.

**James:** We used to do Skype at one point, going back a while before they basically just fell asleep. I don't know what happened to Skype. You know, like, we're on a zoom now. It took me the longest time to finally get across to Zoom to record these calls, because I started finding people who I wanted to do a call with who didn't actually have Skype installed.

So sometimes there's a newer, better platform. And of course, you try not to just buy software for the sake of it. But most people here would have some form of Trello, Asana, ClickUp, Basecamp, Teamwork, Google Docs. I mean, they're all available. I like how you and I use, we have our communication channels that work really well for us. You must be platform-agnostic at this point. And it allows you just to work in to a team. Some businesses, when you're contracting, are very fussy about making sure you use their platforms. And it sounds like that can work for you.

**Lloyd:** Yeah, that doesn't bother me at all. I mean, as an integrator, there's only a few things that you really need. Like, we talked about sharing documents, that's one thing we need to do. It's important that a team is going to have some kind of way to document their processes. So what we call a Wiki. So it might be Confluence, or Motion, or something like that.

Video conferencing, as you mentioned, and then some way of just general note taking. So those are the main things that they need to have. And I don't really mind what they have, as long as it's usable.

## **How do meetings work?**

**James:** Let's talk about meetings for a second. I know some people in your team are involved in facilitating calls with clients, teams, etc. How does that work?

**Lloyd:** We typically use something like Calendly. So we can schedule in a time when it's going to suit everyone. In our team, I've got people in different time zones. And so we'll find the time zones that overlap, we'll book in the Calendly meetings. And then when these meetings run, we'll run them over Zoom, we'll record them if there's information that's going to be reusable and helpful.

And then we make sure that we've got someone taking notes, we've got someone who's closing the meeting, and we've got someone who's responsible for the parking lot. Especially when I'm working with a lot of creatives, they might be taking the conversation all over the place. Establishing someone who's the parking lot manager is a really helpful and important role because they're going to say, Oh, that's a great piece of information. We want to capture that. Let's move that to the parking lot. So we remember it, and we'll talk about that later.

**James:** Yeah, I mean, some visionaries just get caught up in the fact that they can have everyone on a call and have as many calls as they want. It's a lonely sport at the top, like in your team, you pay them. They're going to sit on the calls if you make them, so that's something to watch for. I'm fascinated with meetings. We don't do many meetings at all.

In my business, we have one meeting most weeks for about 10 or 15 minutes, and we have a team of six. And then I know other people are just obsessed, like all day, every day with meetings. Sometimes, I'm coaching someone, their whole calendar is just slammed with meetings with their team. I'm like, What the hell could you possibly be talking about that couldn't be covered in asynchronous communication, a Loom video, a memo, or just deleted off the schedule, because it's not an 80:20 activity?

## **What Lloyd does really well**

So that's a really interesting one. I imagine you'd be able to give someone some insights, if they're making wasteful measures in their business. Like, if they're doing things that don't make sense, would you point it out? Or do you just, because they're the client, you just keep polite?

**Lloyd:** No, I'd absolutely point it out.

**James:** Yeah, you would point it out. I know you so well. You're one of those few people. I absolutely love communicating with you because I always learn something. But you're also so fastidious, and you will point something out that you don't agree with. It's very rare that I find someone who holds their line and stands for what they believe in to the extent that you do, Lloyd. That's a great skill for what you do.

**Lloyd:** I'm surprised you didn't call me pedantic, which is what would normally come out, right?

**James:** I'm being polite. Like I didn't bring you here to say, like, when we initially had conversations, because what I do automatically is I think, because I'm a problem solver, right? If you want to summarize what I do for a living, I solve problems. And I'm solving your problem because you don't want to go off into the office on a Monday, when you used to have to go to an office. And then with lockdown, you didn't have to go to the office.

And we're in the great resignation period, according to the United States, right? Eighty percent of people don't want to go back to their job. And I know from dealing with you and from others like you, we have a community of people like you, I can't see them going back and doing their job and being happy about it, not when they were busy crowding up our local surf break.

But I know I'm solving your problem and then thinking, okay, whose problems can you solve? And I'm like, Oh, my gosh, you've got the follow-up that most of my clients are missing. You've got the ability to move projects and to see where they're stuck, and to do all the, I'm going to say geeky stuff, but in a respectful way, like the detailed work.

As you know, from dealing with me, I'm like, I'm not super into the detail, I can do it, but I don't love it, therefore, I tend to avoid it. And that's why when you find people who are really structured, detail-oriented, have follow-through off the charts, fractional integrator, that's what Lloyd should be doing. And you, my friend, you have knocked it out of the park. Everyone I've referred you to, when I'm following them up, they're like, greatest thing I've ever done, saved my life, makes my business a joy, so bloody good.

And I've got clients in different markets. I've got ecommerce clients, I've got information-based clients, I've even got a client who you're helping with a software deployment. They're all so happy. So I thought, I have to have you on the show. I have to talk about this.

Here's the big deal. In case this isn't obvious, right? You're listening to this show. More people are going to be working from home, from their workout studio or whatever you've got there, Lloyd, looks like you've got a nice place.

**Lloyd:** A beach shack.

**James:** A beach shack, yes, Lloyd lives so close to the beach, which is why I was relying upon his surf reports every day. So basically, there's more people who aren't going to be working in an office, who are going to be starting these online businesses, who do lack the skills to get organized and get the projects done, who need integration.

So that's why, Lloyd, you're in a great position. But also, if you're listening to this, and your business is spiraling into a fantastic growth spurt, but you don't know how to contain it, get in touch with Lloyd, [virtualdoo.com](http://virtualdoo.com), and you will experience what it's like to have your trains running on time, if you're a good fit.

## More to look forward to

Now, Lloyd, obviously has a selection criteria. No doubt he's going to ask you lots of questions. And I'd be shocked if he didn't do that. But anyway, Lloyd, thanks for coming along and sharing. This is sort of the first. I'd like to have you back for a little more depth on this. Next time, I want to talk about Scrum, because I'm still not quite sure what that means, and I think that's something that people with more complicated businesses than I do probably need.

I want to talk about the different types of roles that you work within your role as a fractional integrator, and the different types of team members that you have in your team. Like, just as a hint, I know you've got people who are specialized at project management. I know you have people who have worked on software programs, I know you have people who are really good at preparing research and doing reports, like, where you've taken this business in such a short time is proof that it's good for the client, and it's good for Lloyd.

So thank you so much for what you're doing, because as a coach, this is like, it's been the missing piece of the puzzle for me to help people because they just have the ideas. They could be doing more, but they're not getting that traction, or their trains keep tipping over. So this is the best. And we'll get you back for another episode on this one.

**Lloyd:** Thanks again, James.

**James:** So just in final sort of closing, what one thing would you like a listener to do, you know, with all your experiences, someone who's organized and structured, thinking about the clients that you have worked with, what's the one thing you would have liked them to have done, as soon as possible, based on what you'd learned about them when you went in there? Like, what's an action step that you think could bear fruit?

**Lloyd:** Just telling me what they really want, if they come up with their list, their wish list, their vision, so it's just really clear, what does good look like for them? Paint that picture for me. I think this is a classic line you said in the past, you know, if you wave your magic wand, what does it look like? And so if they do that for me, it's going to help me make them happy and get the outputs, get the wins that they want. So we're heading in the right direction.

**James:** So if they know what they want, if they clearly got this vision, and they want it, but they're frustrated, they can't quite get it, and they're a good fit, then magic does happen. I'm experiencing that in life right now. Like, you can get your dreams come true. I know you are. You are a very different year, in a year from now, your life will be so vastly different than two years prior, it will be almost indescribable.

So thanks for being a part of our community. Lloyd is also a member of SuperFastBusiness. And so, if you're a member of SuperFastBusiness, and you've got questions around this, by all means, just pop in and ask him a question in there. Send me an email if you've got a question for Lloyd, if you're not a member of SuperFastBusiness, and you want me to ask him on a podcast, and I'll put together a detailed list for Lloyd. And he will then research it and get some structure to it, and then we'll get him on and record another episode.

But for now, this is episode 875. We will fully transcribe it. We'll put some show notes up there on SuperFastBusiness.com. I'm James Schramko. That's Lloyd Thompson from virtualdoo.com. Thanks, Lloyd.

**Lloyd:** Thanks again, James.





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