



ECONOMY | INTERIM MANAGERS

TO THE RESCUE

When times get tough, there is one breed of driven manager that seems to be weathering the storm better than most. **Helen Mayson** asks whether interim managers really are the best at handling a crisis or simply cause short-term disruption

As companies struggle to operate in a climate of budget cuts and hiring freezes, they're looking for new ideas and new ways to get the job done. Increasingly they are turning to interim managers. This unusual breed of managers, many with years of experience, are parachuted into businesses undergoing change to tackle large projects, often at a very senior level.

Doug Peck, marketing consultant at Practicus, one of the UK's largest interim management recruitment companies, says that sometimes there's a negative view of interim managers, particularly in the public sector. This often comes from a misunderstanding of what interims do, or from confusing them with the more common contract manager or consultant.

"With contract management, you go in, do a job, and you leave. In interim management, you go in, do a job, but you leave a legacy: you upskill people and leave the business in a better state," says Peck. This process of upskilling, or knowledge

transfer, is the key factor that separates an interim from a contract manager and makes them such an appealing prospect for CEOs under pressure.

Although interims aren't consultants, who are hired on an ad hoc basis to improve performance, they are sometimes called upon to provide consultancy services in the early stages of a project.

Diane Jeanes, an experienced interim manager and winner of a performance award from the Institute of Interim Managers (IIM), is often employed for an initial period of consultancy, then asked to stay and implement recommendations, sometimes for months at a time. But long term assignments are not always the best way to use interims. Peck says that "any longer than eighteen months and companies should really be looking at a permanent person."

NEW BLOOD

The life and pay of an interim certainly seems an attractive proposition for those seeking a career change or facing uncertainty in their current jobs. The Interim Management Trend Update,





“
 INTERIMS HAVE GOT
 TO BE SO ADAPTABLE,
 CHAMELEONIC
 ESSENTIALLY, TO BE
 ABLE TO GO INTO ANY
 BUSINESS AND ADAPT
 TO THE CULTURE”



produced by Executives Online (EO), shows that although a quarter of interims have more than ten years' experience, one in four have less than two years' experience, reflecting the recent growth in the sector.

But can anyone step into an interim management career?

"The market's flooded with people that have been made redundant," says Jeanes. "They don't really understand what a career interim is and think it's something they can do as a temporary thing until they get a permanent role."

While the high wages and flexibility may be appealing, it takes a certain skill set to acclimatise to a business, analyse problems and implement change in a short period of time. "The people that actually make it in interim management are the ones that were there from the beginning," says Peck. "Interim managers are a very specific breed."

Jeanes agrees. "As an interim you need to go in, get up to speed and make a difference straight away. You need analysis skills, the ability to disseminate information very quickly and you need to filter out what's important and what isn't."

Interim managers are often called in to oversee periods of change, so managers "with a short attention span and those who like a challenge tend to thrive," says Peck. "They've got to be so adaptable, chameleonic essentially, to be able to go into any business and adapt to the culture."

ARCHETYPAL HUNTER

The short-term nature of the work means many interims are effectively unemployed for large parts of the year. In a network-driven world, a strong contacts book is essential for any aspiring interim. Assignments often come through word of mouth, so new interims may find it hard to keep up a steady flow of jobs.

Penny de Valk, chief executive of the Institute of Leadership & Management (ILM), says that this uncertainty means interim managers need a fierce drive and real ambition to constantly be on the lookout for new opportunities. "Interims tend to ▶

INTERIMS PROS AND CONS

THE PROS

- + Flexible lifestyle
- + Highly paid
- + Ability to transfer skills between jobs

...AND CONS Possible

- disruptive influence
- Lack of long-term
- follow through
- Expensive

HAVE YOU GOT WHAT IT TAKES?

- Self-confident, not arrogant
- Credible, diligent, enthusiastic
- Self-motivated
- Accountable
- Action oriented
- Results focused
- Informed risk taker
- Flexible – thinks laterally and strategically
- Adaptable, not status conscious
- Team player
- Excellent communicator, influencer and leader

www.ioim.org.uk

ECONOMY | INTERIM MANAGERS

CASE STUDY

**THE INTERIM
SUSAN ACHMATOWICZ**



"For the last three years I've been using the experience and transferable skills built up in my 30 year career and applying it to interim management roles.

My first interim job was with Voluntary Service Overseas (VSO), working in Kenya as a volunteer business advisor to a group of 50 fruit farmers. For my last assignment, I signed up with an agency and worked for the Healthcare Commission for seven months. It was a tricky job – I had to decommission the second tier of the NHS complaints system, essentially making 160 complaints case workers redundant over a six month period. It was my first real exposure to the public sector and the team of people I had were absolutely first rate.

There are two types of interim – one is highly skilled in a specific area, and those people will find that they're placed in different organisations applying a very specific skill set. I'm somebody

who's floated through various business sectors, so I think my agency (Penna) thought it might be quite difficult to place me. In this market, most people are looking for specialists who can hit the ground running with the right sector and background knowledge.

You have to get under the skin of an organisation very quickly. You're usually going in at a time when they've either got a massive problem, they're short of resource and you're plugging a gap, or they're going through a transformational period.

Interims tend to be people who like change and who can cope with the uncertainty. At the end of March 2010 I'll be out of a job and looking for something to do, or maybe I'll take some time off and do some travelling – I was looking at climbing Mount Kilimanjaro. There are pluses and minuses to the whole interim lifestyle. You have to be a certain personality to thrive on that."

◀ be a very different beast. They only eat what they hunt."

For Jeanes, the appeal of the flexible working pattern prompted her to leave her job as IT director at Legal & General and take up the interim life. "I get the best of both worlds. When I'm working I'm normally in the City and I get everything that the City offers; when I'm not working I live in a small village community," she says.

De Valk doesn't believe that interims need a particular skillset – rather a certain orientation. "Interims will always be lone wolves. Their experience set can be vast and, of course, they need the experience to be able to manage projects. They also need excellent communication skills and the ability to build teams fast."

The growing interest in the interim market means that the competition for jobs is increasing. "At a recent interim management seminar in Manchester, when asked how many people were interims, a few hands went up; those wanting to get into the market were 80% of the crowd," says Susan Achmatowicz, who moved into interim management three years ago (see case study).

Charles Russam, chairman of interim management consultancy Russam GMS, is even more pragmatic. "The market is more competitive and tighter now than ever before, so interims need to be on top of their game, brush up their skills and sell themselves to whoever needs their services and can pay for them."

VALUE FOR MONEY?

Bringing in an experienced manager to oversee a large project may make good business sense, but that experience comes at a price. Peck says that 60% of the managers he places are in the £500-£800 a day bracket, 20% at £800-£1,200, with the top 20% charging £1,200 plus a day. This is by no means a cheap option, but Peck tells businesses to consider the return on investment when factoring in the cost of hiring a seasoned interim. "It is an eye-watering amount of money, but if they save a business £30m, it pales into insignificance. Interims,

with their years of experience, genuinely drive phenomenal change you wouldn't be able to achieve otherwise," he says.

It's this wealth of experience that makes companies keen to get interims on board. If companies are clear on their remit, says de Valk, bringing in an interim can be beneficial. "It's important to remember that an interim is neither a manager nor a consultant, and to realise that they are in fact very different. Their skills and experience can be applied to many different problems."

But it is important to carefully consider just when and where to



**TOP TEN TIPS
HIRING AN INTERIM:
GETTING IT RIGHT**

Inexperienced users often fail to find the right interim for the job, making basic mistakes during the hiring process. Tony Evans, director of the Institute of Interim Management, highlights some of the essentials when it comes to recruiting an interim manager

- 01** Agree clear objectives on what you'd like the interim manager to achieve and ensure this is understood within your organisation and by all contracting parties
- 02** You need to view interims as a specialist service provider

ALAMY, GETTY



INTERIMS WILL ALWAYS BE LONE WOLVES. THEIR EXPERIENCE SET CAN BE VAST AND, OF COURSE, THEY NEED THE EXPERIENCE TO BE ABLE TO MANAGE PROJECTS

place interim managers as some organisations are using interim managers inappropriately. "All they're really doing is getting in a temporary pair of hands to turn something around," says de Valk. "The key factor is whether the change then sticks. They need a very clear remit from the beginning that they need to train a team to take that change forward."

HIT THE GROUND RUNNING

In these constrained times, the public sector is increasingly turning to interims. The latest figures from the Interim Management Association

(IMA) show that the NHS accounted for 31% of all public sector interim assignments in the third quarter of 2009, while local government hired 29%. The NHS has even opened its own interim management recruitment agency, NHS Flexible Resourcing, to deal with the increased demand for managers in the health and social care sector.

"The public sector generally sees interims as a solution – they get pragmatic, experienced individuals who can hit the ground running [and] who have the experience, the scar tissue and credibility to take the team with them," says IMA chairman Paul Botting.

Another growth area is risk management, particularly in the finance sector, where managers with risk and credit compliance experience have seen a 50% increase in day rates since the start of the credit crunch, taking the average from £1,000 a day up to £1,500. "Before the credit crunch, compliance and risk were sometimes seen as a necessary evil," says Andrew McIntee, head of financial services at Interim Partners. "Now the value of these previously unsung heroes is being recognised."

That's not to say that the downturn has not hit interim management. Nearly half (48%) of interim managers are currently out of contract, a figure that's up 15% since 2007, according to EO. But while interim activity was down 4% in the first six months of 2009, it was nothing like the 11% drop in activity in the second half of 2008.

"As in previous recessions, more companies have been employing interims on a part time basis, showing that demand is clearly there but companies are being more cautious and cost conscious," said Russam.

This emphasis on part time or shorter contracts is changing the way the interim world works with managers often working on several projects at once. Companies are still working with interims, but in a more flexible way and with tighter budgets, reflecting the times. ■



- 03 Don't appoint an interim without checking their credentials
- 04 Look at all of the elements that make up their career
- 05 Can they deliver what you need?
- 06 Seek professional accreditation of their interim status to ensure they aren't looking for a permanent role
- 07 This is a commercial relationship, not an employment relationship
- 08 An interim will have a significant influence on the direction of the company, so allow them to shake things up and give them space to deliver on agreed objectives
- 09 Be realistic on time scales
- 10 Remember your interim will behave independently – they're not there to take management instructions

CASE STUDY

**THE CLIENT
WILTSHIRE COUNCIL**



Local authorities are under increasing pressure to deliver the seemingly impossible – improvements in service and cuts in expenditure. In mid 2008, the threat of budget cuts on top of an increase in demand for services meant that councils in the Wiltshire area had to take radical action to ensure they could continue to provide for residents. Fast forward to April 2009 and the situation is quite different. Following one of the biggest change projects in local government history, four district councils and one county council have merged into one unitary authority, Wiltshire Council. This new structure has enabled a complete transformation that will save taxpayers millions of pounds while maintaining services. To achieve this, the council hired a team of interim managers via Practicus to support the existing team and transfer skills without interfering with the

council's strategic goals. The council leadership was adamant that they would not outsource this project to a management consultancy – they wanted to retain control of the project at every stage. However, in certain areas they needed extra resources with local government experience. The Wiltshire Council project has come in £2m under budget and the switch to the new organisation was achieved within an extremely tight deadline without affecting a single service. The department of Communities and Local Government has described this transition as a model example of managing significant and complex change. Key stakeholders, including the chief executive, all agree that the private sector experience of the interims was critical in achieving the results, but it was also the vision of Wiltshire Council's leaders that ensured that the right resourcing decisions were made.