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Introduction

The UK interim market has seen significant growth in recent years. Research has estimated the market to be worth in excess of £1bn per annum*. Interim managers have become commonplace in most functions and industries, even Premiership football with the appointment of Joe Kinnear as interim manager of Newcastle United. Procurement is no exception having seen a significant increase in demand for interim procurement executives in recent years. Interim management is now firmly established as a part of the resource mix, along with permanent employees, fixed term employees, consultants and temporary agency workers. In the early days of interim managers, they were typically seen as a stop gap to cover the time taken to recruit a permanent member of staff after someone left. The increase in the interim market has been driven by a number of factors including:

- a shortage of people with the right skills and experience in the permanent market
- constraints on headcount
- the constantly changing structure of many organisations requiring flexibility in the resource mix.

According to figures from the Interim Management Association the average term of an interim’s assignment is six months.

Interims or Consultants?

The terms interim and consultant are often used interchangeably, in fact may people, especially those working as a singleton, who describe themselves as a consultant are arguably interim managers. Possibly they hope to attain a higher daily rate. There are several generally accepted differences between interims and consultant although there will inevitably be assignments where the difference between an interim and consultant is blurred.

<table>
<thead>
<tr>
<th>Interim</th>
<th>Consultant</th>
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<tbody>
<tr>
<td>Reports directly to the client</td>
<td>Managed by the consultancy firm unless operating as an independent</td>
</tr>
<tr>
<td>An implementer of an agreed strategy</td>
<td>Analysis and recommendation of alternative strategies</td>
</tr>
<tr>
<td>Based on client's premises</td>
<td>Usually a mixture of attendance at both the client's premises and the consultancy firm's premises</td>
</tr>
<tr>
<td>Delivery of the assignment will be by one person</td>
<td>Typically the delivery of the assignment may be spread across several people</td>
</tr>
<tr>
<td>Relies on the knowledge and experience of one person</td>
<td>Has access to the wider resources of the consultancy firm</td>
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* Source 2006 ipsos Mori research on behalf of the Interim Management Association.
Interim Managers - CIPS Knowledge Now

Who makes a successful interim?

True interims choose interim life rather than look to interim work as a stop gap whilst they look for a permanent role. They do not see the assignment as a stepping stone to a permanent position. They like the change and the challenge of different roles and different organisations. Interims need to be able to adapt quickly to different cultures, sectors and organisations. Assignments could be in the public sector, private sector or third sector. An interim is “only as good as the last job”. Interims need to be able to build up and be able to demonstrate a track record of achievement in a succession of roles, rather than a few long term assignments. They need to have a presence and be able to sell themselves in order to get the assignment and be able to make an immediate impact in the organisation.

On a personal level the interim needs to be able to cope emotionally and financially with periods between assignments and the lack of security. In addition to their procurement skills, the interim procurement executive needs to be able to run their own business and manage themselves effectively both inside and outside of assignment.

The impact of the interim in the workplace

The interim manager can avoid the internal politics of the organisation and focus on the task in hand. After all, their concern is to successfully meet the terms of their engagement and move on to the next engagement with an enhanced record of achievement on their Curriculum Vitae. They are not “tied down” by established relationships in the organisation, are unconcerned about “rocking the boat” and can easily challenge the accepted norm of the organisation.

Whilst a single-minded focus on delivering the assignments objectives has many benefits, a short term interim can potentially have an adverse impact on the organisation’s longer term objectives. Typically, a procurement interim is focused on delivering cost savings in a short period of time, achieving quick wins, and so on. This may well impact in an adverse way on longer term objectives such as corporate social responsibility policies and supplier relationship management. One approach to counter this could be to ensure that interims are used for assignments where short term objectives are required and quick wins are needed. In other situations, such as where an interim manager is heading up a department and needs to look at the longer term picture for the department including staff development and so on, it is especially important that the objectives of the assignment are clear and that the engaging manager holds regular progress reviews with the interim.

There is a potential for friction between the staff and the interim. This could be due to issues around the fee level, or perceived fee level, that the interim is getting. There may be a feeling of “why not one of us to fill the role?” To counter this possibility, it is important that the engaging manager ensures that the staff are clear as to the reason for contracting an interim and the scope of the role. It is also possible to “sell” the benefit of an interim on the basis that skills transfer will be a part of the assignment brief and staff development will benefit.

The public sector

The Interim Management Association’s figures show that 38% of the use of interim management is in the public sector. In 2005/06 the National Audit Office’s figures gave a spend of c£1.8bn on consultancy and during the same period consultancy spend across the total
public sector was estimated as being in the region of £2.8bn. The level of use of consultants in the public sector has come under scrutiny and criticism by both the National Audit Office and the Public Accounts Committee, leading to the sector exploring other more cost effective and acceptable ways of filling skills and resource gaps thus leading to an increase in the use of interim managers.

**Impact of the economic downturn**

So what might the effect of the economic downturn be in the demand for interims? Opinion is divided between those who believe that there will be more demand for interims as organisations seek to reduce permanent headcount, whereas others believe that there will be a decrease as budgets are reined in.

**Hints and tips on engaging an interim**

- undertake an assessment of the requirement to arrive at the best resourcing option to meet the requirement
- develop a clear brief with defined responsibilities, objectives, success criteria and timelines
- ensure that the interim is effectively on-boarded to the organisation to ensure that they are able to hit the ground running and ensure that existing staff understand the role of the interim
- ensure that the interim is supported and has the tools to do the job or they may flounder
- ensure that skills transfer takes place between the interim and staff.