

UNLOCKING THE POWER OF INTERIM MANAGEMENT



INTRODUCTION

A powerful combination of disruptive technology, agile business models, changing working practices, economic and political uncertainty and nimble competitors is forcing businesses to transform at an unprecedented rate.

This 'perfect storm' brings as many opportunities as it does challenges, but to be able to take advantage of these, businesses need to be in a position where they can rapidly respond to change.

However, many traditional organisations can hit a stumbling block when it comes to change, as they 'don't know what they don't know' and perhaps most importantly – don't have the right leadership in place to drive transformation. While this is an issue that affects organisations of all sizes, across industries, it is especially true of larger organisations. After all, the larger the ship, the harder it can be to manoeuvre it.

THE RISE OF THE INTERIM EXECUTIVE

It is against this backdrop that we have witnessed the increase in demand for interim executives particularly in the private sector. The respected Institute of Interim Managers survey 2018 found that 28% forecast growth in private sector demand in 2019.

This is perhaps unsurprising, successful interim executives are generally business veterans who have built up many years of experience in guiding organisations through periods of change and come with deep expertise, problem solving skills and an ability to quickly drive change across a business.

Whilst many seem over qualified from the outside, it is precisely this expertise that enables them to very quickly understand the goals a business is looking to achieve and then set the strategy to complete these. They should bring a razor sharp focus, coupled with exceptional stakeholder management and team building skills to make change happen from day one.

They're there to get a specific job done, but, contrary to popular opinion, while they may physically leave an organisation once their role is complete, they should always leave behind a legacy of people processes and systems. Indeed, if an interim fulfils their role properly, they will leave their mark on a business for many years to come.

COMMON MISCONCEPTIONS AROUND INTERIM MANAGEMENT

Harnessed correctly, an interim executive is an immensely powerful tool. Broadly speaking, interim management is the provision of executive talent for a limited period of time, with a defined outcome. They are a powerful, flexible resource to accelerate change and deliver lasting impact.

However, there are still many misconceptions around what constitutes an interim executive. Most commonly, businesses mistakenly view temporary workers such as consultants and contractors as interim executives.

A contractor can be a very effective resource in helping to deliver a specific project or fill a skills gap. However, no matter how good they are in their role, a contractor will typically have a specific skills set and be task orientated and would not be expected to be a strategic decision maker or to necessarily leave a lasting legacy.

A consultant will likely have a strategic focus and give great insight into the strategy and direction a company should take to thrive in their market, however, they are rarely the ones to actually realise and execute this strategy.

A good interim executive will offer strategic advice, but then also bring their expertise and experience to bear in delivering this strategy. They will be goal orientated and work with the rest of the business to take them on the journey to achieve a specific objective, rather than a series of tasks.

The interim executive will be very much at the helm though, utilising a range of resources and skills to steer a business through a period of change, all the while providing stability, leadership and specific expertise.

As opposed to the hiring process for a permanent senior team member, which may take over six months, followed by a honeymoon period where they get to know the business and take stock, an interim executive will be well versed in hitting the ground running and will know they have a limited amount of time to make a big difference.

KEY BENEFITS OF USING AN INTERIM MANAGER

As alluded to above, there are many benefits to using an interim manager. These can be best summarised into the following categories:

★ Experience

Typically overqualified for the role, which they need to be to hit the ground running, they are experienced “battle hardened” leaders.

★ Outcomes

Interim executives are outcome focused, success is measured by results. They are delivery and implementation driven. In over 50% of engagements we see clients moving the interim executive onto a new challenge within the business and over 75% contracts are extended demonstrating high level of confidence in the person and the flexibility.

★ Flexibility and agility

Interim executives are usually available to start in a matter of days and work on a simple day rate basis. They join only for as long as they are needed, with no on-boarding or exit costs. They leave when their job is complete.

★ Independent

While sensitive to a company’s culture, they are not constrained by company politics. Having no previous history with the business means they can look at the situation with objectivity and clarity. They will be more candid than perhaps a permanent employee could be and their views will be based on evidence / facts and objective, as they have no hidden political agenda.

★ Stakeholder engagement

They can advise while rolling up their sleeves with a practical and pragmatic approach. How they deliver is important, they have excellent people skills and go about delivery in a quietly effective manner.

★ Knowledge transfer

Knowledge and skills transfer is a key part of each engagement, leaving a legacy of people, systems and processes in place and handing over on project conclusion.

Unlike a consultancy, they are very much client side and act in the client’s best interests with no interest in selling or revenue targets. Their reputation depends on a successful engagement, so their and the client’s objectives are aligned.

WHEN TO USE AN INTERIM MANAGER

While interim managers are a hugely effective tool in many circumstances, and offer excellent return on investment when used appropriately, businesses do need to ensure they are harnessing them in the right way.

When the business is in a period of change, as many are, and maybe unable to commit to a permanent hire an interim executive can fill an urgent gap, bring a specialist skill set, energy, independence and a fresh view.

Mandates from clients generally fall into two categories:

- ★ A safe pair of hands, filling a gap, covering for temporary absence
- ★ Lead the implementation and delivery of a programme of change, with clear objectives, deliverables and outcomes

A review of our engagements over the last five years shows that around 75% fall into the last category. Key expertise brought in with a delivery focus and specific objective.

Typical engagements include:

- ★ Manage the implementation and migration to a new finance system
- ★ Drive the implementation of a Governance, Compliance or Remediation programme
- ★ Deliver the integration or divestment of a business
- ★ Lead and deliver a major organisational restructure
- ★ Execute the implementation of Platform As A Service
- ★ Specialist data analytics expertise
- ★ Execute a business acquisition
- ★ Specialist EA expertise
- ★ Lead cloud technology transformation

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HOW TO SECURE THE RIGHT INTERIM EXECUTIVE

Before seeking an interim executive, it is vital to have a clear idea of the objectives of the engagement and what success will look like.

Businesses should not be afraid to be open and honest about their current situation. For an interim executive the bigger the “challenge” the better, they thrive on challenge and want to leave an organisation in a great place.

Work with a specialist partner or consultancy to understand the business problem, the current situation and your organisational culture and the objectives, before doing anything.

An interim executive is measured by results, so a successful delivery track record in the sector is important. When working at this level, competency and expertise is usually a given, so it is more around style, engagement, stakeholder management and the “how” of delivery. A major programme that needs recovering and brought back on track will require a different style and approach to a regulatory programme.

The ability to quickly establish relationships to “get things done” is critical, the “how” is just as important. The most effective interim executives are proactive and quietly go about delivery in an effective manner.

Moving in a timely manner is key, as high calibre interim executive talent is in demand and good candidates will not be available for long.

GETTING THE BEST OUT OF AN INTERIM EXECUTIVE

Interim Executives are highly experienced individuals and generally very self sufficient, but there are a range of tactics organisations can employ to ensure they get the very best out of their interim executive. Firstly, establish a clear reporting line, ideally with a specific sponsor and agree the key deliverables. This is also a good time to establish the engagement's objectives and how success will be measured against these.

Next, agree a clear communication plan, e.g. a weekly meeting with structure and agenda. Make sure the existing leadership team make time for the interim executive, as they will most likely have a range of questions.

It also really helps to communicate the appointment of the interim executive, as well as their objective internally to ensure a smooth onboarding.

Don't be afraid to challenge them and seek their opinion on a range of issues, this is exactly what a good interim manager should thrive on!

Remember, that for an interim executive, they are measured by their most recent successes, so it is very much in their interest for the relationship to go well.

These may be times of unprecedented change and disruption for many businesses, but with the right advice, approach and individual, appointing an interim executive can be the key difference between being the disruptor or the disrupted.

Adastrum Consulting
Bankside House
107 Leadenhall Street
London EC3A 4AF

+44 (0)203 705 3040