



Interim Management Solutions in the supply chain can play a key role in helping companies recover from the recession

With the UK economy in full recession and more supply chain people in the market place for jobs, there is still a need to have good quality people in short term assignments to help companies build for the future once the recession is over. Andy Kaye, chief executive of BiS Henderson, the largest interim management specialist for the logistics sector, highlighted the importance of effective interim management solutions as part of a recovery strategy at the recent meeting of the People Strategy Group.

BiS Henderson sees a clear difference between an interim consultant and an interim manager. Interim managers provide short-term operational and intellectual strength to the businesses, often stepping in to cover roles due to absence or to release line managers to carry out strategic projects. "Often," says Andy, "they enable organisations to trial and shape new roles and fix specific operational issues." Interim consultants are there to recommend, advise and develop new strategies by advising the board and sorting out the wood from the trees.

"Good interim managers will always be sensibly over qualified to undertake the role", adds Andy, and have a strong background of consistent achievement in multiple roles and sectors. They will usually have deep technical knowledge of a particular subject and typically be in the second half of their working career. Most importantly they will have financial security to manage any down time, be a self-starter, assertive but not pushy, and personable, with the ability to fit into a range of cultures."

BiS Henderson's view is that the key to successful interim managers is their flexibility and ability to be measured by results. "When the work is done the assignment should end and even if the end cannot always be predicted. Interims should have short notice periods, typically one week."

Interim managers are usually paid on a day rate, therefore clients do not incur employer's NI, sick pay, pension costs, car, health or other insurances, and any other accrued employment costs including notice periods. Often employers see interims as an expensive solution because they do not add in the hidden costs of a permanent employee. Andy gave an example of a £50,000 employee and an interim on £400 per day. The additional cost of an experienced manager on short notice with complete flexibility for the employer over six months is only an additional £11,450. Andy believes that at £350 per day for an interim, the difference is only £5,675 – a small price to pay for continuity of business."

Diary Dates

23 APRIL 2009

Wroxall Abbey, Warwick
Talent Management

7 JULY 2009

Venue to be confirmed
TUPE Update

21 OCTOBER 2009

Venue to be confirmed
The Practical Implications of the Agency Workers Directive

Andy then went on to dismiss some of the myths surrounding interim management solutions. Companies who do not use interims often quote the lack of commitment to the long-term success of the business. Andy countered this by saying that interims build relationships with companies based on their success and look for repeat business. "Interim managers are only as good as their effectiveness



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on assignments which is measured by BiS from feedback from clients,” Andy added.

Interim managers can also be seen as inhibiting the progression of permanent staff. Andy’s belief is that with the company in control of the process, there is no way interims would jeopardise the development of their permanent people. “Interims can often be used as effective mentors to develop young, talented but inexperienced staff into a new role.”

Most topical at this time is the issue of companies taking on interim managers when they are laying off full time staff. Andy’s view is simple on this. “If strategic or tactical issues threaten the viability of the company, the appointment of an interim with skills to resolve them will reduce redundancies and be respected by the workforce.”

But probably the biggest myth Andy exploded was a client saying: ‘I need to fill the job permanently and quickly.’ Filling a permanent job quickly can be successful but it does have risks. More and more companies are using interims to permanent solutions as a way of assessing the person in situ. Many are also using them in part time solutions two to three days a week. Often an interim will work for two or three clients at the same time. It is this flexibility that is THE key benefit to an interim solution.

Following Andy’s thought provoking introduction to the topic, the delegates broke into three groups to try and answer three key questions. Group 1 looked at: For companies where HR Managers who have used interim managers: What are the benefits that interim managers gave you and why did you use them? What alternative strategies could have been adopted?

The benefits of using interims were listed by Group 1 as follows: lack of internal resources, speed of availability, helping the business to grow through bid management, filling a shortage of skills and experience, dealing with specific project management issues, managing change in the business and succession planning. Why did companies use interims? Group 1, fed back through Chris Sturman, felt that ease of access, breadth of capability, credibility of the person, the bringing in of a different outside perspective on a project through additional external knowledge, were the key reasons for using an interim manager. Group 1 also felt there were a few ‘downsides’ that should be mentioned. These included: culture/ethical mismatch, selection and job specification needed to be tightly controlled, and unbudgeted costs could be an issue. As to alternative strategies, Group 1 felt the organisation could have made its permanent people work longer and harder, i.e. over-resource the activity or outsource the activity (however the Group recognised that this would need time as this would be a major strategic decision) and could identify the real costs to the organisation.

Group 2 was asked to agree a priority list of situations where interim managers could be of real measurable benefit to the business, then to choose the top three. Group 2, fed back through David Grahamslaw, felt that professional project management, dealing with seasonal pressures, issues with specific function e.g. IT or HR and the need to have qualified people to deal quickly with redundancies/TUPE situations were the top priorities. Satisfying a need within the business and quick recovery

from over reaction to an issue were also seen as priorities. The Group also felt it was easier for an interim to walk away from ‘internal politics’.

The top three appeared to be professional project management, qualified people on hand to manage large internal changes eg redundancies/TUPE situation and satisfying a specific need and helping to take internal politics out of a situation.

Group 3 looked at the main obstacles to using interim managers to solve specific strategic and tactical issues. The feed back was given by Jim Thomson of the Potter Group. Group 3 saw the key obstacle as identifying the exact role of the interim manager that had a clear set of objectives with an end result. Group 3 also felt that cultural fit was also a big problem. SME’s would find it difficult to take on someone who had had only experience in large organisations. Cost would also be a major obstacle as it would often not be budgeted for. Group 3 also felt that communication played a major role between the company, the interim manager and his employer. They also believed that the expectation of the quality of the interim not matching the reality could be a major obstacle, and the short time scale of the interim solution could be a barrier if there is a lack of definition or specification at the outset.

How to join

For information on joining the Logistics Leaders Network please ring 01737 365126 or email admin@paa-pr.co.uk.

The Logistics Leaders Network People Strategy Group has over fifty active members from HR Directors of leading Logistics and Transport organisations and welcomes other members of the Logistics Leaders Network to attend meetings free of charge. Membership of the Logistics Leaders Network is £115 plus VAT per annum. Our interactive website www.logistics-leaders.co.uk will launch in March 2009. This will provide information on all the activities of the Network and useful additional material. We will also be launching an annual publication Logistics Leaders in Spring 2009. For further information please contact Peter Acton of Gyros Communications on 01737 365 126 or info@paa-pr.co.uk

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