WHO YOU GONNA CALL... AN INTERIM MANAGER?

NIGEL CORBY ARGUES THAT ALL TOO OFTEN COMPANIES EMPLOY THE SERVICES OF A MANAGEMENT CONSULTANT WHEN THEY SHOULD BE USING AN INTERIM MANAGER

It’s a situation we’ve all been in at some stage during our lives. The normally reliable car has developed a fault. Marooned by the side of the motorway we watch other drivers speed on to their destinations while our own frustration mounts. Then, out of the blue, a friend stops and offers to take a look.

He sits behind the wheel, turns the key and pronounces his judgement. It won’t start. Then he lists all the things that could be wrong with the car. Finally he wishes us well, advises us to call the AA and heads back into the traffic. Ten out of ten for willingness, but sometimes kind words and a smile are not enough. We want someone to turn up, lift the bonnet, fix the fault and get us on the road again.

The same goes for businesses, overtaken by competitors, stuck in a slump or in need of a new and fresh direction, they need someone to take action and get their hands grubby.

Cue the interim manager (IM), an experienced, top level, flexible and immediately available decision maker who can swoop in, take the bull by the horns and really get things going. In terms of business ability and experience, an interim manager has already gone through the learning curve at someone else’s expense. This means he or she hits the ground running. The quicker the decisive action is taken, the more rapid the tangible savings will be.

While in many cases an IM is brought in to handle a problem, a takeover, redundancy programme or to fill a management gap, they are being used increasingly as a strategic resource for relocations, start ups, new projects or where specific linguistic or cultural expertise is required in dealing with foreign subsidiaries.

When a company needs an expert high level manager or director on a short or medium term basis an IM is an ideal solution. As well as having the ability to make decisions, often tough ones, there are none of the problems associated with taking on permanent staff, such as sickness, holiday and severance pay. They can also be in post almost immediately.

IMs operate across a wide range of industries and disciplines, such as general management, IT, finance, HR, logistics, contract negotiation and procurement. The interim is usually in place within three weeks but can often be affecting much needed change within a matter of days. Using a supply company, and one which specialises in interim management rather than blanket covering a range of professional appointments, is vital to get the best person for the job.

So how exactly does an interim manager differ from a management consultant? A consultant advises. The interim manager, conversely, acts from within the firm. He or she becomes the functionary and steers the ship from a position of immediate and authoritative power. Because an interim manager has full authority to act, the savings he or she makes are evident from day one. They can make staff appointments, shuffle employees across function, and make staff cuts if necessary; and implement cost saving actions and oversee projects as if they were a full-time member of staff, taking full responsibility for the consequences.

Interim managers are more cost effective than management consultants for three key reasons; they come for a block of time, typically between three months and a year, rather than a few weeks spread across a longer period, and their concentration is not fragmented which means they don’t need to crank up their brains every time they come back into the project after a break. Secondly, overheads for interim managers are far lower because their contract is for a longer period, so the agency fee as a percentage of the overall cost is far lower. Finally, interim managers are able to define the likely payback as a result of taking them on. This is usually around two to three times the cost of the appointment, where it can be measured, but is often far more.

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