



What do interims bring to the party?

A study into what is driving the uptake of interim
management in corporate communications and PR



VMA
GROUP



INTERIM
PERFORMERS



COMMUNICATIONS CONSULTANTS

What do interims bring to the party?

There are two sides to the equation with regards to interim managers. What do the interim managers think themselves in terms of the qualities they bring to the role, what demand is there for their services and what is a reasonable daily rate for an interim assignment? Conversely, there is the client's view. What drives them to use interims in the first place, what qualities do they look for in an interim manager and, again, what do they see as a reasonable day rate?

This study is unique in that it looks at both sides of this equation. For this research project, we polled both interim managers/freelance consultants as well as senior in-house corporate communications and PR professionals to gather their views on the subject.

Increasingly, we are seeing high-profile interim managers in senior corporate communications and PR roles. For example, Interim Performers has recently placed senior interim communicators at Homeserve, HSBC, KFC, London Borough of Hackney, Royal Mail and Waitrose, to name but a few. Over the years, members of The Counsel House network have undertaken interim assignments with clients as varied as Ashworth Hospital, Eurotunnel, Eurostar, Logica, Nabarro, Nova Chemicals, PKF, and Racal.

This study sought to find out what changing trends the interims and hiring managers have seen and what this means for the future of the interim market. It was carried out jointly by Interim Performers, part of VMA Group, and The Counsel House.

We hope you find this report interesting reading and a useful insight into the subject.

Jules Shelley
Senior Consultant
Interim Performers

Robin Swinbank
Managing Partner
The Counsel House

WINYD THE GAP

What the interim managers say:

- The three key drivers creating assignment opportunities for interims are ‘gap filling’ during a permanent recruitment process (cited by 28% of respondents as the reason why an interim job arises), strengthening an internal team which lacks strategic expertise (18%) and providing cover for when a key player is on maternity or sick leave (15%).
- Four out of every ten interim managers believe they provide the most value to an in-house corporate communications or PR team by adding an additional expertise or a niche skill set which might not exist in-house.
- Asked to rate the various qualities they think interims can bring to a team on a scale of one to five, the interim freelancers rated ‘experience’ most highly with an average 4.56 rating, ‘objectivity’ next with a 4.42 rating and ‘flexibility’ third with a rating of 4.36.
- Nearly two thirds (62%) of interims think that a day rate between £200-£600 is reasonable (with 26% saying this of the £200-£400 per day band and 36% saying this of the £400-£600 per day band).
- One out of ten thinks that the £600-£1,000 per day rate is reasonable (with eight per cent saying this of the £600-£800 per day rate band and two per cent saying this of the £800-1,000 per day rate band).
- Only 27% of interims are reporting an increased demand for their expertise, whilst 43% reported no increase.

Caroline Phelps, who has worked as a freelance consultant and on interim assignments for businesses including National Express and Weight Watchers UK, says:

“Clients, and in particular hard pressed in-house teams, need the best of both worlds when they are looking for additional support. They value somebody with a lot of experience who can bring a fresh strategic perspective to projects, but they also need somebody who can get involved in the day-to-day delivery and above all, they need somebody to hit the ground running. It’s this blend of skills that makes interim support so effective and that is key in today’s market where every budget is under pressure.”

Peter Kendall, a member of the TCH Round Table team, who has worked on assignment with a number of private and public sector organisations, including BHP Billiton and the Home Office, says:

“Interim freelancers in corporate communications tend to be people who have been around the block and proven themselves at the highest level, both in-house and in consultancy. It is this experience that often gives first-time employers better value than they were expecting and has them really buy into this way of hiring extra firepower when they need it.”

Jo O’Driscoll, a member of the TCH Round Table team, has worked with a range of government departments and public sector organisations, including BERR, DECC, DEFRA, National Trust, Gambling Commission and Judicial Appointments Commission. She says:

“Using interims makes real sense for cash-strapped public bodies. An interim or freelance can offer the kind of strategic expertise which organisations often need on a short-term basis, without the expense or commitment of employing senior staff. Interims have the advantage of a wide range of experience across different issues and organisations and can sometimes offer more objective advice than in-house staff.”

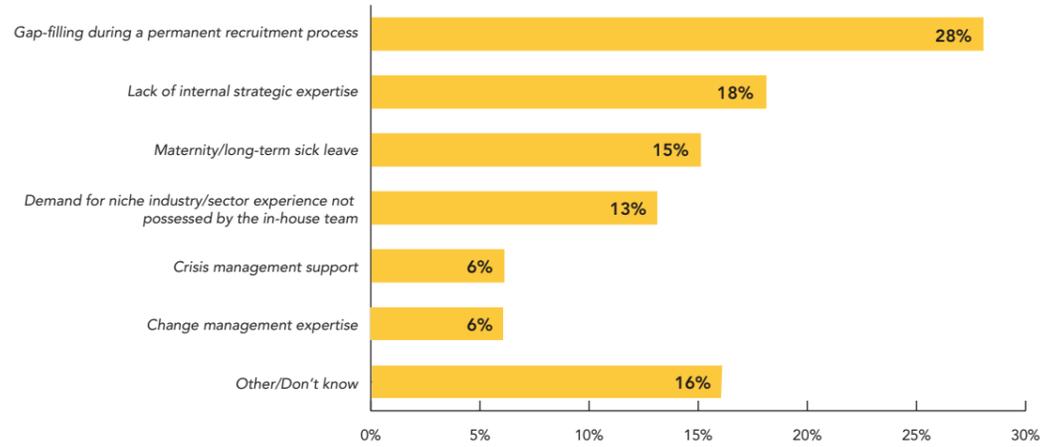
Helen Humphreys, a strategic communications expert with experience of recruiting interims as well as undertaking assignments with a host of blue chips, has witnessed a consistency in client demand:

“My interim contracts have come about to cover a variety of circumstances including: undertaking the Director of Communication role during a period of change while a permanent person was recruited; and undertaking a communications role whilst also improving the quality of output and undertaking a broad strategic review of the whole communication requirements in that part of the business. What has been consistent is the need for someone who is over qualified for the job to be able to come in and have an immediate positive impact. All of my contracts have been for companies that have an urgent requirement and tight deadlines - they need instant results and can get that with an experienced communications director who offers a broader skill set than often found in a permanent incumbent.”

What the clients say:

- Over half of the clients polled for the survey (54%) said that they would consider using an interim manager in place of using a PR consultancy or agency.
- On the whole in the current market, clients will tend to solve the problem of providing cover for an extended leave in-house first by either stretching the capacity of the existing team, moving someone sideways from within the organisation or promoting somebody to ‘act up’ in the role (two thirds of those interviewed would try these routes first).
- Good news for interims is that 62% of clients have either used or have considered using an interim as part of their team.
- Asked to rate the various qualities they think interims can bring to a team on a scale of one to five, clients rated ‘experience’ most highly with an average 4.49 rating, ‘value for money’ next with a 4.34 rating and ‘objectivity’ third with a rating of 3.63.
- Nearly half of the clients polled think that the £200-£400 day rate band is reasonable, whilst just over a third think the £400-£600 day rate band is reasonable.
- Providing cover during an extended leave (38%), to provide support during a crisis (17%) and to provide help during or after an M&A (12%) were the key drivers for clients using interims in the past.

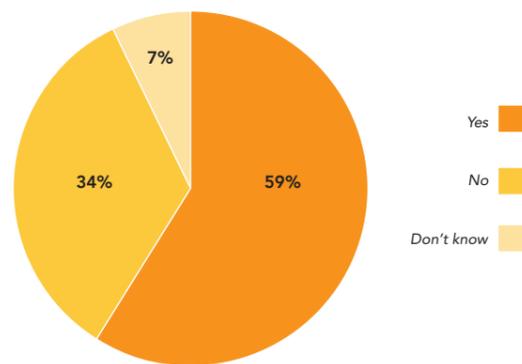
Q.1 If you have undertaken an interim contract in the past, what was the reason for the need?



Respondents could provide more than one answer

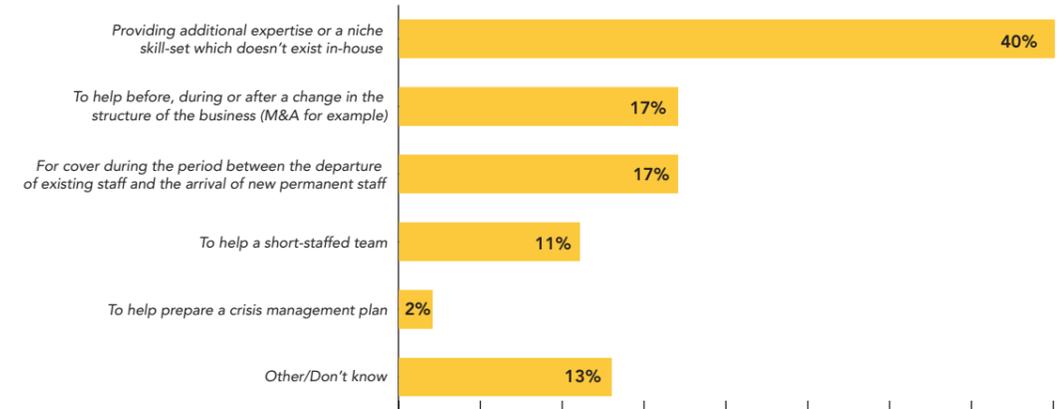
The three key drivers creating assignment opportunities for interims are 'gap filling' during a permanent recruitment process (28%), strengthening an internal team which lacks strategic expertise (18%) and providing cover for when a key player is on maternity or sick leave (15%).

Q.2 When you have undertaken previous or current interim projects, have you considered bringing in additional freelance or interim support to the corporate communications/PR team?



Over half of interim managers (59%) say they have considered bringing in an additional freelance or interim manager to help support the corporate communications team.

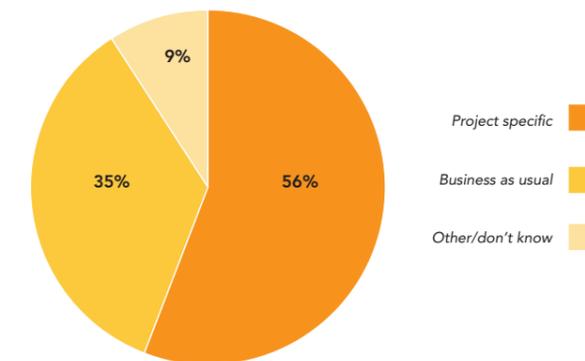
Q.3 In which area do you believe an interim manager can add the most value?



Respondents could provide more than one answer

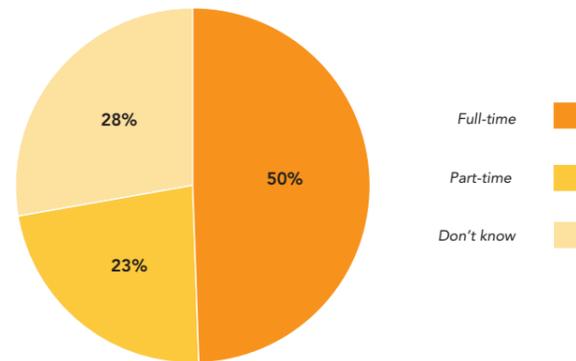
Four out of every ten interim managers believe they provide the most value to an in-house corporate communications or PR team by adding an additional expertise or a niche skill-set which might not exist in-house.

Q.4 When briefed on interim roles, is the assignment usually project specific or to cover 'business as usual' activity?



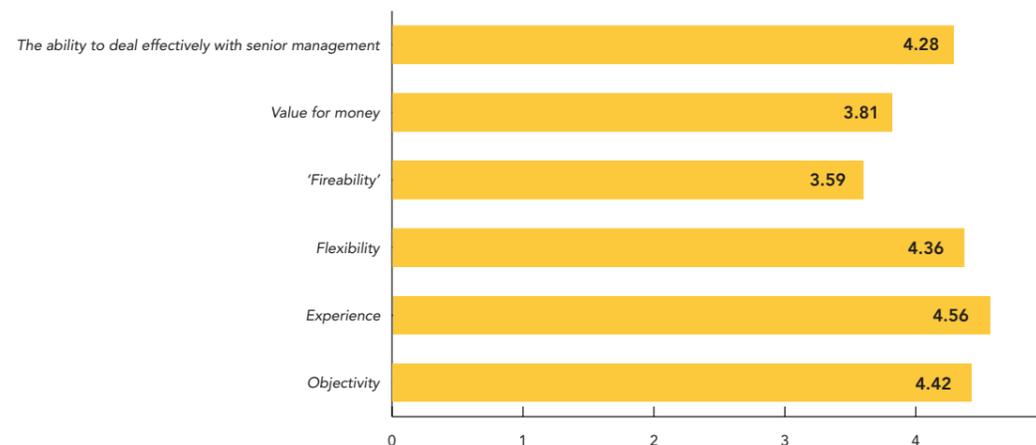
Interims say that 56% of their assignments are project specific whilst 35% of assignments are to provide 'business as usual' continuity.

Q.5 Have you found that you are hearing of, or being briefed on, more part-time or full-time contract roles?



For interims, half say they are tending to be briefed on assignments which will commit them to a full-time job and nearly a quarter (23%) say they are being briefed on part-time assignments, typically requiring them to work 2-3 days a week with the client.

Q.6 What qualities do you think an interim manager can bring to a team?

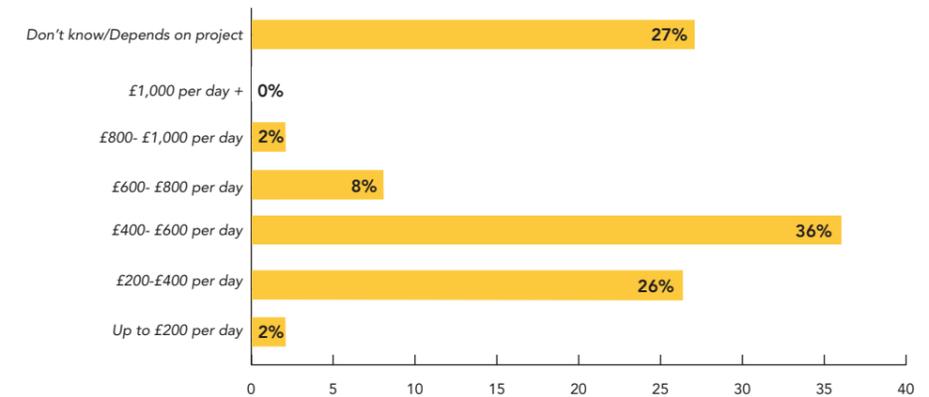


Respondents could provide more than one answer

Asked to rate the various qualities they think interims can bring to a team on a scale of one to five (with 1 = not a very important quality and 5 = a very important quality), the interim freelancers rated 'experience' most highly with an average 4.56 rating, 'objectivity' next with a 4.42 rating and 'flexibility' third with a rating of 4.36.

'The ability to deal effectively with senior management' was rated at 4.28, but last was 'fireability' (the fact that interims can be fired easily and carry no employment risk or overheads such as NI, holiday pay, sick leave, pensions, etc.) which was rated at 3.59.

Q.7 What would you think is a reasonable day rate to pay an interim manager in the current climate?



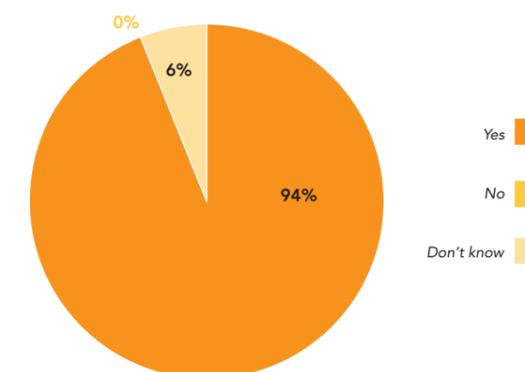
Respondents could provide more than one answer

Nearly two thirds (62%) of interims think that a day rate of between £200-£600 is reasonable (with 26% saying this of the £200-£400 per day band and 36% saying this of the £400-£600 per day band).

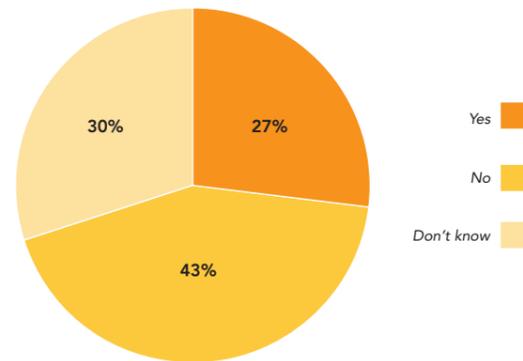
One in ten thinks that the £600-£1,000 per day rate is reasonable (with eight per cent saying this of the £600-£800 per day rate band and two per cent saying this of the £800-£1,000 per day rate band).

Not one of the consultants interviewed thought a day rate in excess of £1,000 per day is reasonable.

Q.8 From your personal experience, have you found that interim managers provide a successful solution to business needs?

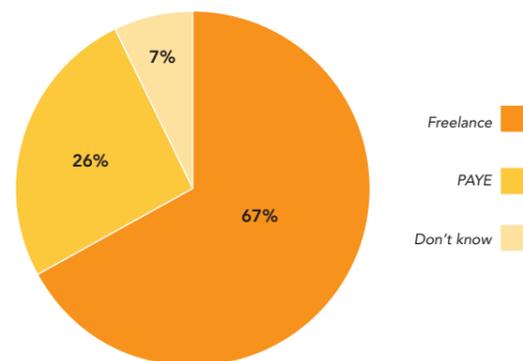


Q.9 Have you recently witnessed an increased demand for interim expertise?



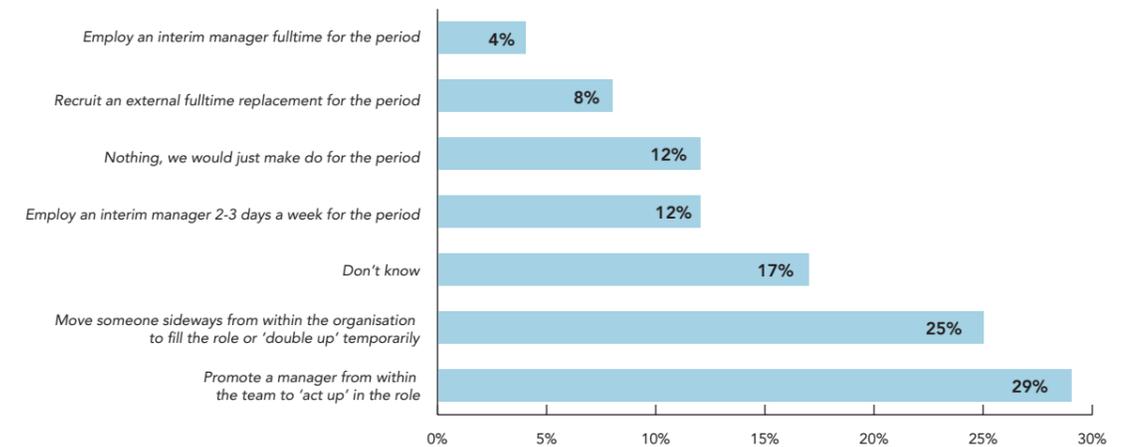
Only 27% of interims are reporting an increased demand for their expertise, whilst 43% reported no increase.

Q.10 Would you prefer to take on an interim assignment on a freelance contract basis (i.e. as a Ltd Company/sole-trader consultant) or would you prefer to be employed on a traditional PAYE basis?



Over two thirds of interims (67%) would like to operate on a freelance contract basis (i.e. trading as a limited company or sole-trader basis) whilst 26% would like to be contracted as an employee on a PAYE basis.

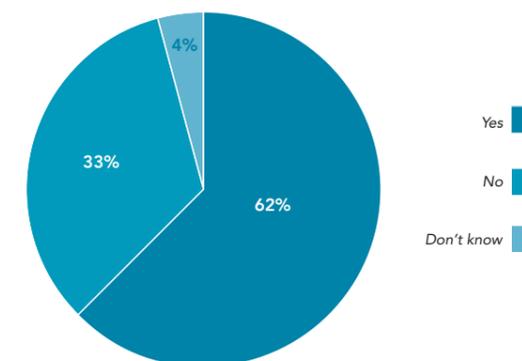
Q.1 If you or one of your team had to take an extended leave from the business/organisation (i.e. maternity/paternity leave for example) how would you provide cover for the absence?



Respondents could provide more than one answer

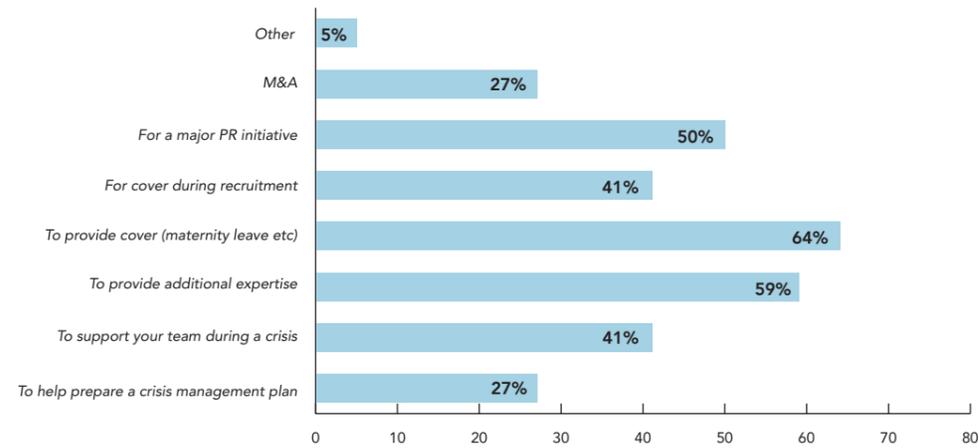
The bad news for interims is that, on the whole, clients will tend to solve the problem of providing cover for an extended leave in-house first by either making do, moving someone sideways from within the organisation or promoting somebody to 'act up' in the role (two thirds of those interviewed would try these routes first).

Q.2 Have you ever used or considered using an interim manager within your own corporate communications/PR team?



The better news for interims is that 62% of clients have either used or have considered using an interim as part of their team.

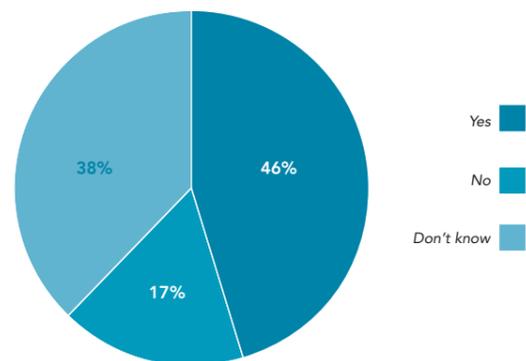
Q.3 Would you consider using an experienced interim manager to help you with any of the following?



Respondents could provide more than one answer

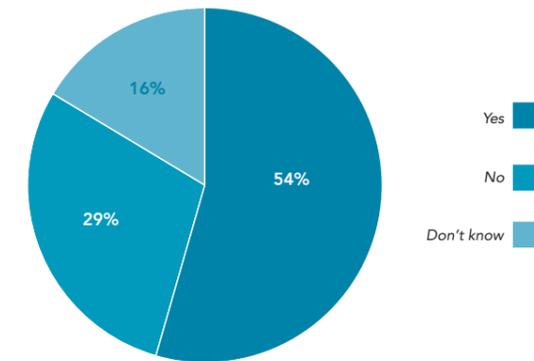
The key drivers for clients using an interim manager is to provide cover for maternity and other extended leaves (64%), to provide additional expertise to the team (59%) and to provide extra support during a major PR initiative (50%).

Q.4 Would you consider using an interim manager within your own corporate communications/PR team on a part-time basis, for example working 2-3 days a week?



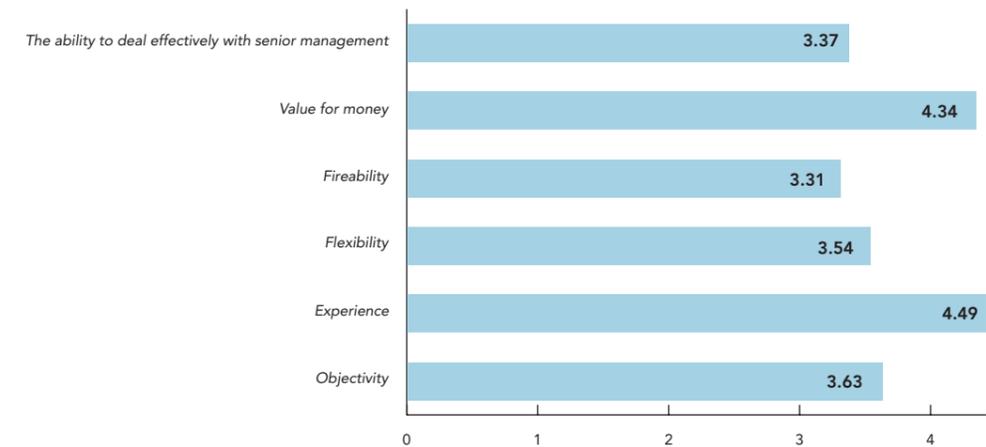
Nearly half (46%) of all the clients polled for the survey said that they would consider using an interim manager on a part-time basis (i.e. working with the team 2-3 days a week instead of full time).

Q.5 Would you ever consider using top-level interim management support in place of a consultancy or agency?



Over half of the clients polled for the survey (54%) said that they would consider using an interim manager in place of using a PR consultancy or agency.

Q.6 What qualities do you think an interim manager could bring to your team?

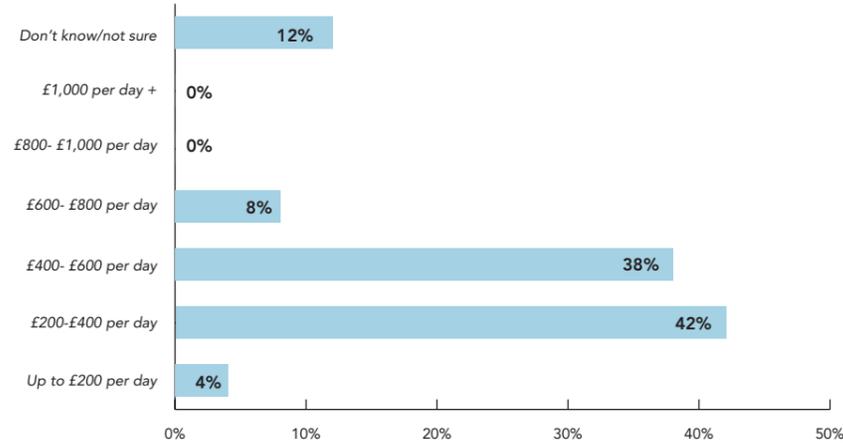


Respondents could provide more than one answer

Asked to rate the various qualities they think interims can bring to a team on a scale of one to five (with 1 = not a very important quality and 5 = a very important quality), clients rated 'experience' most highly with an average 4.49 rating, 'value for money' next with a 4.34 rating and 'objectivity' third with a rating of 3.63

'The ability to deal effectively with senior management' was rated at 3.37, but last was 'fireability' (the fact that interims can be fired easily and carry no employment risk or overheads such as NI, holiday pay, sick leave, pensions, etc.) which was rated at 3.31.

Q.7 What would you think is a reasonable day rate to pay an interim in the current climate?

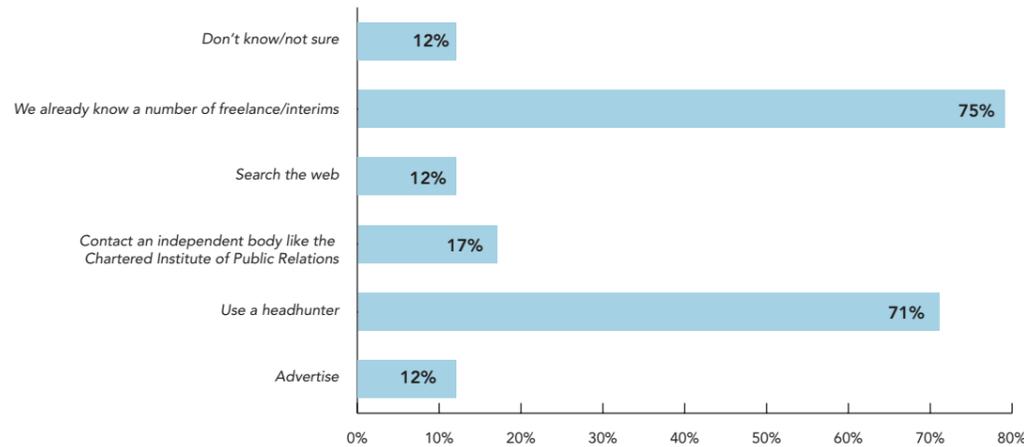


Respondents could provide more than one answer

Nearly half of the clients polled think that the £200-£400 day rate band is reasonable, whilst just over a third think the £400-£600 day rate band is reasonable.

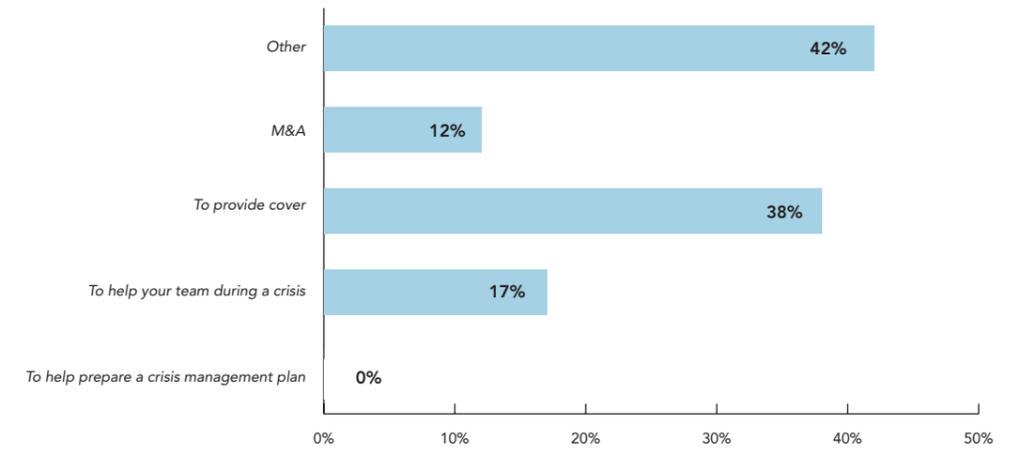
Less than one in ten thought a £600-£800 day rate reasonable.

Q.8 What method/s would you use to find a suitable interim manager to join your team?



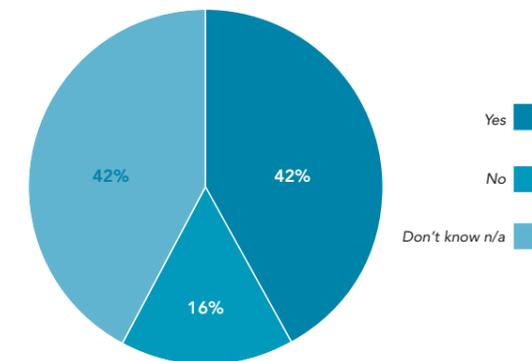
Three quarters of clients already know enough freelance PR consultants to fill an interim management role within their team should one arise.

Q.9 If you have previously recruited interims, why did you use this resource?

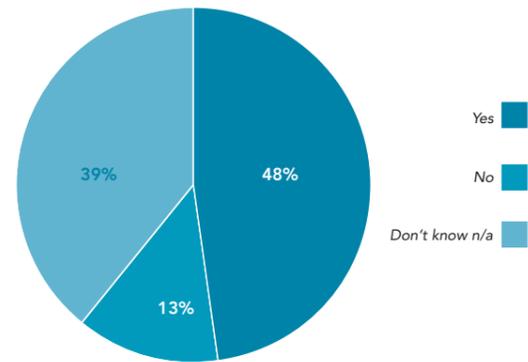


Respondents could provide more than one answer

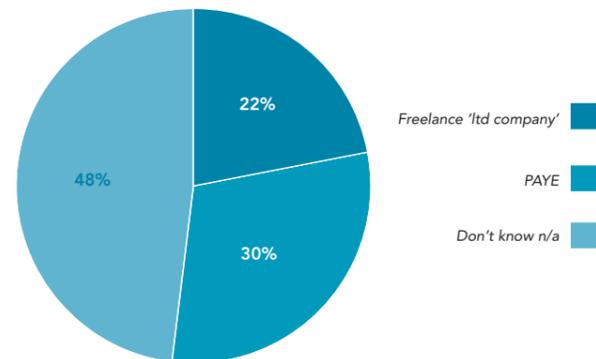
Q.10 Did the interim manager provide a successful solution to your need?



Q.10a Did the interim manager provide a value-for-money solution to your need?



Q.10b Would you prefer to employ an interim on a freelance 'ltd company' contract or on a PAYE basis?



Providing cover during an extended leave (38%), to provide support during a crisis (17%) and to provide help during or after an M&A were the key drivers for clients using interims in the past.

42% of clients say that the interim managers they have used have provided successful solutions to their needs.

Nearly half (48%) say they provided value for money.

Christiane Morris, a member of the TCH Round Table team, is currently working as an interim marketing manager for the PKF International network of accountancy firms where her role involves managing the team and all the marketing communications to the 240 member firms. She says:

"As with many of my other interim roles over the years, I was recruited to cover maternity leave. As I had previously worked for the PKF UK firm in an interim role, I had already earned the reputation of being a 'safe pair of hands' so hiring me was largely risk-free for the PKFI. I think that businesses are increasingly attracted to the interim option which enables them to take on senior-level, highly experienced people without committing to either the costs of recruiting and remunerating them or the legal minefield of getting rid of them in recessionary times."



Methodology

The research commissioned by Interim Performers and The Counsel House was carried out by an online survey using Zoomerang during October/November of 2009. The sample included 123 freelance consultants/interim managers and 45 clients working within in-house corporate communications and PR teams.

Interim Performers is part of VMA Group, which comprises three professional resourcing consultancies: VMA Group, VMA Executive Search and Interim Performers. VMA Group has offices in London and Manchester and operates internationally. The Counsel House is an independent network of freelance consultants which specialises in providing interim management services to corporate, public and voluntary sector clients.

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