

71% of Interims want to stay in Interim Management in spite of fewer jobs, lower rates and tougher competition

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12 November 2008 – Just over 70% of Interims feel that Interim Management is where they should be, in spite of the fact there are likely to be fewer assignments, tougher competition for jobs and less pay, according to a new survey of around 10,000 Interim Managers – ‘Recession and the Interim Manager’ - by the longest established UK Interim Provider, Russam GMS. Only 7% of respondents said it was not where they wanted to be and 22% were uncertain.

Just under half of the 920 Interims who responded (48%) claimed they are feeling the impact of the downturn already with projects being withdrawn at the last minute, companies choosing internal candidates over Interims, an increase in the number of Interims going for the same jobs, new Interims coming into the market and a squeeze on daily rates.

Other major gripes were that some companies are taking longer to make decisions about recruitment and far longer to pay them. 72% of Interims believe that things will get worse before they get better.

Many Interims however, were more optimistic, convinced that in this climate of constant change, there will be a need for experienced Interim Managers to handle change management projects, restructuring and recovery situations. Turnaround projects, credit and working capital control work and assignments within central and local government departments were also considered areas of opportunity. Those who had lived through previous recessions were also more upbeat about the downturn – some actually see this one as short-term.

To stay on top during the next few months they will be upping the ante by increasing marketing and networking efforts; improving the services they offer to existing clients; diversifying into other areas and many are even willing to retrain to move into niche areas either currently unaffected by the downturn or emerging as new markets. They claim they will be more flexible about where they work and the kind of projects they do. As a last resort, they will cut their daily rates.

When asked, ‘Are you angry with anyone?’ 40% of Interims said they felt angry about the current situation. But much of their anger is directed at banks in general for lending money to people who couldn’t afford to pay it back, at successive governments’ failure to regulate more tightly and the Regulators themselves. Interestingly, some were most angry at themselves for not taking up opportunities earlier in the year when work was more plentiful.

In spite of this gloom, 71% of Interims wouldn’t want to work in any other industry. They are positive that short term contracts will emerge in the next few months after the low point of the recession has been reached. They also think that a more flexible kind of resource, like Interim Management, will be an attractive option to businesses at a time when they want to be more flexible about their recruitment choices and keep their options open. Companies will be grappling with tough change management and recovery projects and will not necessarily have the skills in-house to deal with them, they also said.

One Interim Manager stated, “Once the market begins to hit rock bottom, the opportunities for true,

seasoned Interims will be excellent. Interims are an ideal solution in uncertain times – they are calm, experienced and there needn't be any long term commitment from either side. However, companies will have the intense commitment from a professional when needed."

Moving back to permanent work was not an option for the majority and would only be considered as a last resort. "If you made the choice to get out of corporate life and be in control of your own destiny, it has to be the place to be! Even top performers can be disposed of from corporate life quickly if they don't fit in with a new leader or there is a downturn." "Good people will always get work," another claimed.

Charles Russam, Chairman of Russam GMS stated, "What surprised us was the overwhelming focus of Interim Managers on finding their own solutions. The downturn is clearly impacting on the majority of Interims; the market is getting tough with fewer jobs around and more competition pushing down daily rates. But Interims are incredibly resourceful and self sufficient people and it is clear from our research, that there is more of this dogged determination of experienced Interims now available for clients. What's more - having left the stability of permanent employment for many there is a feeling of no going back – only as a very last resort."

Russam GMS Director, Jason Atkinson adds, "We can only guess how the market will turn, but, having lived through three previous recessions, we know that even in a downturn, business projects must continue, fierce competition still exists and the over-riding importance of the brand needs to be maintained and made ready for the upturn. We know that many companies will see Interims as an ideal solution in these difficult times because they offer a means of recruiting flexible, heavy weight experience, cost-effectively when it is needed most. We are also likely to see the accelerating trend of businesses preferring Interims to the much more expensive Management Consultants," he added.

To see the full 'Recession and the Interim Manager' report – including hundreds of authentic comments from most of the 920 Interim Managers who responded - go to www.russam-gms.co.uk/downturnsurvey.html

For interviews with Charles Russam, Chairman of Russam GMS, Jason Atkinson, Director of Russam GMS or to speak to Interim Managers, please contact:

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About Russam GMS

- Russam GMS is the longest established mainstream provider of interim managers in the UK with a 27 year track record.
- Russam GMS is a Founder Member of the Interim Management Association and of the international Taplow Group.

- Russam GMS has the most comprehensive working database of Interim Managers and search capability in the UK.
- Russam GMS is ISO 9001:2000 registered and hold Investors in People status – the whole team is committed to process improvement and striving for excellence.