



IIM Interim Management Survey 2012



Professional, accredited expertise

6th September 2012

With partner contributions from:



EtonBridge Partners



InterimPartners*

VEREDUS



“When written in Chinese the word "crisis" is composed of two characters - one represents danger and the other represents opportunity.”

John F. Kennedy,

“Everyone wants to ride with you in the limo, but what you want is someone who will take the bus with you when the limo breaks down.”

Oprah Winfrey

Foreword

A foreword by Ad van der Rest, co-Chairman IIM

"The two quotes above from John F Kennedy and Oprah Winfrey encapsulate the current regulatory threats to interim management and possible opportunities of responding to those threats in a constructive way. They also capture the importance of the interim community standing together and supporting each other in a time of need.

This survey, the 7th that the Institute of Interim Management has carried out, is not for the faint hearted and may take as long to read as it took to fill in the survey in the first place! But interim managers have stamina and only an in-depth survey, not merely promotional fluff as many surveys are these days, does justice to the fine profession that is interim management.

My and the Institute's thanks go to the literally thousands of people who are now participating in this survey. Please share the report where you can referencing our survey landing page: www.iim.org.uk/survey"



Ad van der Rest MIIM
co-Chairman
Institute of Interim
Management

A foreword by our independent survey adjudicators

The IIM asked two independent "guru's" from the interim community to act as independent adjudicators to the survey; One, ex-IIM and one ex-IMA Director (neither are current IIM members or affiliates). They had full access and insight into the Survey Monkey tool, the voting and analysis;

"Good response to a well thought out survey, reflecting how far the industry and IIM have developed. Some real challenges in separating wheat from chaff but I think an excellent job has been made of doing this. I will be using this survey in upcoming discussions with the government to help them better understand the role and benefits of true interim managers. Well done to Ad and the team for a professional piece of work." (Martin Dorchester)



Martin Dorchester
Managing Director
Business Solutions Ltd

"I would like to congratulate Ad and the team for the exceptional effort they have put in to this year's survey, just seeing the scale of the task they faced was staggering. They have done a superb job gathering, collating, organising and interrogating the data for this year's IIM annual survey. The sheer volume of responses made the task an even greater challenge than last year. The data has been verified and checked at all stages and I can vouch for the transparency and integrity of that process. Congratulations to the IIM for another market leading interim survey." (Tarquin Bennett-Coles)



Tarquin Bennett-Coles
Principal Consultant,
Coulter Partners

Contents

Foreword	3
A foreword by Ad van der Rest, co-Chairman IIM	3
A foreword by our independent survey adjudicators	3
About the Institute of Interim Management	8
About our Survey	9
Interim management profession threatened by regulations	10
Use of interim managers in the public sector	12
Assignment duration of interim managers vs. all off payroll in the public sector	12
Would you go onto PAYE after 6 months on assignment?	13
Would you take a Fixed Term Contract through an agency or employer?	13
Would you give assurances about your tax status ahead of assignment?	14
The HMRC Controlling Persons consultations: Are you a 'Controlling Person'?	14
How do you react to being taxed as an 'employee'?	15
If you accept being taxed 'as an employee', what else will you do?	15
If you do not accept being taxed 'as an employee', what else will you do?	16
Threats to interim management - Jason Atkinson (IMA)	16
Public sector needs interim skills – Tom Brass (IIM)	17
The state of the public sector – John Laycock (Veredus)	17
Further reading about the regulatory threats	18
Interim management demographics	19
Interim manager age split by decade age	19
Are interim managers getting younger?	19
Interim manager gender split	20
Interim manager working location	20
Interim manager operational seniority	21
Change in interim manager operational level	21
Interim manager sector assignments	22
Change in interim manager sector assignments	22
Interim management roles	23
Interim management functional assignments	23
Interim manager industry assignments	24
Proportion of the time delivering assignments away from home	24
How many interim managers work part time?	25
How many interim managers conduct portfolio working?	25
The Interim Landscape - Ad van der Rest, MIIM	25
The interim landscape – Doug Baird (Interim Partners)	26
Female interim management demographics	27
Percentage of women in interim management	27
Interim manager female proportion by age	27

<i>Interim manager female proportion by seniority</i>	28
<i>Interim manager female proportion by sector</i>	28
<i>Interim manager female proportion by discipline</i>	29
<i>Interim manager female proportion by industry</i>	29
<i>On assignment percentage segmented by gender</i>	30
<i>Day rates segmented by gender</i>	30
<i>Billed days segmented by gender</i>	31
<i>The balance of interim women – Diane Morris (interim women)</i>	31
Interim management and disability	32
<i>Disability in the interim workforce</i>	32
<i>Accommodation of medical condition</i>	32
Interim management behaviour preferences	33
<i>What is your Myers-Briggs Type Indicator?</i>	33
<i>ENTJ - Interim management type No. 1 – 25% of the interim population</i>	34
<i>INTJ - Interim management type No. 2 – 16% of the interim population</i>	34
<i>ENTP - Interim management type No. 3 – 14% of the interim population</i>	34
<i>ESTJ - Interim management type No. 4 – 10% of the interim population</i>	35
<i>ISTJ - Interim management type No. 5 – 9% of the interim population</i>	35
Interim management assignment status	36
<i>What proportion of interim managers are currently on assignment?</i>	36
<i>On and off assignment trends (short term)</i>	36
<i>On and off assignment trends (long term)</i>	37
<i>Percentage 'on assignment' 2000 to 2012</i>	37
<i>Interim 'time out'</i>	37
<i>Percentage 'out of the market' 2000 to 2012</i>	37
<i>Assignment status by region - % on assignment</i>	38
<i>Assignment status by sector - % on assignment</i>	38
<i>Assignment status by function - % on assignment</i>	39
<i>What was the duration of your last assignment?</i>	40
<i>If you are off-assignment, for how long has this lasted (in months)?</i>	40
<i>Assignment gaps from 2010 to 2012</i>	41
<i>Interims in and out of assignment – Simon Drake (Penna)</i>	41
Billed days, Fees and day-rates	42
<i>What are the 'headline' days billed?</i>	42
<i>What is the range of days billed?</i>	42
<i>What's the 'headline' day-rate?</i>	43
<i>Day rate segmented by rate earned</i>	43
<i>Day rates segmented by function</i>	44
<i>Day rates segmented by seniority</i>	45
<i>Day rates segmented by sector</i>	45
<i>Day rates segmented by industry</i>	46
Routes to market	47

<i>What proportions of assignments are found direct vs. via Service Providers?</i>	47
<i>How does the direct vs. Service Provider split break down?</i>	47
<i>What are the proportions of interim management routes to market?</i>	48
<i>Who contacts whom within the routes to market?</i>	48
Routes to market: Service Providers	49
<i>How do the Service Provider assignment placements arise?</i>	49
<i>How are Service Provider relationships established?</i>	49
<i>Do some groups utilise Service Providers more than others?</i>	50
<i>How many Service Providers are interim managers actively registered with?</i>	52
<i>The provider / interim relationship – Ashton Ward (Eton Bridge Partners)</i>	52
Routes to market: Direct Clients	53
<i>How do direct client assignments arise?</i>	53
<i>Do key statistics vary with interims that only source directly?</i>	53
Routes to market: Online sites	54
<i>What are the best online interim job sites?</i>	54
<i>Top 10 passive internet sites for posting your profile or CV</i>	54
<i>Top 10 active internet sites for checking job postings or receiving e-mail alerts</i>	54
Leaving an interim legacy	55
<i>The importance of legacy planning</i>	55
<i>The implementation of legacy planning</i>	55
<i>At what points, and by whom are legacy plans actually developed?</i>	56
<i>The case for an interim legacy – Nick Diprose (BIE Group)</i>	56
New and prospective interim managers	57
<i>Why are you considering 'Interim Management'?</i>	57
<i>Where do you expect to source assignments?</i>	57
Interim management clients	58
<i>How supportive are you of the Interim Management concept?</i>	58
<i>What type of work do you use interim managers for?</i>	58
<i>Which of the following interim values are advantageous to you?</i>	59
<i>From what 'day-rate' are you hiring a proper Interim Manager?)</i>	59
<i>What margin is the Service Provider taking from a placed assignment?</i>	60
<i>Client interim search routes</i>	60
Interim management businesses data	61
<i>Interim Management experience (measuring year started trading)</i>	61
<i>How are interim managers faring financially?</i>	61
<i>What type of Interim business do you have?</i>	62
<i>Is your Interim business VAT registered?</i>	62
<i>What level of Professional Indemnity Insurance do you have?</i>	63
<i>How much do you pay for your Professional Indemnity Insurance?</i>	63
Services to Interim Managers	64

Accountancy	64
Contract services	65
<i>Bundled Interim Services - Ad van der Rest, MIIM</i>	65
Leading and Quality Service Providers	66
<i>Leading Service Provider DNA – Steve Dengel (BIE Group)</i>	66
<i>Service Providers compared</i>	67
<i>IIM Interim Survey 2012 - Leading Service Providers (1-20)</i>	68
<i>IIM Interim Survey 2012 - Leading Service Providers (21-40)</i>	69
<i>IIM Interim Survey 2012 - Quality Service Providers (41-60)</i>	70
<i>IIM Interim Survey 2012 - Quality Service Providers (61-80)</i>	71
<i>IIM Interim Survey 2012 - Quality Service Providers (81-100)</i>	72
<i>IIM Interim Survey 2011 – Most voted for Service Providers</i>	73
<i>Service Provider interim strategy - Ad van der Rest, MIIM</i>	73
Interim professional body	74
<i>IIM performance rating</i>	74
<i>Performance of IIM interim managers</i>	74
Service Provider data	75
<i>What margin are you typically making from an Interim placement?</i>	75
<i>Provider margin trends</i>	75
<i>Career Interims vs. Redundant Senior Managers (RSM's)</i>	76
<i>The effect of the public sector review and Controlling Persons consultations</i>	76
Final comments and conclusions	77
<i>Interim Profession Threatened</i>	77
<i>Mixed messages in the public sector</i>	78
<i>Interims are not getting younger</i>	78
<i>Female interim managers are increasing in number</i>	78
<i>Assignment gaps and the two-speed interim community</i>	79
<i>Service providers respond to cultivation not shotgun marketing</i>	79
<i>The Agency Workers Regulations (AWR) was a damp squib for interims</i>	79
<i>Clients like professional expertise quickly delivered</i>	79
<i>Lone wolves sometimes need to run as a pack</i>	80
Further reading	81
Acknowledgements	82

About the Institute of Interim Management

The Institute of Interim Management (IIM) has supported the interim management community since 2001 and is run by a volunteer team of seasoned Interim Managers.

To become an individual interim management member, see:

<http://www.iim.org.uk/join-the-iim>

To become an IIM Affiliate organisation, see:

<http://www.iim.org.uk/affiliate-package/>



IIM website: www.iim.org.uk

The Institute of Interim Management's website acts as a resource platform on interim management. Many of the articles and guides are available to be used by the interim management community. Further items constitute an IIM member reference source on interim management.

www.iim.org.uk



The screenshot shows the IIM website homepage. The header features the IIM logo and the tagline 'Professional, accredited expertise'. To the right is a gold bar icon with the text 'Creating the hallmark of choice'. Below the header is a navigation menu with links: Home, Join, Members, News, Events, Knowledge & CPD, About, and Interim Showcase.

“Interim Management – IIM” on LinkedIn

The Institute's LinkedIn group, '[Interim Management – IIM](#)': 'The voice of the interim management community', acts as one of the Institute's 'windows' onto the Interim community, sharing Interim thought leadership and assistance as part of its support to the Interim community as a whole.



With over 7,100+ members, it is the largest LinkedIn group specifically dedicated to interim management. <http://www.linkedin.com/groups?gid=2339933>

IIM on Twitter: [@InterimMgt_IIM](#)

The **Institute of Interim Management** tweets about issues of interest to Interims, interim service providers (recruiters) and clients of Interim Managers. Please follow us on Twitter.

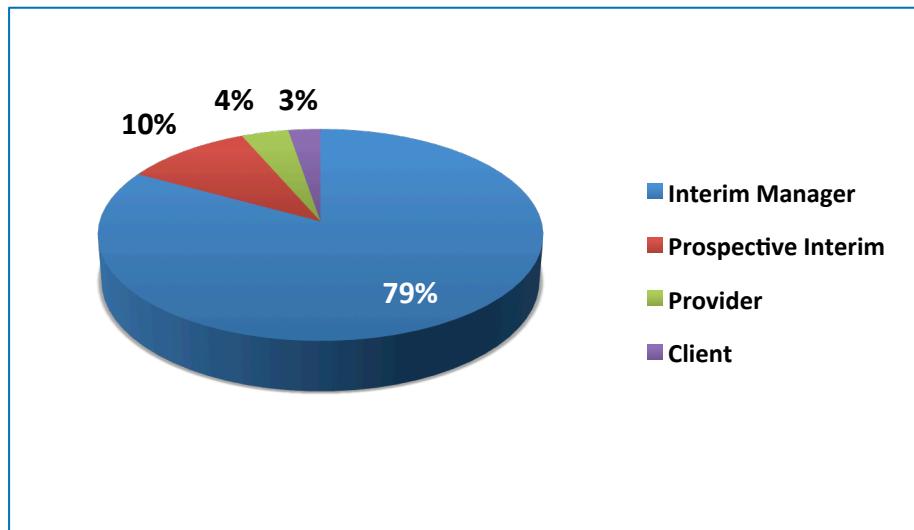
follow us on
twitter

http://www.twitter.com/interimmgt_iim



About our Survey

Of the **2,553** people who completed the survey, the lion's share were interim managers (79%), or were planning to become an interim manager (10%). The remainder were split between service providers (4%) and some clients (3%).



Survey completion was up 67% from the 2011 survey (1,530 contributors) to 2,553. This is an outstanding effort from the interim community.

Much of the detailed survey information came from the **2,013** interim managers surveyed.

Whilst those surveyed were predominantly Interim Managers, they also included Service Providers and pleasingly this year a section of Clients. The data was collected during June and July 2012 via a range of online sources, and primarily the IIM's own '[Interim Management IIM](#)' group on LinkedIn with over 7,100 community members.

We expect a statistical significance of better than $\pm 2\%$ with a 95% confidence for most of key questions. Where filtered, this falls to $\pm 3\%$.

Aside of the metrics, this survey draws upon the best part of 1,000 hours of input data from the interim community, which is much appreciated.

Our lead story focuses on the HM Treasury and HMRC regulatory changes and proposals. The Institute would like to invite the interim community to stand together to argue our case against these proposals which threaten our profession.

Institute of Interim Management

Interim management profession threatened by regulations

Threats to the interim management profession are posed by regulation changes under the 'Review of the tax arrangements of public sector appointees' and HMRC 'Controlling Persons' consultations

The first matter for consideration in this year's survey are HM Treasury and HMRC regulations and proposed legislation to curtail off-payroll engagements in the public sector and to drive the tax treatment of senior interim managers into an 'employee PAYE' model. This is being done with the best of intentions – that of dealing with the fat cats and tax cheats exposed in the media in recent months, but the rudimentary regulations and tax treatments are catching and threatening the livelihood of professional interim managers and executives whom we surveyed accordingly.

Headlines

- The professional livelihood of interim managers is threatened by plans in the Danny Alexander off payroll tax review and HRMC 'Controlling Persons' consultation.
- The proposals aim to address tax gross offenders on the margins of the interim management community by carpet-bombing everyone with over-regulation.
- The Institute of Interim Management (IIM) has urged HM Treasury and HMRC during consultation not to rush to judgment with blanket measures, but to adopt a more business-aware approach.
- Professional interim managers and executives greatly benefit UK plc. A more thoughtful approach to regulation will avoid harming this valuable profession.

Background to the Review

- Under Chief Secretary to the Treasurer, Danny Alexander, a review into the tax and working arrangements of those off-payroll in the public sector was announced in the Budget Red Book.
- The review was triggered by controversy over the way in which Student Loans Company Chief Executive, Ed Lester, was paid. Mr Lester was engaged as Interim Chief Executive in May 2010 to address months of chaos at the SLC. The matter of controversy is that he was then engaged for a further two years, but with the payment arrangements continuing through his PSC off payroll.
- The introduction to the "Review of the tax arrangements of public sector appointees" proposes that (1) the most senior officials be on the payroll, that (2) those off-payroll must give assurance that they are paying the right amount of tax and that (3) these measures will be reviewed in 2013.
- HMRC has initiated a consultation about 'The Taxing of Controlling Persons', which proposes that all controlling persons (including interims) be placed on payroll. The IIM has submitted responses.

Interim managers and executives

The IIM highlighted the value of interim management using data from this survey, as follows:

- Interim management is the provision of effective business solutions by an independent, board or near-board level manager, over a short-term time span, to provide specialist and strategic interventions solving problems and delivering results.
- Professional interims are invaluable to the UK economy. The industry is worth £1.5bn and is one where the UK leads the world as a beacon of senior business flexibility.
- 88% of interim professionals operate through genuine Limited Personal Service Companies (PSC's), which meet their tax and NIC obligations. As businesses in their own right, they offer independent expertise and deliver results.
- The average engagement lasts 7.3 months. 69% of all assignments are completed within 12 months. Interim professionals bill on average 155 working days per year.

Impact of the proposals

- At a time when austerity measures mean less manpower and often greater demand on public sector services, high level interims with a track record of quantifiable achievement remain a vital resource for government both nationally and locally.
- The Review paints all off-payroll workers as tax avoiders. Interim managers operate as genuine businesses that engage at speed, implement, then leave. As off-payroll workers they face being captured indiscriminately by the proposed regulations.

The review is triggering interim cancellations and Fixed-Term Contracts

- The review threatens budgetary fines to public bodies that engage individuals for over £220 per day and over 6 months in duration, without correct tax assurance. Interims and agencies are already reporting that public sector bodies are cancelling interims in mid-assignment. This is particularly affecting more senior interims whose rates are rightly higher and where assignments usually take longer than 6 months.
- Public sector assignments are increasingly being offered as Fixed-Term Contracts on either the department or agency's payroll. Most professional interim managers will not operate this way, as these contracts are unviable for professional interims. We urge that centralised procurement managers recognise and accommodate the value of interims.
- The net effect of these practices is that skilled interim managers are being lost at the same time as key requirements are being sourced from a pool of redundant employees, who may lack the skills and expertise of a career interim manager, or where the organisation just muddles through.

A PSC is the correct tax vehicle for professional interim managers

- The Review proposals repeatedly taint Personal Service Company (PSC) owners as suspected tax dodgers. Professional interim managers provide their services as a career, not as a tax cheat. The financial risks of repeated periods without work following assignments, alongside the pressures and costs of sales and marketing to secure new work, are risks that employees would simply not countenance. PSCs are the appropriate tax vehicle for these risk-laden businesses.
- Tax assurance guidelines should recognise correctly constituted PSCs, operating as genuine interim management businesses, as meeting a valid tax assurance test.

Forcing senior interims to be employees damages interims and clients alike

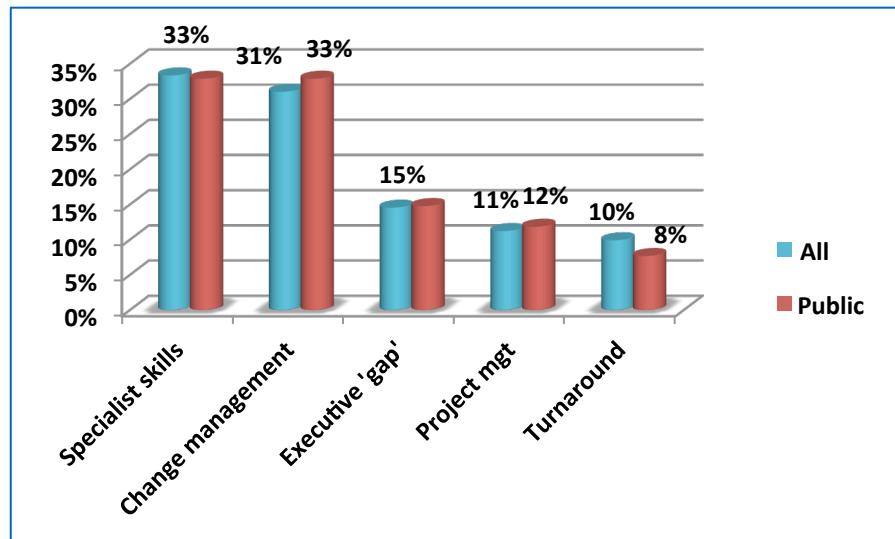
- The 'Taxing of Controlling Persons' consultation proposals appear fundamentally flawed. Proposing that all controlling persons should be on the payroll as employees, even those senior interim managers who are successfully trouble-shooting and improving businesses and public bodies during an appropriately short assignment, is simply perverse. Not only are these proposals illogical and hugely costly, in terms of providing rights and benefits that the interims do not require, but also they may compromise the interim's professional and independent objectivity, particularly on engagements with sensitive, legal or financial implications, where such professionals are brought in to address suspect practices and to supply independent scrutiny.
- In our survey, shown below, two thirds (61%) on controlling engagements find this proposal to be so unacceptable that rather than become fixed term employees they would instead return to permanent employment, move to management consultancy or work internationally. Interim managers and executives make a significant contribution to the success of businesses in the public and private sectors; their removal from the business scene would truly be UK plc.'s loss.

The IIM urges the professional interim management community to use their contacts so that HM Treasury and HMRC may avoid damaging legitimate interim professionals through these blanket measures, however well intentioned.

<http://www.iim.org.uk/threat>

Use of interim managers in the public sector

The first useful statistic concerns the use of interim managers in the public sector. A breakdown is given of the types of assignment in which the interim manager is engaged, compared to interim managers across the board.

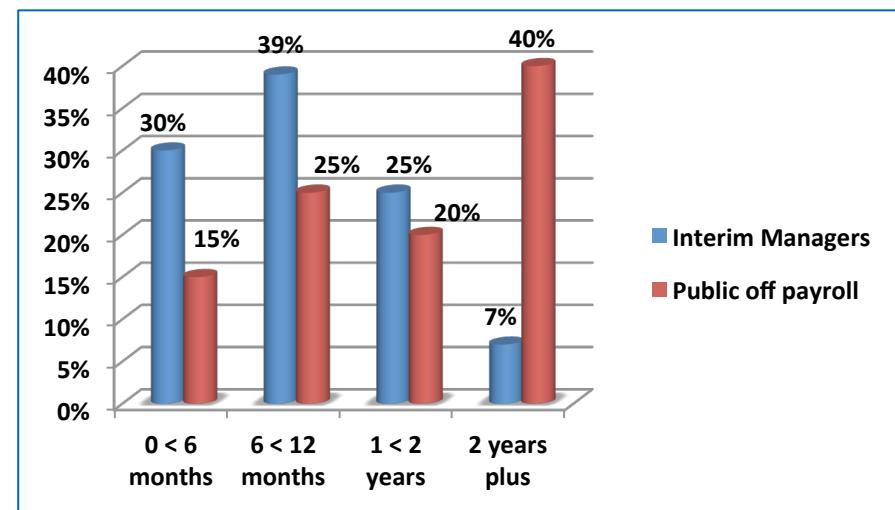


Much of what is carried out by interim managers is **not** associated with 'Business As Usual' (BAU), focusing on specialist work, change, project and turnaround.

Even the classic 'gap fill' is being done at a management and executive level.

The work required of interim managers in the public sector is very typical of industry across the board, which is carrying out 'Business As *Un*-usual' activity, utilising specialist skill, knowledge and expertise, at Board and near-Board level. These are not 'temps' doing the work of those sitting next to them.

Assignment duration of interim managers vs. all off payroll in the public sector



Professional interim managers are engaged on average for shorter periods than the group of off-payroll workers identified in the public sector Review of tax arrangements *.

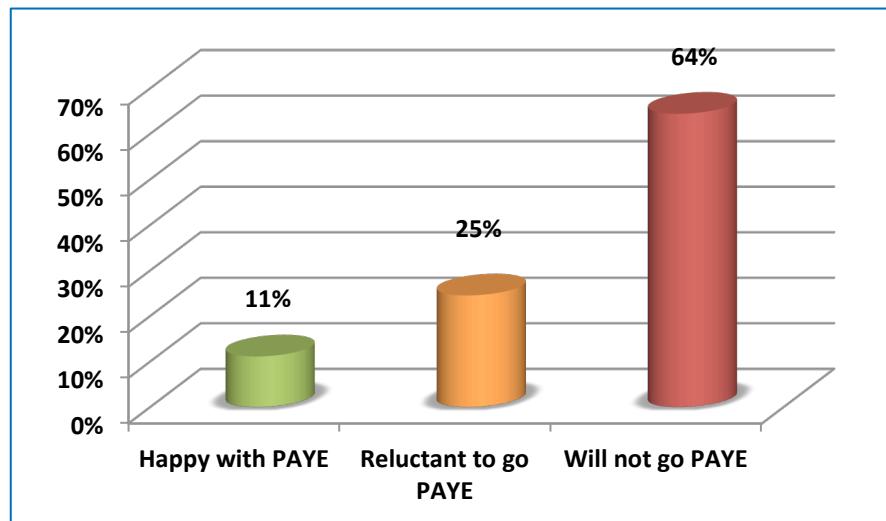
69% of interim managers are engaged for less than 1 year, as opposed to 45% in the Review sample.

Similarly, in the Review sample, 40%, of those off-payroll are engaged for over 2 years, whereas of the interim managers, only 7% cross the 2-year point.

If HM Treasury is seeking to address the 2 year + 'contractors', the professional interim management community is not the target they are looking for.

* Public sector off-payroll data from the 'Review of the tax arrangements of public sector appointees'.

Would you go onto PAYE after 6 months on assignment?



The Review document implies that 6 months will be the limit after which individuals will need to be either on payroll or paid under a PAYE mechanism.

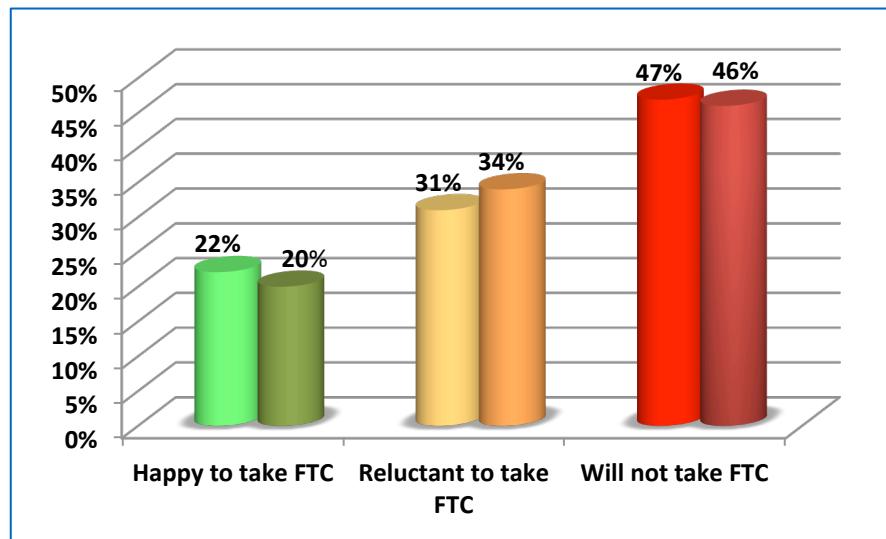
One third (36%) would go onto a PAYE arrangement, though most of them reluctantly (25%).

The vast majority (64%) would cease their assignment rather than be treated like an employee.

The established view is that operating under a Personal Service Company (PSC's) model reaps about a **10%** tax saving versus employment, a sum which balances the added business risks and costs of running a self-employed business and repeatedly being prone to assignment gaps, something 'permanent' people would not countenance.

Interim managers report that when they are brought into Fixed-Term-Contracts (FTC's) either through agency or employed routes, their overall earnings are **32% less** than when they operate under a PSC model, i.e. **20% less** than an employee would earn under similar circumstances, without the employee's protected tenure, or other benefits - in other words, the worst of both worlds.

Would you take a Fixed Term Contract through an agency or employer?



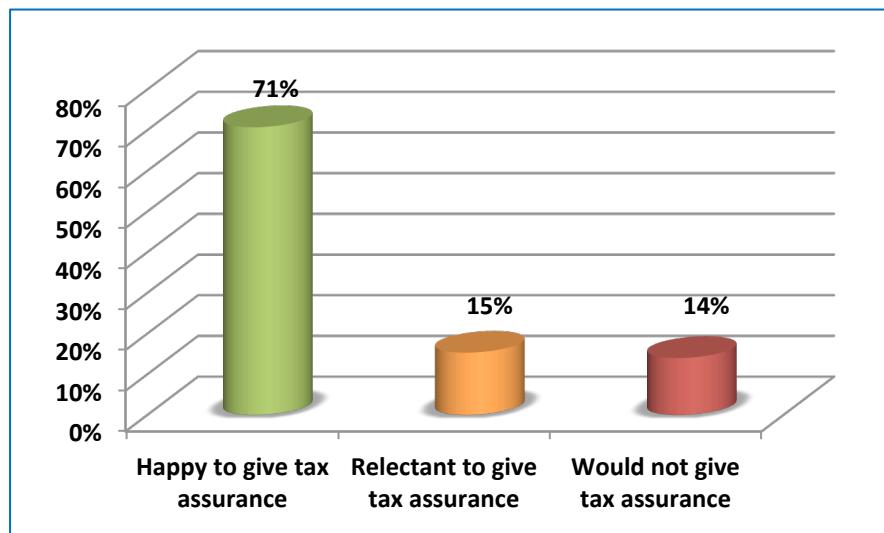
Column 1: Agency
Column 2: Employer

If push comes to shove, about half those surveyed would accept a Fixed-Term-Contract (FTC) via an agency, rather than no work. 31% of them would do so reluctantly.

47% would not take an agency FTC.

Similar responses were received in relation to a Fixed-Term-Contract on employer payroll.

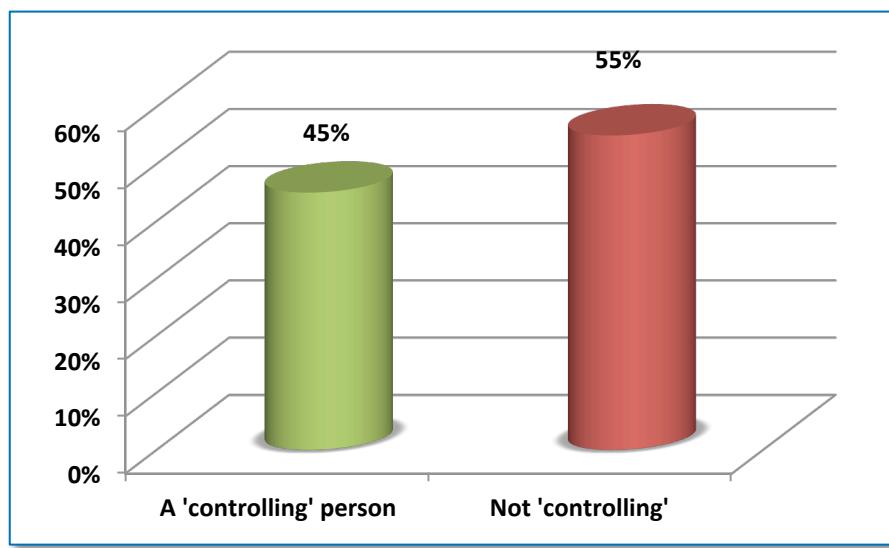
Would you give assurances about your tax status ahead of assignment?



Nearly three quarters would be perfectly happy to provide tax assurance, by which their legitimate Limited Company earnings could be disclosed.

To be clear, this comfort with giving tax assurance is not the same as having to give assurance of being paid PAYE or under IR35, which is another matter entirely.

The HMRC Controlling Persons consultations: Are you a 'Controlling Person'?



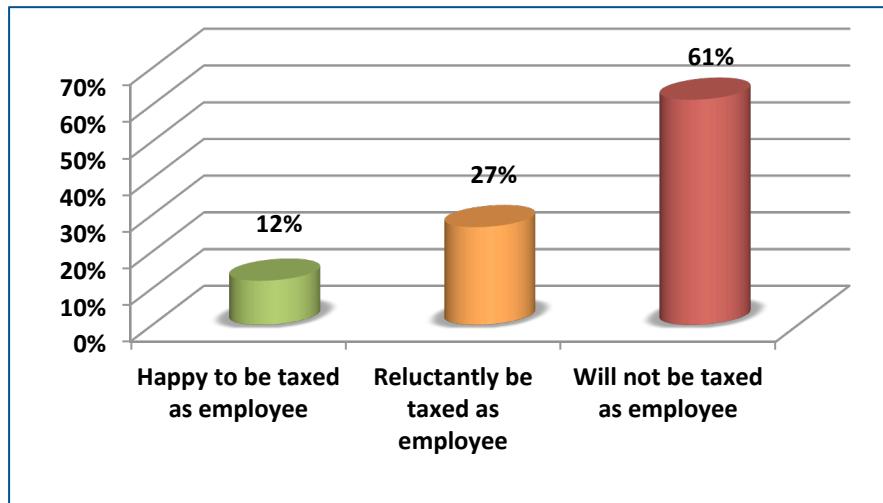
Nearly half (45%) of interim managers consider themselves "Controlling Persons"

Assuming up to 10,000 interim managers and executives, with around 70% of assignments running more than 6 months in duration, then this would mean dragging **over 3,000** interim managers into employed PAYE arrangements per annum.

The unnecessary regulatory burden this would cause, aside of the inappropriate unfairness of treating independent business professionals in this way, would be deeply damaging to interim management.

Whilst the IIM rejects the underlying sense of treating 'Controlling Persons' differently (as it makes as much logical sense as addressing overseas tax avoidance schemes by introducing legislation to regulate comedians) we note that if engagements were reviewed after a year, to determine which ones were likely to cross the 'two-year mark' then the number of interim managers that would be caught by these measures (based on 7% of assignments running past 2 years) would be only **300** individuals, about **80** of whom would be in the public sector.

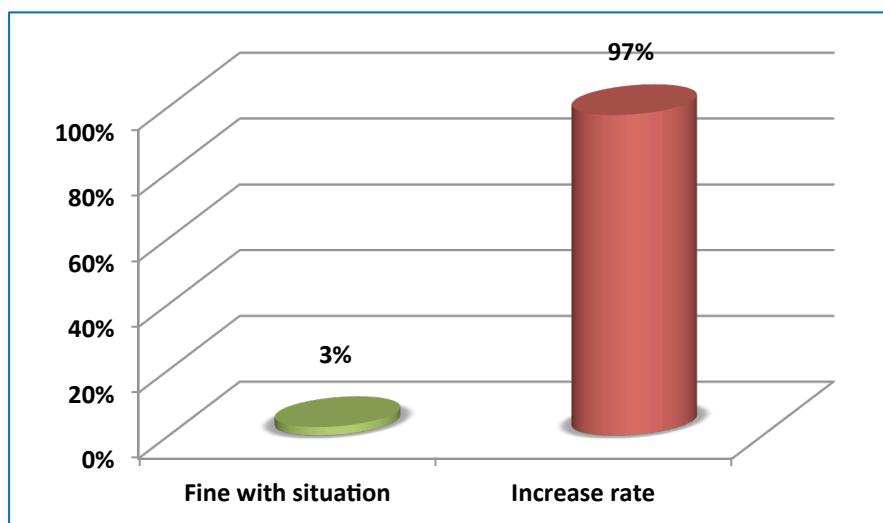
How do you react to being taxed as an 'employee'?



39% of 'Controlling' interims would accept being taxed as an employee, 27% of them reluctantly.

61% would not accept assignments on that basis. If these proposals were enacted, they would do something else.

If you accept being taxed 'as an employee', what else will you do?

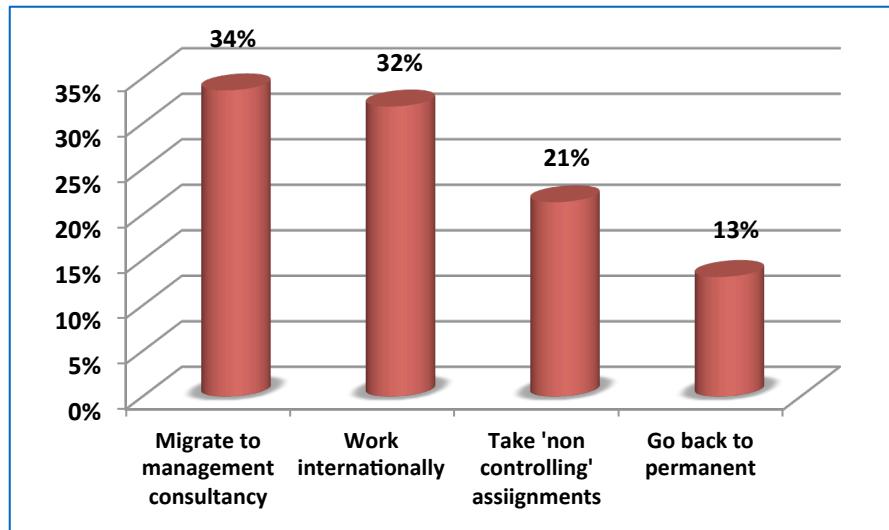


Of those who would accept the employee tax regime, 97% would seek to mitigate the change by increasing their rate.

Senior interim executives are leaders in their fields so a rate increase would be a feasible negotiation.

Assuming the proposals are enacted as currently drafted, much of the perceived additional tax revenue that these proposals seek to generate could be offset by higher rates to HM Treasury.

If you do not accept being taxed 'as an employee', what else will you do?



Those who would not accept the employee tax regime plan a range of options.

Most popular is to enter management consultancy, directly or via a consultancy firm (34%)

32% would leave the UK and provide their services internationally.

21% would take 'non-controlling' assignments instead. 13% would return to permanent employment.

Threats to interim management - Jason Atkinson (IMA)

"The Interim Management Association (IMA) stand united with the Institute of Interim Management (IIM) in our concerns about the proposed interim regulatory changes and in our desire to avert these plans.

The Government's review of contractors in the public sector and HMRC's 'Controlling Persons' consultation are together a huge threat to this thriving industry. It will not only damage the productivity of organisations who rely on the skills of interim managers, but it could also seriously undermine the competitiveness of the UK's flexible labour market. If implemented, we know that many interim managers will see little benefit in taking a short-term employed contract and will instead opt for a permanent job in the UK or assignments abroad. If this happens we will lose a vital resource and talent pool for UK organisations.

Many organisations across the public and private sectors recognise how vital it is to have the ability to quickly deploy highly skilled interim managers on short-term assignments to deliver specific results immediately and effectively. As a result the market for their skills is growing significantly and is now worth £1.5bn - in fact this is an industry where Britain leads the world, which is a tradition we would like to see continued."



Jason Atkinson
Chairman
Interim Management Association (IMA)

Public sector needs interim skills – Tom Brass (IIM)

"The Coalition Government is engaged on a major reform to change how core public services, including welfare, education and health, are delivered. Its vision is to open up the provision of public services to greater competition. This will allow people more choice as innovative organisations provide public services in new ways, and existing providers improve their offerings or lose out. A report published 31st August 2012 by the *Institute for Government* (an organisation which works with political parties and with senior civil servants to help improve government effectiveness) casts doubt on the ability of the civil service to deliver the Government's vision. Its report, *Commissioning for Success: how to avoid the pitfalls of open public services*, highlights that managing the delivery of public services through choice and competition is very different from directly managing those services. Senior civil servants are struggling to adapt to their new roles, and "too few Whitehall departments understand the skills shortages they have or have clear plans to address them". In particular, there is a lack of commercial skills and an understanding of how markets work. It is ironic therefore that when the Government's agenda is to achieve reform and change in the delivery of core public services, it is at the same time potentially choking off its ability to access Interim managers who are ideally suited both to help lead the change and to transfer long term skills to the public sector through training and on-the-job mentoring." <http://bit.ly/S4p5Zs>



Tom Brass
Director
IIM

The state of the public sector – John Laycock (Veredus)



"Despite the uncertainties around the impact of the tax review of public sector appointees, the public sector tries to retain a sensible and pragmatic approach to utilising interim managers to drive forward organisation change and service improvement. Data from an IMA sponsored Ipsos MORI survey highlights that the number of enquiries for interim managers is on the increase in the public sector especially around transformation, efficiency and programme management. For example, universities are using interims innovatively to become more commercial and customer focused. Similarly, Government Departments are using interim managers to become more professional in their operations and improving their service to the public.

Despite threats from knee-jerk government PAYE proposals, which may misguidedly curtail the beneficial activities of interim managers as change agents in the public sector, most organisations these days acknowledge the enormously helpful contribution interim managers can bring.

Overall, interim management in the public sector remains busy but competitive from both a provider and candidate point of view. However in the latter category, interim managers with specialist skills remain greatly in demand from public sector clients and are continuing to make an enormous impact in the delivery and transformation of the great British public sector."

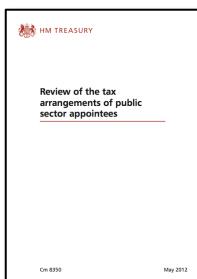


John Laycock
Partner
Veredus



Further reading about the regulatory threats

IIM main information page: <http://www.iim.org/threat>



Review of the tax arrangements of public sector appointees (HM Treasury)
(a.k.a. the Danny Alexander Review document)

<http://bit.ly/QmINJK>



Interim management profession threatened by regulations (IIM)

Standard '22 page' version: <http://bit.ly/Tz9fmA>

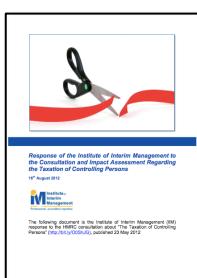
Executive summary '2 page' version: <http://bit.ly/SxrGdl>

IIM customisable MP letter template: <http://bit.ly/SHrKr6>



The Taxation of Controlling Persons (HMRC) consultation

<http://bit.ly/O0ShJG>



IIM Response to the consultation into the Taxation of Controlling Persons

<http://bit.ly/Od9mAe>



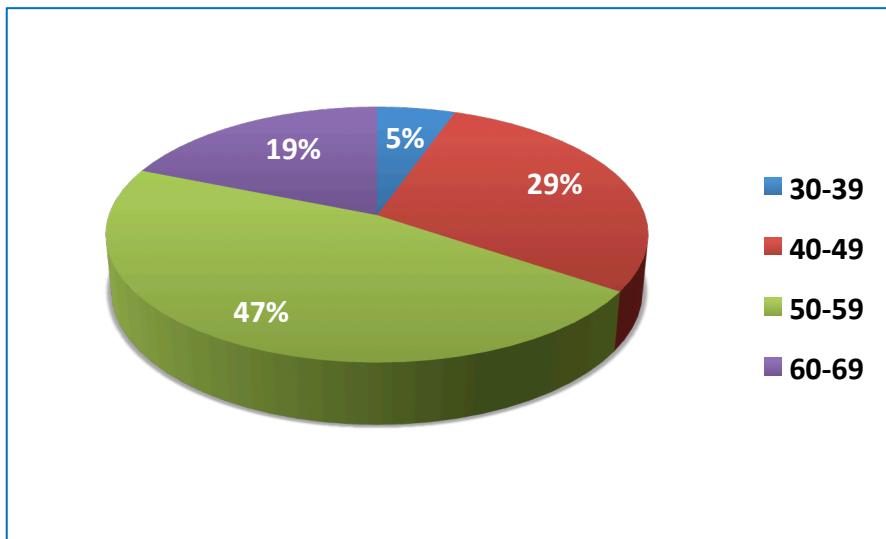
NHS letter explaining HM Treasury tax assurance requirements
(leaked document courtesy of the Health Service Journal - HSJ)

<http://bit.ly/PF2b7W>

Interim management demographics

The following data about Interim Managers was collected only from the **2,013** interim managers & executives surveyed.

Interim manager age split by decade age

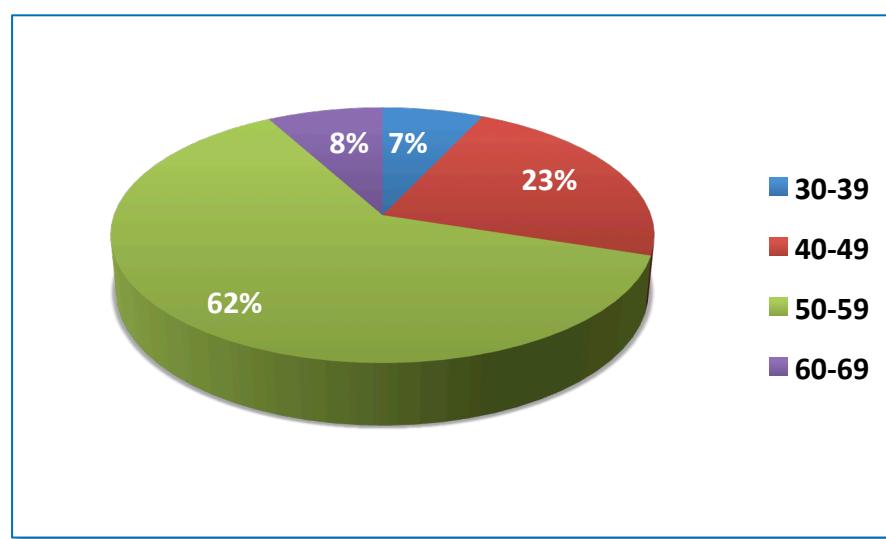


Nearly half of the Interim Managers surveyed (47%) were in the age range 50-59.

This proportion is virtually unchanged from 2010 and 2011.

The average age for an interim manager is **52.4** (52.6 in 2010, 52.8 in 2011).

Are interim managers getting younger?

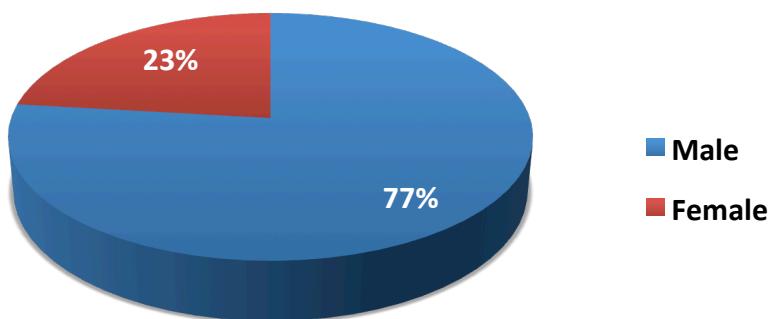


Are interims getting younger? The answer (perhaps surprisingly) is **no**. The average age is pretty much unchanged over 8 years.

Data from the IIM's **1st** Interim Management survey in March 2004 Has an average interim age of 52.7, which falls within our 2010-2012 data points.

The difference over that time is that there are some more interims joining at a younger age, but also more than double the number of interims as before are working on into their 60's. We even had two respondents working into their 70's, but it was statistically too small a group to classify.

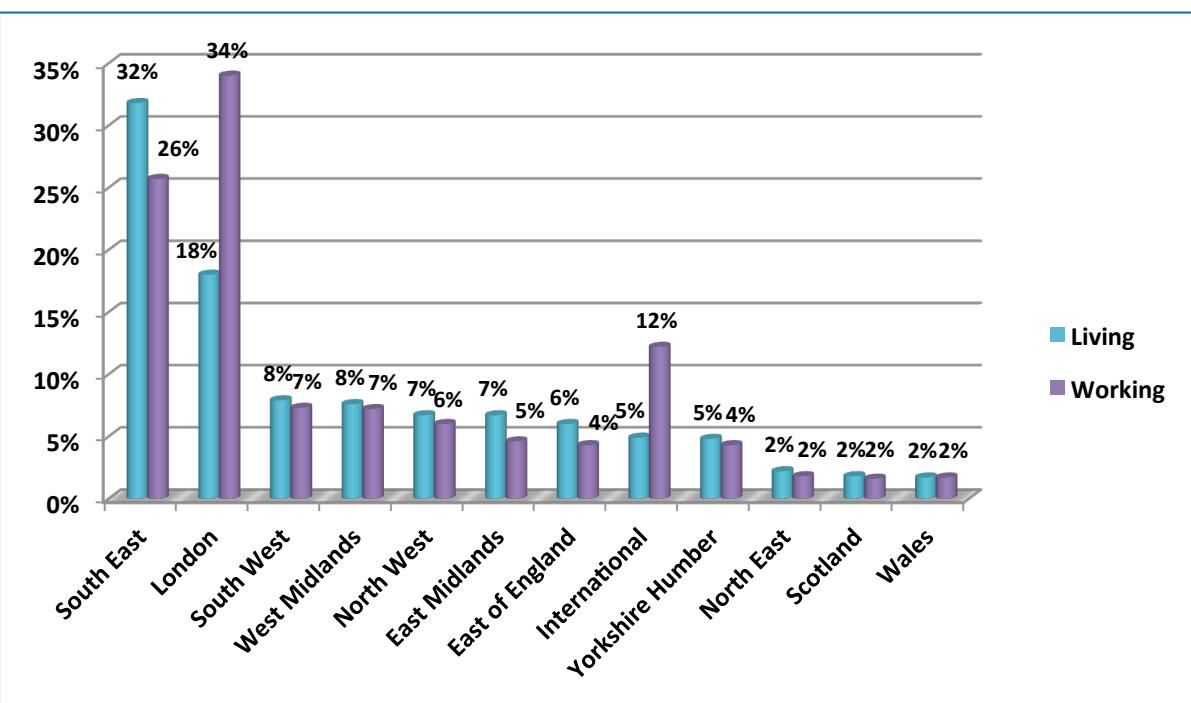
Interim manager gender split



23% of the Interim Managers surveyed are female. This is similar to the 24% figure from 2011, but both figures improve on the 20% figure measured in 2010.

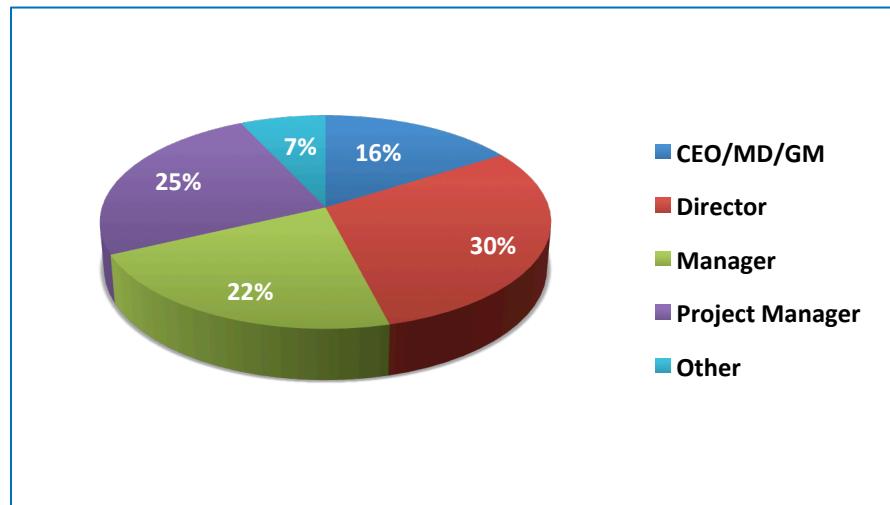
We have more data specifically analysing female interim managers later in this report (pages 27-31).

Interim manager working location



More interim managers live in the South East (32%) than in any other region, with London (18%) in second place. London is an interim work magnet. 34% of interim manager work in the capital but only 18% live there. 7% of interim managers are working internationally while still retaining home locations in the UK.

Interim manager operational seniority

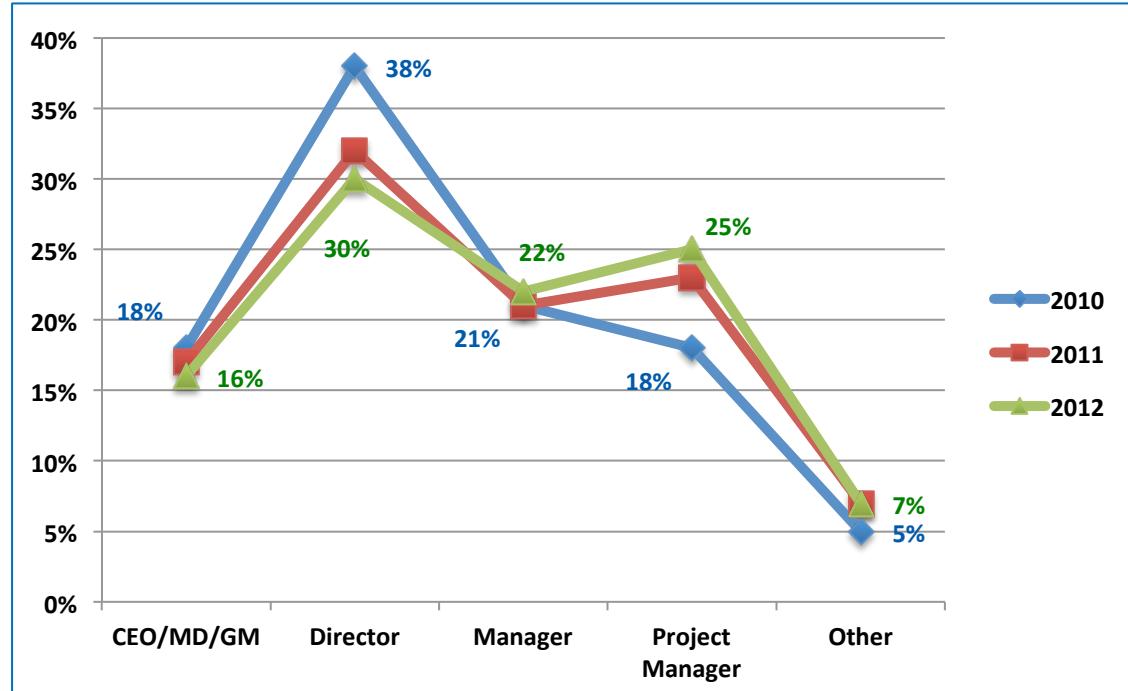


Most interim managers operate at a Director or Executive level (46%).

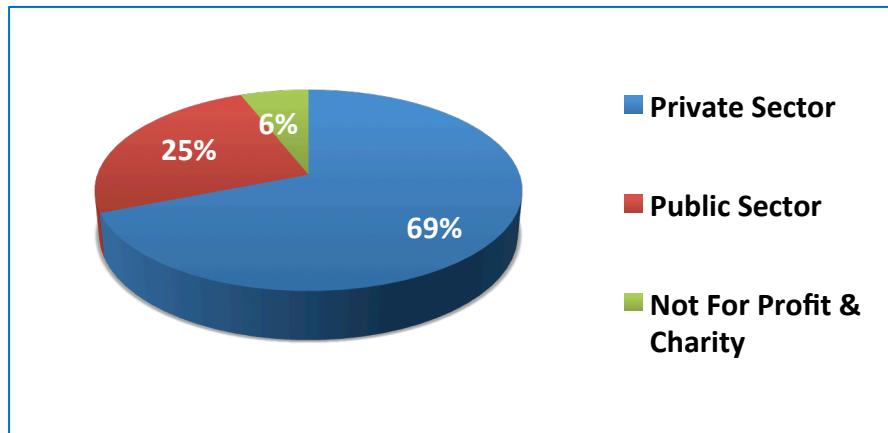
Most remaining interims (47%) operate at a Line or Project Management level.

Change in interim manager operational level

Over the last three years, the proportion of interim managers operating at Executive level has fallen by about 15% (54% to 46% of the total), whilst the proportion of those engaged in line and project management activities has increased by 20% (39% to 47% of the total).



Interim manager sector assignments

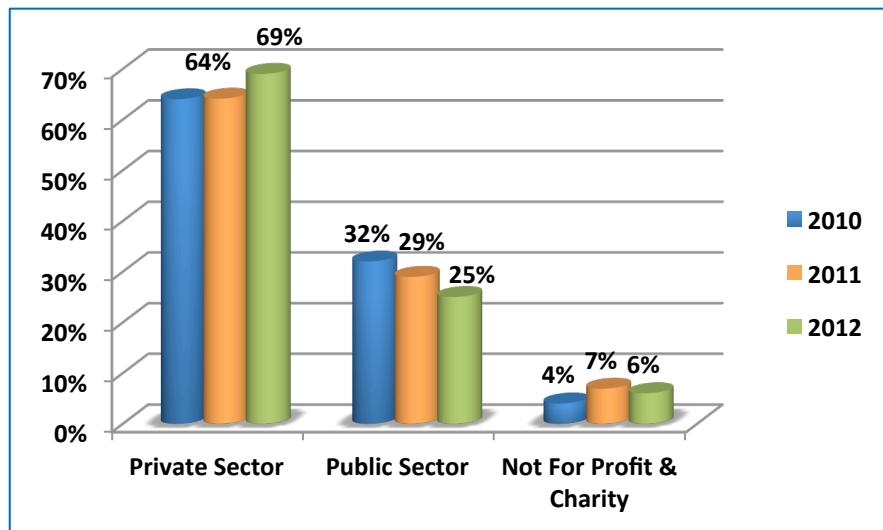


Two thirds of interim managers are now working in the private sector.

In 2008/9 many private sector interim managers were keen to migrate to the still buoyant public sector.

At that time the balance between private and public sector interim work was much more evenly balanced. Some commentators at the time even claimed that interim workload in the public section had overtaken the workload in the private sector.

Change in interim manager sector assignments



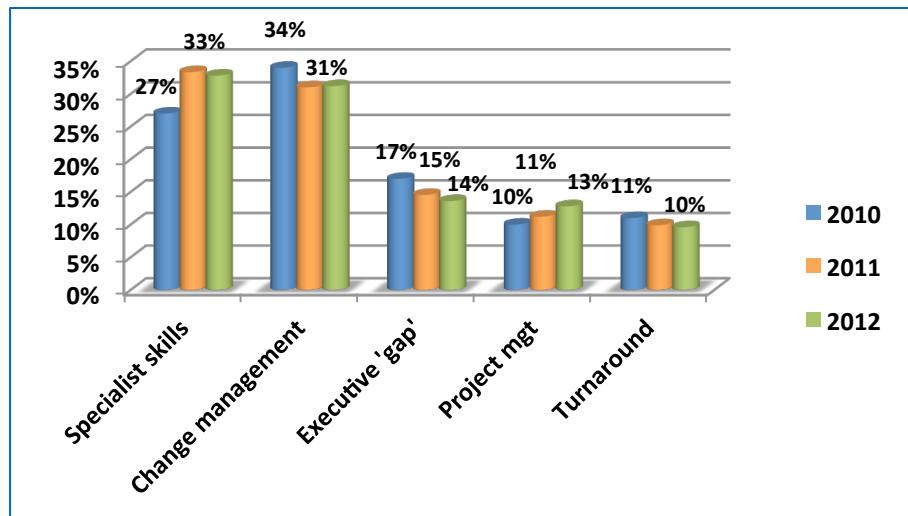
In 2012, 69% of interim managers are working in the private sector, up from 64% in 2010 & 2011.

The proportion of interim managers working in the public sector has now fallen from 32% to 25%.

The not-for-profit and charity sectors pick up 6%.

The relative size of the populations is not the whole story because an increase in private sector interim work does not mean that there is less public sector work, but the desire that many private sector interims had in 2008/9 to move into the public sector, now appears reversed with many public sector interims seeking private sector work.

Interim management roles

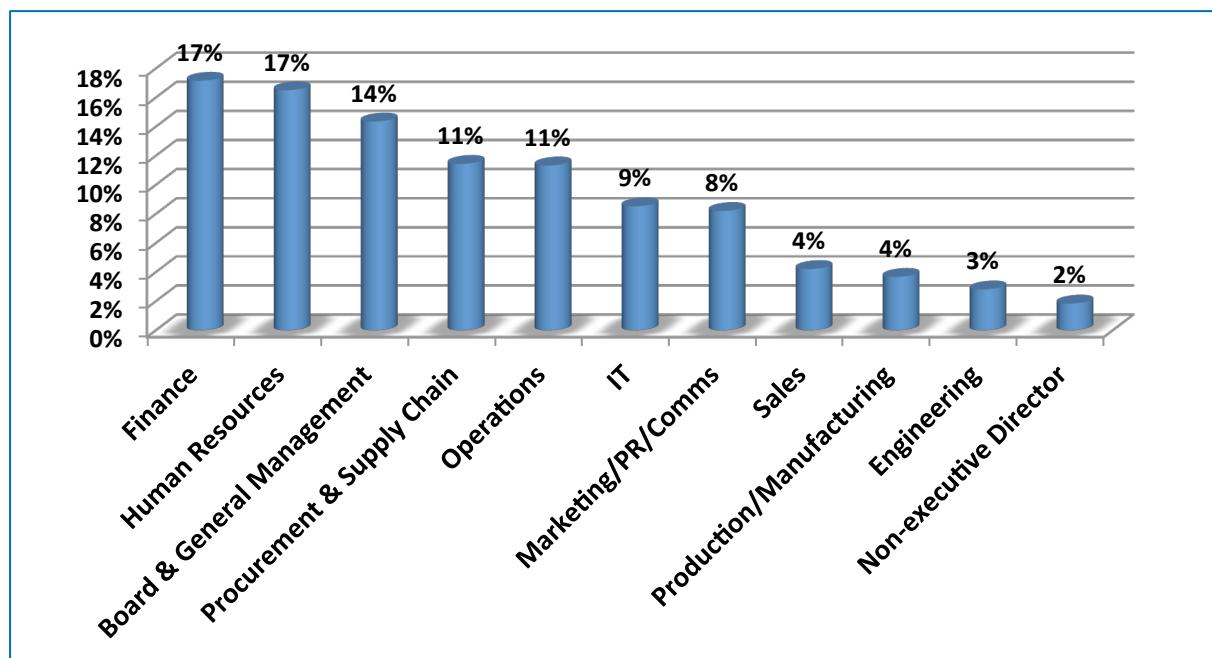


Interim managers tend not to carry out 'Business As Usual' (BAU) work, being mainly engaged in specialist and change activities.

Though the classic 'gap fill' does feature in 14% of assignments.

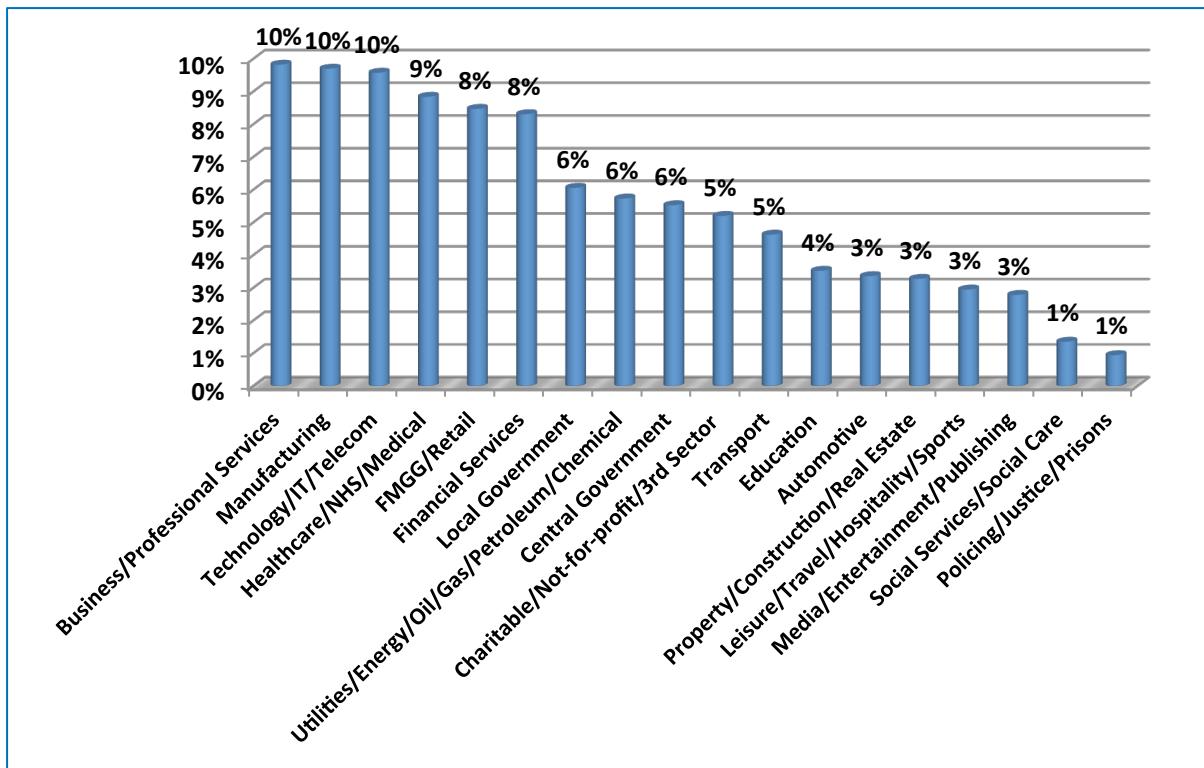
Interim management functional assignments

The most dominant business functions utilising interim managers are Finance and Human Resources (both 17%), Board and General Management (14%), Procurement and Operations (both 11%).

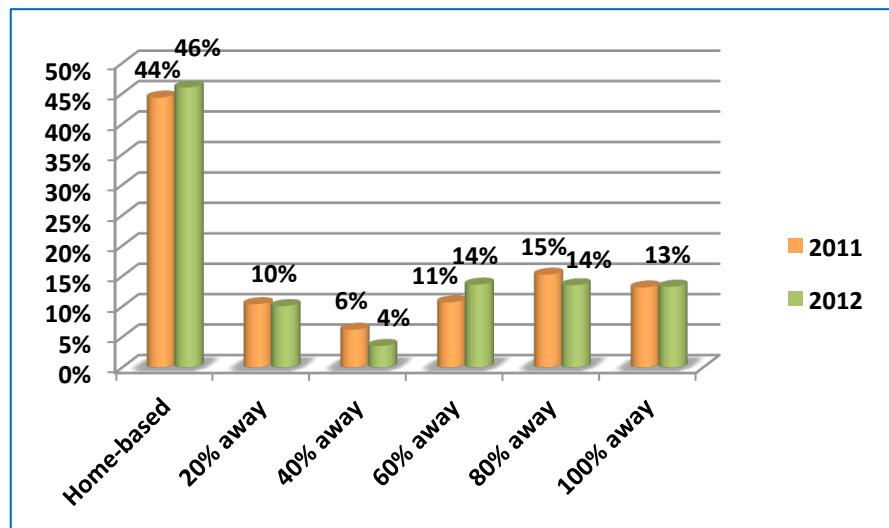


Interim manager industry assignments

Interim managers work across a range of industry sectors.



Proportion of the time delivering assignments away from home

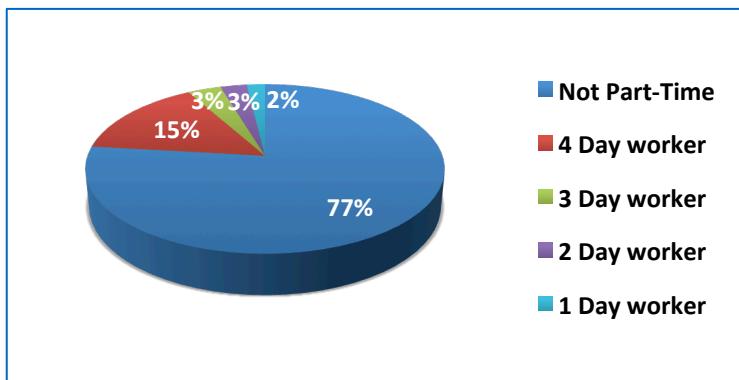


46% of interim managers don't travel away from home to deliver their assignments.

Of those that do travel, 80% are away from home 3-5 days per week (60-100% away).

How many interim managers work part time?

For completeness, we repeat the following part-time/portfolio data, *captured in the 2011 survey*.

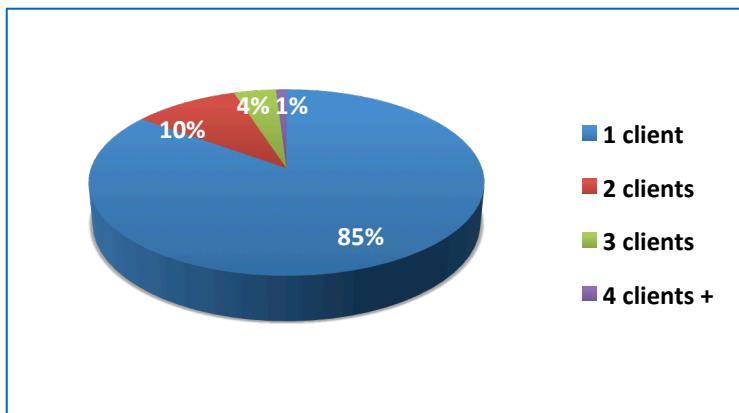


23% of interim managers work part time, 4 days per week on average or less.

This is mostly 4-day part-time working.

Only 8% of interim managers work 3 days or less per week.

How many interim managers conduct portfolio working?



Only 15% of interim managers actively service more than one concurrent client.

Portfolio working is often discussed by interim managers, but in practice, it is still rare.

The Interim Landscape - Ad van der Rest, MIIM

"The current interim landscape is one of contradictions. At some level, the market has recovered significantly since 2010, but interim sectors, industries, disciplines and interims themselves are not homogenous.

As interim managers are specialists it is all too easy for an area of the market that has been buoyant to stall and leave the interim manager high and dry. The last few years have seen interims often unsuccessfully battling to move from private sector to public sector and back again.

Of course interim managers are more than flexible enough to change course across industries and sectors, where required. Though we rely upon service providers and end clients to not be fixated by the exact vertical experience and see instead the broad industry expertise on offer.

To balance the IIM's perspective, next an extended comment piece from Doug Baird, picking up as well some IMA input on the interim landscape:



Ad van der Rest MIIM
co-Chairman
Institute of Interim Management

The interim landscape – Doug Baird (Interim Partners)

InterimPartners 

"The interim management landscape is changing rapidly. A bit like Danny Boyle's opening ceremony – the pleasant pastures seen have been replaced by dark satanic mills. Pre-2008 the market was challenging, but on looking back it was a mountain green for many interim managers. A smaller market in value, but fewer candidates chasing fewer high quality assignments. Along came Lehman, coalition government, austerity, euro crisis and double dip.

So how is 2012 shaping up, five years after the credit crunch? It may be too early to tell but many will remember this year as an assault on the interim management market place. For a government that promised looser regulation and an end to red tape, it is doing a very good job of the opposite.

Off pay-rolling and taxing of controlling persons represents a significant threat to our sector. The IIM has already produced a summary on these regulations so I do not need to repeat them here. However, many are now beginning to see the true extent of their impact.

As a relatively small sector, some of the factors to facing down these regulations are aggravating – interim managers are often by their nature "lone wolves" competing with each other despite some alliances. Similarly, the ISP sector is frequented by some large recruitment firms but the majority are small SME-style boutiques. Marshalling these different groups with different agendas is always going to be a challenge.

I don't believe the ISP model is on the verge of collapsing as many are prospering in these challenging times. Likewise it is not the time to write off the interim marketplace - many interims are in assignment and getting on with their task. And it is not the first time legislation has been brought in to our potential detriment. We all did our best to swerve IR35 first time around and more recently AWR. More than ever it is time to form a single voice and message if we are to protect the sector that we are all so passionate about.

On a brighter note, the building of those dark mills did of course herald the beginning of the industrial revolution, and there are plenty of positives that could form the basis of new growth:

- The market for interim managers is growing, with the IMA estimating it to be a £1.5bn UK market.
- Assignment gaps are continuing to fall; down to 2.1 months from 4 months in 2010.
- Day rates are remaining steady; IM incomes were probably more affected by bigger voids than a drop in rates.
- There has been a slight fall in billable days which we will hopefully recover from as we creep out of this recession.
- Lastly, it appears that none of us are getting any younger. The average interim is in their fifties - I hope this means our client community still values experience above youth!"



Doug Baird
Managing Director
Interim Partners

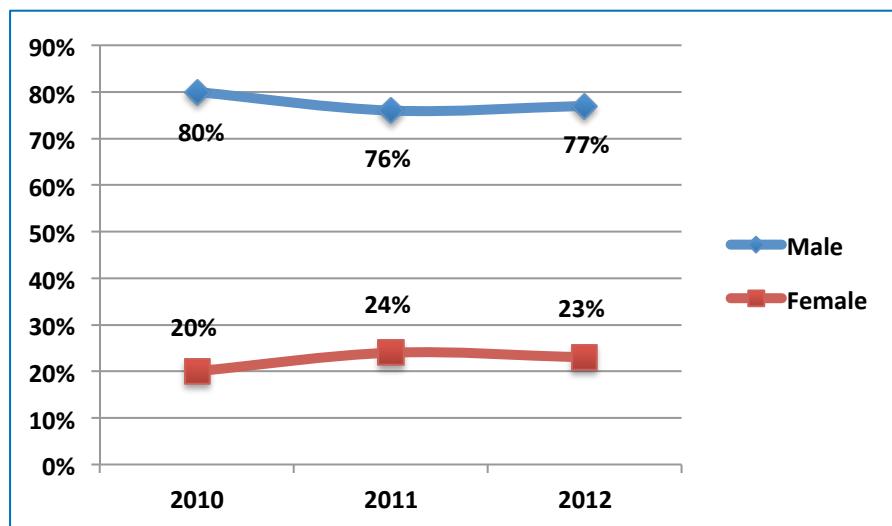


Female interim management demographics

Much is said about the role and proportion of women in interim management, often with little data to back it up. The significant data responses in our survey this year allow us to drill down into some of the gender information. In last year's survey the comment article from Odgers Interim on the subject said that the 2011 survey raised more questions than answers.

So we have asked more questions and perhaps we can derive more answers.

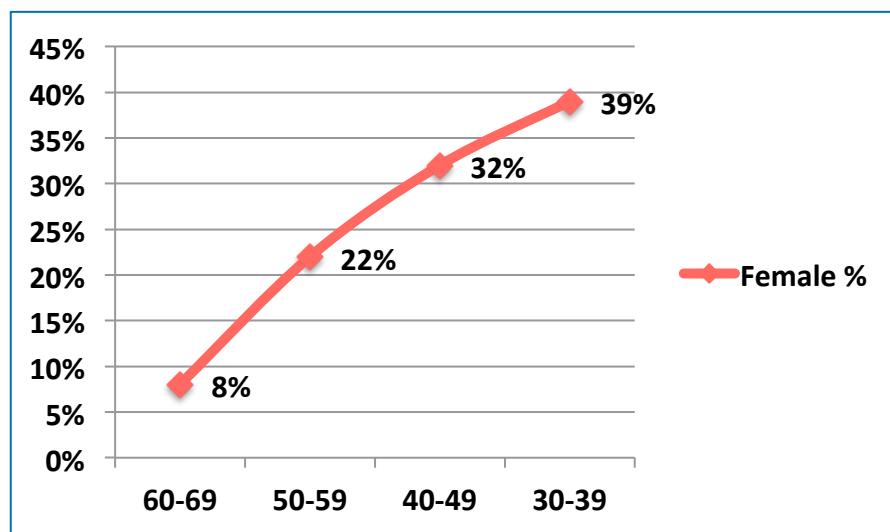
Percentage of women in interim management



The female proportion was a tad down in this year's survey, with (to be precise) 23.2% female, versus 23.9% last year. Both figures improved on a 20% proportion in 2010.

That might look rather static, but in the next illustration, something rather remarkable shows up if you filter by age group.

Interim manager female proportion by age



One might assume that the steady growth of the proportion of female interim managers is uniform across different age groups.

Our data says **not**.

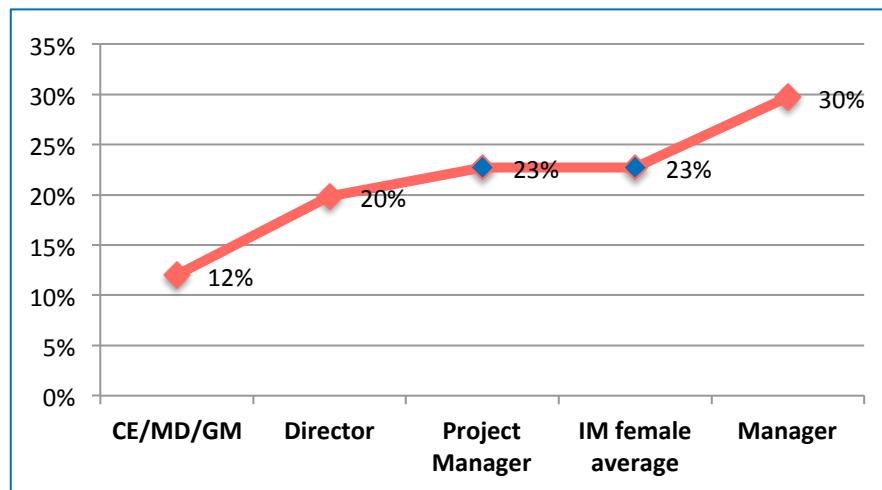
Nearly 40% of the 30-39 interim age group are female, a proportion that falls steadily to only 8% of the 60-69 group.

We view this as a strong indicator that the 1 in 7 proportion of female interims at the turn of the century will have improved to better than 1 in 3 by 2020.

Our assessment may appear a conservative assessment as some surveys from the service provider community put the current female percentage higher, but that reality reflects the wildly varying female proportion by industry and profession.

Importantly the trend across the age groups could not be clearer or more inexorable. In 15 years, that c.40% female proportion will be bang on the average age for an interim manager.

Interim manager female proportion by seniority

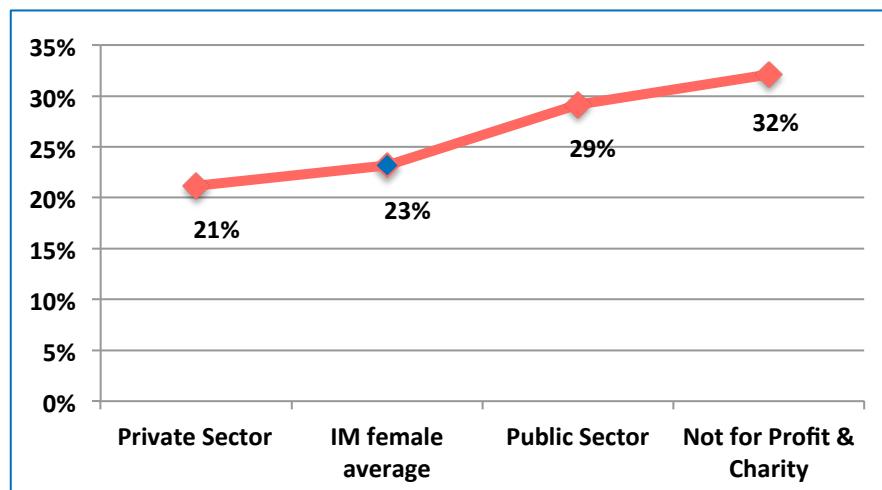


The stark variation in female percentage, by age group, perhaps explains a corresponding variation by seniority, with a significant fluctuation between the 12% female interims operating at CEO/MD/GM level and the 30% at Line Management level.

A concern is that historically interim managers tend not to become much more senior once they become interims, i.e. in 'hitting the ground running' interims are selected for what they have done, not their growth potential.

Because of this, the proportion of female interims is likely to increase (the larger proportion of female interims in their 30's will inevitably become older), but that does not guarantee a greater proportion of female interims at more senior level. If a large proportion of female interims gain entry to the professional at a comparatively more junior level, then they may become fixed at that seniority.

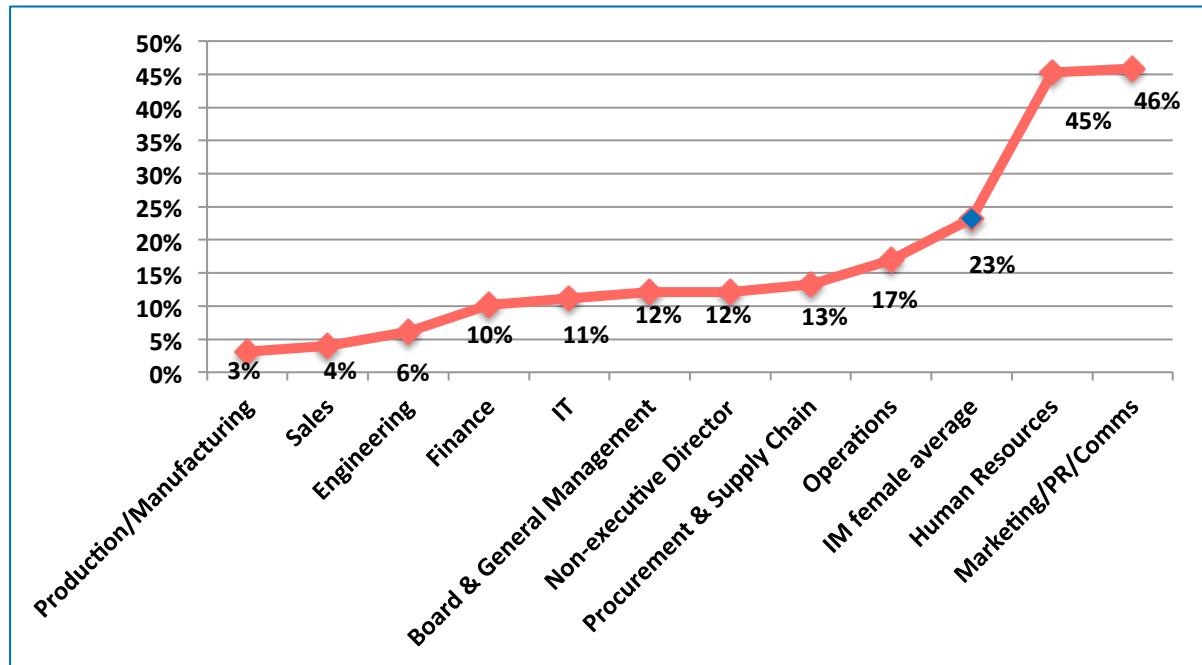
Interim manager female proportion by sector



Female interims fare better proportionately in the public and 3rd sectors.

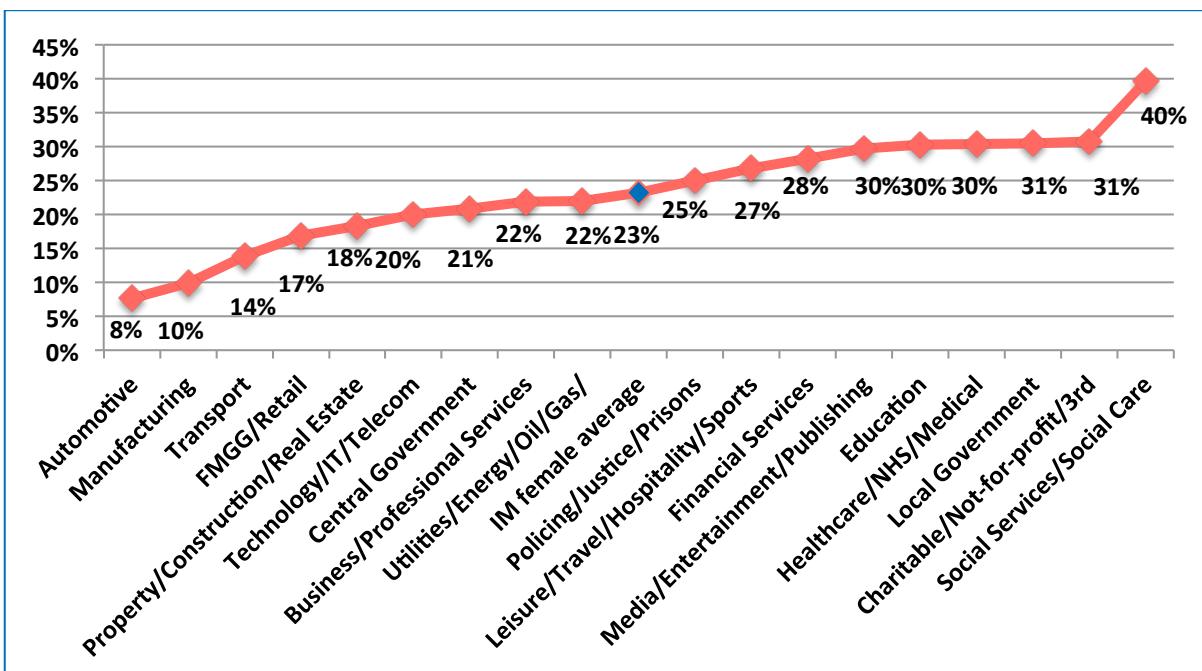
But as we know, day rates are less in those sectors impacting the female day-rate average.

Interim manager female proportion by discipline



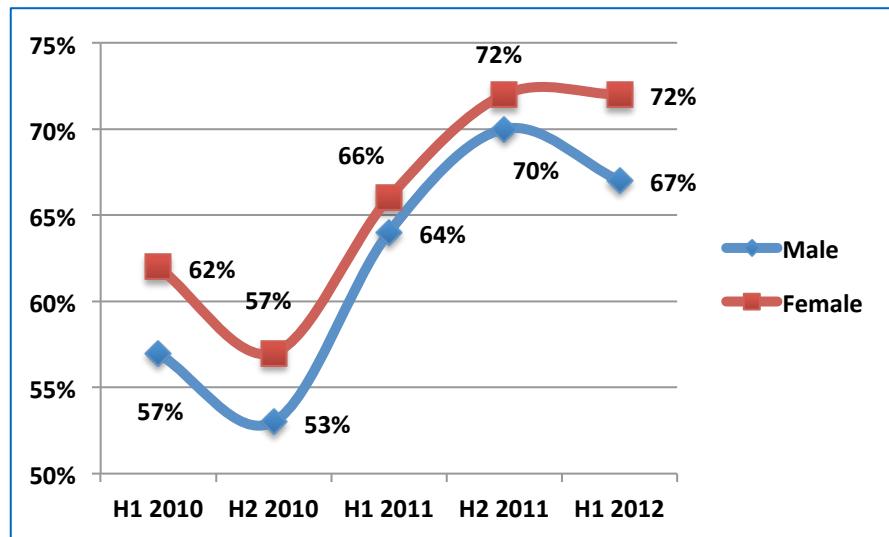
There is a stereotypically high proportion of female interims in Human Resources and Marketing.

Interim manager female proportion by industry



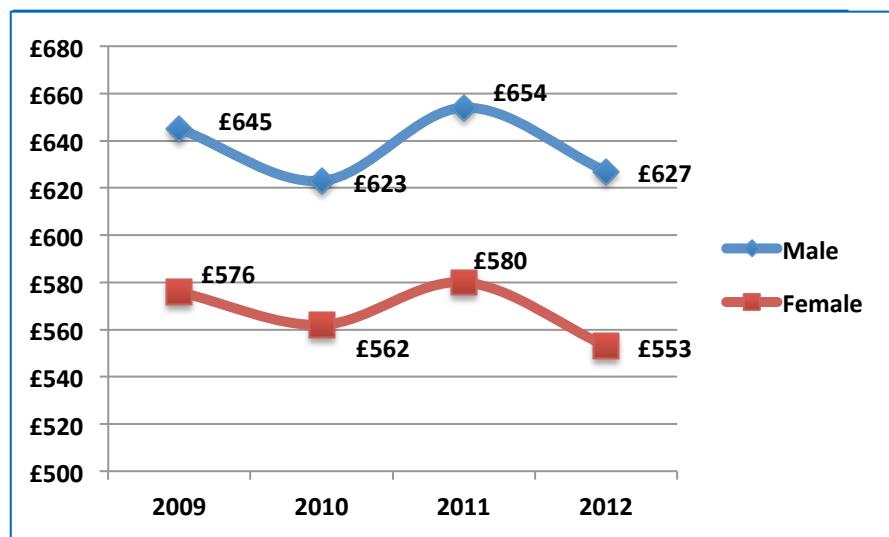
As highlighted earlier, there is a higher proportion of female interims in public sector departments: Education, Local Government, Healthcare/NHS and Social Service, alongside Not-For-Profit.

On assignment percentage segmented by gender



Female interim managers have been enjoying a higher proportion of time 'on assignment' and the gap appears to be extending.

Day rates segmented by gender



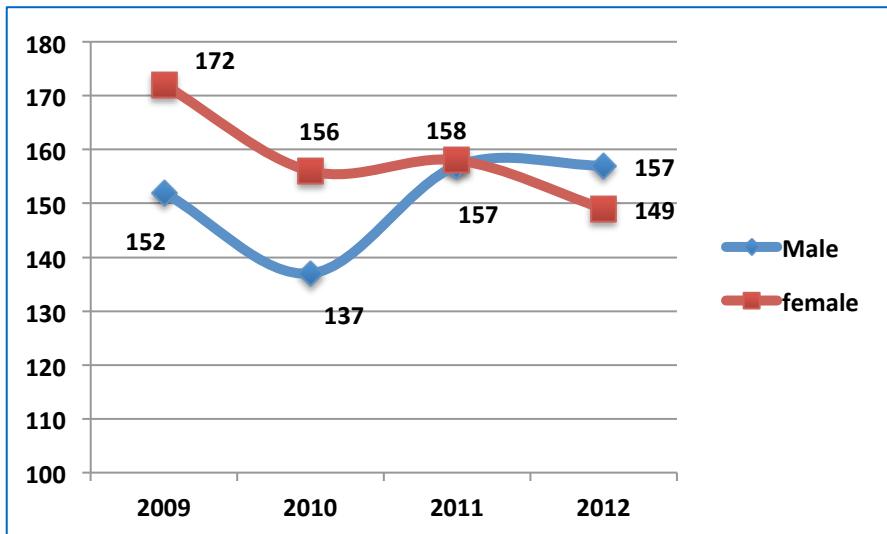
In our survey, the gender day rate differs by 12%.

This is very consistent with the last two years:

2010: 12%
2011: 13%
2012: 12%

Part of the explanation may be the stereotypical greater proportion of female interims in some sectors and functions that have lower average day-rates, but is that the whole answer?

Billed days segmented by gender



Finally, in 2010 male interim managers had been trailing female interim managers in terms of days billed, but in 2011 men appeared to have caught up and surpassed the number in 2012.

The balance of interim women – Diane Morris (interim women)

“The latest research from the Institute of Interim Management reveals some exciting new trends about women in interim management. Whilst the proportion of women in interim has remained fairly static over the past couple of years, there was a notable increase in the number of thirty-something women in the market. Women aged 30-39 now make up 40% of the interim market which is hugely encouraging and the survey highlights that if this rate of increase continues - one in three interim managers will be women by 2030. The industry is male dominated so this could be a key indicator of increased diversity.

Another positive trend was that women are on assignment slightly longer than men, with gaps between assignments shrinking too. However, the research also highlighted a 12% gap in pay between men and women. This could be attributed to a number of factors. Female interim managers tend to favour the public sector, not for profit and education which all tend to pay less than the private sector and in terms of job disciplines - HR and marketing. Another reason could be that only 12% of women operate at CEO or MD level. We hope that in time along with greater numbers of younger women becoming interim managers, we will see a corresponding rise in the number of women working at the very top.”

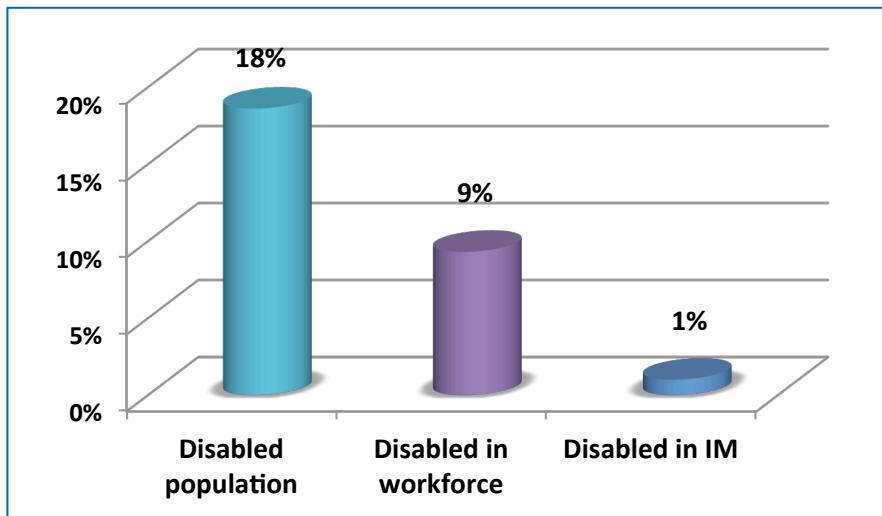


Diane Morris
Director
Interim Women
<http://www.interimwomen.com>

Interim management and disability

Prompted by a conversation with Green Park who were researching the topic of 'Disability in interim management', we introduced a few questions into our 2012 survey to capture some base data.

Disability in the interim workforce

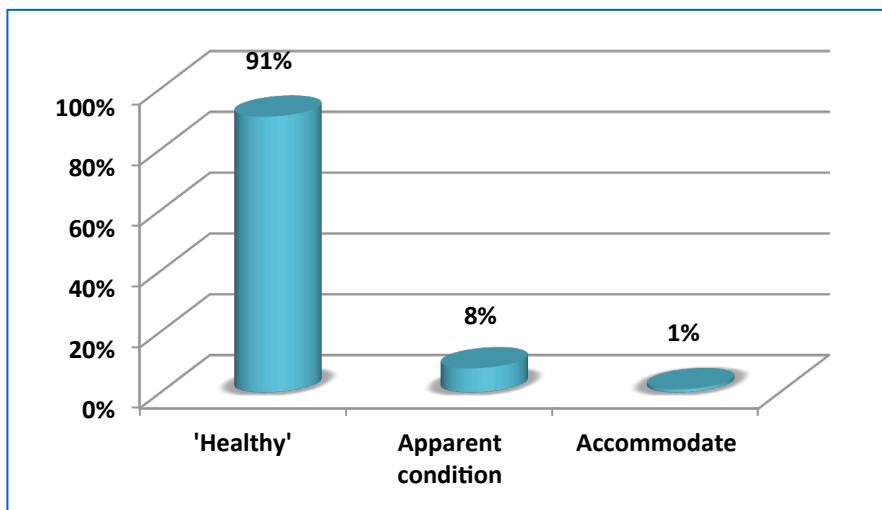


18%* of the UK population have a disability, of which half are in employment (9%*).

In interim management 1% are registered disabled.

* Data from 'Employers Forum on Disability'
<http://bit.ly/qswh1D>

Accommodation of medical condition



8% of interim managers have an apparent medical condition not requiring any accommodation in the workplace.

1% require a workplace medical accommodation

The remaining 91% are otherwise 'healthy'

The initial conclusions of these low percentage figures are that either interim management is not very 'disability friendly' or that the population of business professionals with disability largely self-select themselves out of a profession with such uncertainty and flexibility requirements.

We will watch with interest to see if further research emerges in this area,

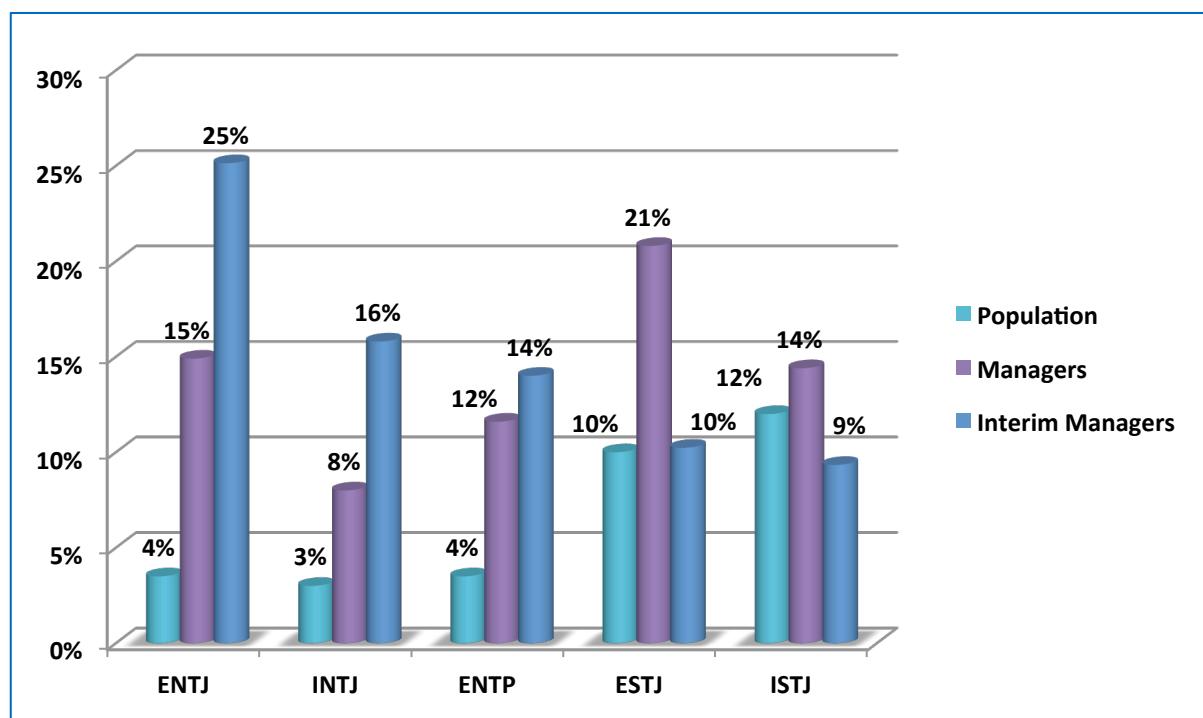
Interim management behaviour preferences

This analysis of interim behavioural preferences was striking in the 2011 survey. We have not run the numbers again in 2012, but are repeating the 2011 findings as important data to highlight.

What is your Myers-Briggs Type Indicator?

Discussions often take place about what behavioural competencies are characteristic of interim managers and executives. In our survey we selected the Myers-Briggs Type Indicator (MBTI) as a useful model of behavioural preference, partly because it is long standing and documented, and partly because so many people understand the model and know 'off the top of their head' what their MBTI profile is (56% of interim managers knew their type).

The startling discovery was not simply that interim managers have a strong disposition for particular types, but how stark that preference was. 55% of interim managers fall into 3 of the 16 types, compared to 35% of the management population and only 11% of the general population:



Manager data - Ashridge: [MBTI Research into Distribution of Type](#)

General Population data (US source) - [CAPT—Center for Applications of Psychological Type](#)

The dominant interim types are: ENTJ, INTJ and ENTP.

Subsidiary types are ESTJ and ISTJ, particularly for those in Finance, Operations and Procurement.

No. 5	ISTJ	ISFJ	INFJ	INTJ
	ISTP	ISFP	INFP	INTP
No. 4	ESTP	ESFP	ENFP	ENTP
	ESTJ	ESFJ	ENFJ	ENTJ

No. 2

No. 3

No. 1

ENTJ - Interim management type No. 1 – 25% of the interim population

Frank, decisive and assumes leadership readily. Quickly see illogical and inefficient procedures and policies, develop and implement comprehensive systems to solve organizational problems. Enjoy long-term planning and goal setting. Usually well informed and well read, enjoy expanding their knowledge and passing it on to others. Forceful in presenting their ideas.

- Likes making decisions on the basis of logic, using objective considerations
- Is concerned with truth, principles and justice
- Is analytical and critical, tending to see the flaws in situations
- Takes an objective approach
- Organises life in on a logical basis, classifying, ordering, and directing facts and situations
- Is decisive, with the aim of being just and fair
- Spontaneously criticises
- Is comfortable with conflict as a way of resolving problems
- Takes an impersonal approach, focusing more on systems and organisational needs than each individuals' feelings
- focusing the (outer world) Thinking on creative decisions that lead to change and new possibilities
- orchestrating the outward organisation in support of some overall purpose or strategy

INTJ - Interim management type No. 2 – 16% of the interim population

Have original minds and great drive for implementing their ideas and achieving their goals. Quickly see patterns in external events and develop long-range explanatory perspectives. When committed, organize a job and carry it through. Sceptical and independent, have high standards of competence and performance – for themselves and others.

- Likes looking at information from a global viewpoint, spotting patterns and relationships, that lead to an understanding of the key issues
- Focuses more on possibilities for the future than the here-and-now
- Enjoys change, challenge, and variety
- Seek to develop a understanding of how the world can be
- Seek to understand the patterns underlying his/her observations
- Be strategic in nature, wanting to establish a clear vision towards which the INTJ is working
- Not involve others in the development of that vision
- Focusing the (inner world) iNtuition on ideas and possibilities that relate to systems and concepts
- Inwardly maintaining a long term vision. Rather than communicating this vision directly, it may tend to surface in the form of criticism of ideas and situations that do not conform.
- applying logical analysis to perceived patterns and possibilities, enabling the INTJ to quickly see the underlying principles in a situation

ENTP - Interim management type No. 3 – 14% of the interim population

Quick, ingenious, stimulating, alert, and outspoken. Resourceful in solving new and challenging problems. Adept at generating conceptual possibilities and then analysing them strategically. Good at reading other people. Bored by routine, will seldom do the same thing the same way, apt to turn to one new interest after another.

- Likes looking at information from a global viewpoint, spotting patterns and relationships, that lead to an understanding of the key issues
- Focuses more on possibilities for the future than the here-and-now
- Enjoys change, challenge, and variety
- Try ideas out, to explore new possibilities and discover, by experience, which ones work
- Change procedures to see if any improvement can be made, rather than just operate them
- Be interested primarily in evolutionary development, perhaps with an eye on the strategy.
- Be more interested in exploring ideas than bringing them to closure
- Focusing the (outer world) iNtuition on ideas and possibilities that relate to systems and concepts
- Inwardly tending to spot the flaws in situations, people or ideas. Rather than expressing criticism directly, it may surface in the form of contradictory ideas and possibilities.
- applying logical analysis to perceived patterns and possibilities, enabling the ENTP to quickly see the underlying principles in a situation

The following profiles are not more common among interim managers than the general management population, but do feature in positions 4 and 5 (10% and 9% respectively). As stated, they are more common among interim managers in Finance, Operations and Procurement.

ESTJ - Interim management type No. 4 – 10% of the interim population

Practical, realistic, matter-of-fact. Decisive, quickly move to implement decisions. Organize projects and people to get things done, focus on getting results in the most efficient way possible. Take care of routine details. Have a clear set of logical standards, systematically follow them and want others to also. Forceful in implementing their plans.

ISTJ - Interim management type No. 5 – 9% of the interim population

Quiet, serious, earn success by thoroughness and dependability. Practical, matter-of-fact, realistic, and responsible. Decide logically what should be done and work toward it steadily, regardless of distractions. Take pleasure in making everything orderly and organized – their work, their home, their life. Values traditions and loyalty.

MBTI preferences filtered on functional specialism:

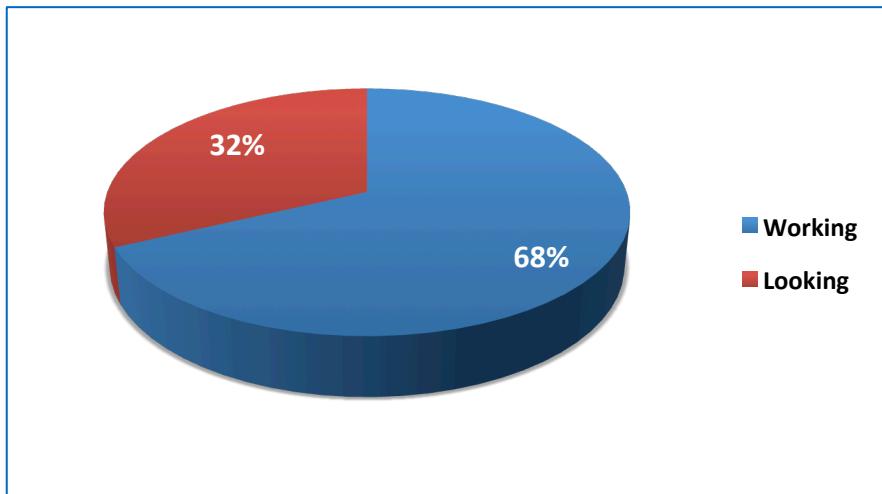
		No.1	%	No.2	%	No.3	%
1	Total	ENTJ	25%	INTJ	16%	ENTP	14%
2	Male	ENTJ	26%	INTJ	18%	ENTP	12%
3	Female	ENTJ	23%	ENTP	17%	INTJ	12%
4	Board & General Management	ENTJ	31%	ENTP	24%	INTJ	17%
5	Human Resources	ENTJ	26%	ENTP	16%	INTJ	12%
6	Finance	INTJ	18%	ESTJ	18%	ISTJ	15%
7	Procurement	ENTJ	25%	ESTJ	25%	INTJ	12%
8	Operations	ENTJ	38%	ISTJ	21%	ENTP	13%
9	Marketing	ENTJ	27%	INTJ	15%	INTP	15%
10	IT	ENTJ	35%	INTJ	15%	ENTP	15%

Interim management assignment status

This year those surveyed completed a detailed schedule of their 'on' and 'off' assignments over the last decade. Also this year the amount of interims 'off assignment', but taking a break by choice (8%) were taken out of the percentages to give a true reflection of the proportion of interim managers working, compared to those actively looking for assignment.

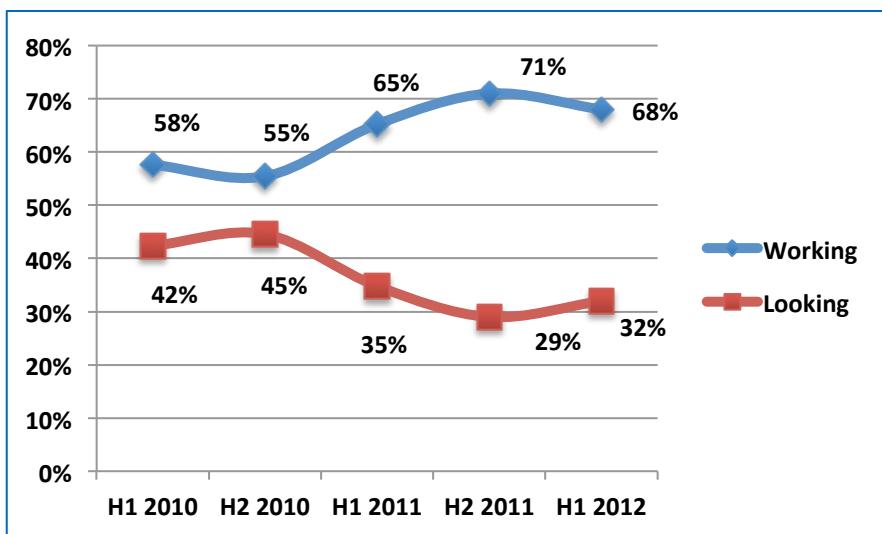
This has meant a small adjustment to our 2010 and 2011 comparative on and off assignment figures.

What proportion of interim managers are currently on assignment?



68% of available interim managers report being 'on assignment'.

On and off assignment trends (short term)

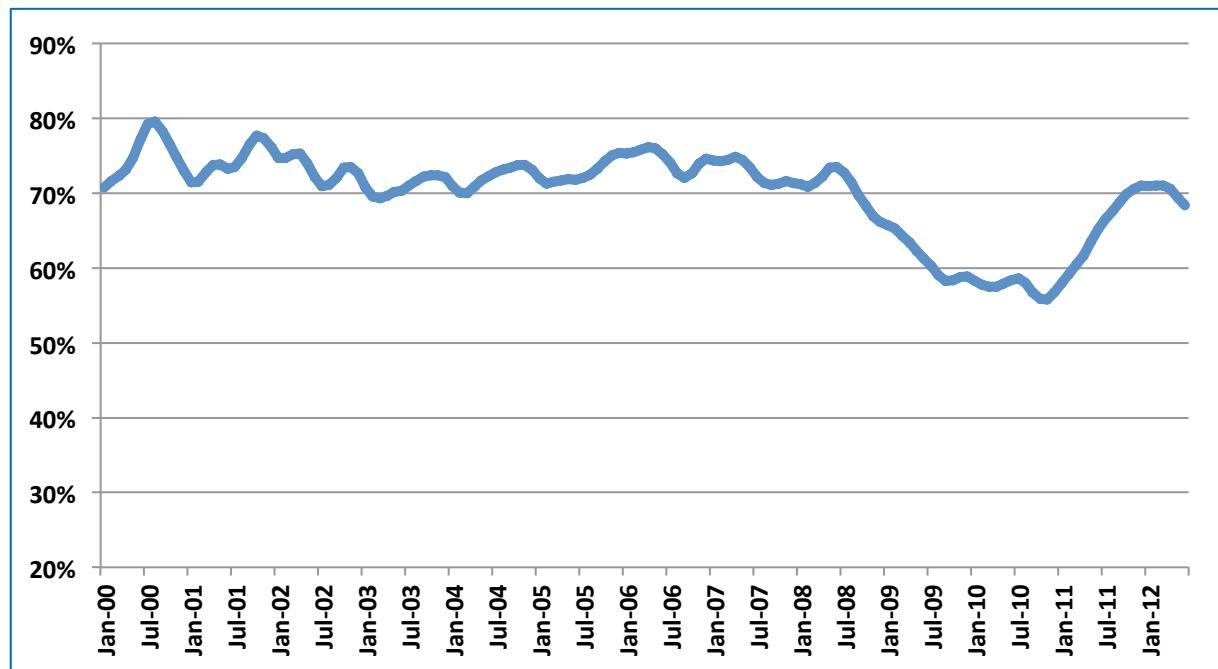


This is slightly down from the 71% recorded in December 2011, but up on the 65% in June 2011.

On and off assignment trends (long term)

Looking at the long-term data, it was all going quite nicely until the Spring of 2008. Unsurprisingly, the recession took its toll with a 2½ year slide. 2011 saw some good recovery, though Q1 of 2012 showed a slight fall-back.

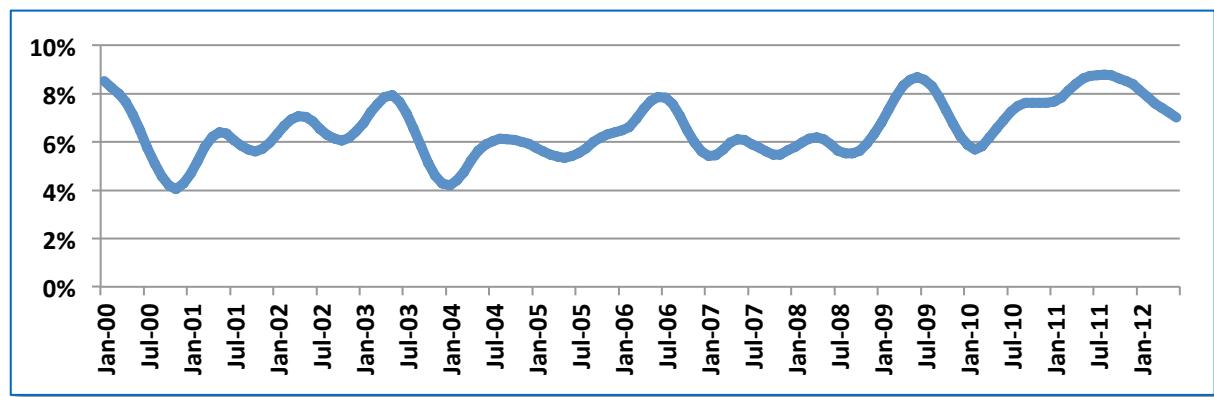
Percentage 'on assignment' 2000 to 2012



Interim 'time out'

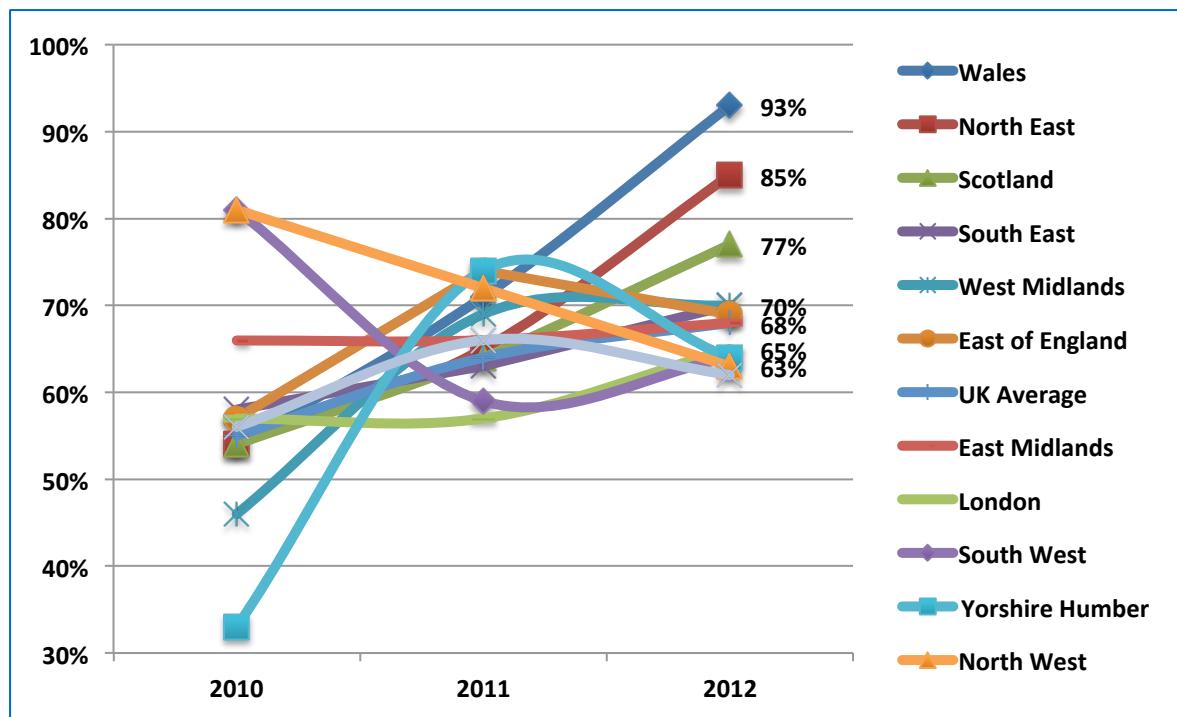
A benefit of interim management is famously the ability to take time out away from assignments. In practical terms this means that between 4-8% of interims are out of the market on a purposeful break at any one time. This trend does not appear to have been impacted by the recession.

Percentage 'out of the market' 2000 to 2012



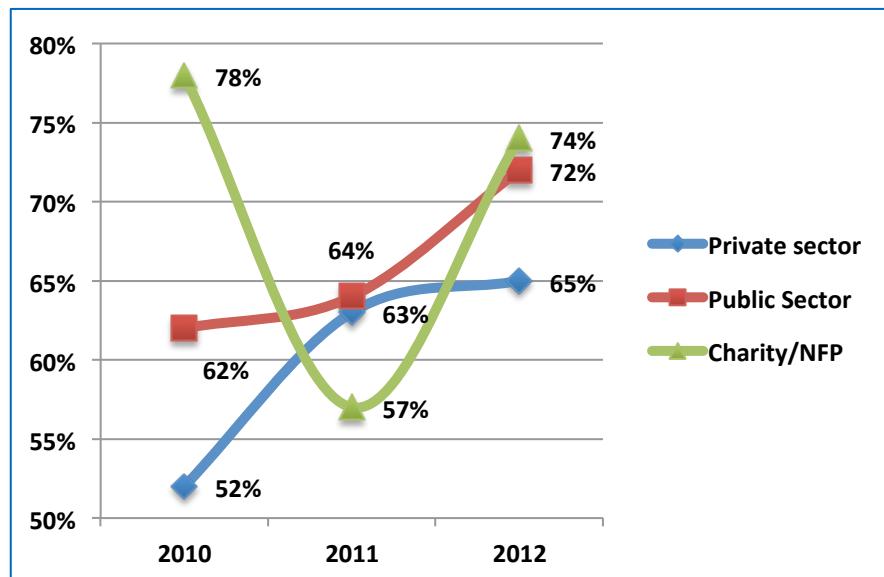
Assignment status by region - % on assignment

We filtered the interim managers reporting that they were 'on assignment', by home location.



A mixed regional story. Wales, the North East and Scotland are ahead on 'in assignment' status (93-77%), with the remaining pack in the 60%'s.

Assignment status by sector - % on assignment

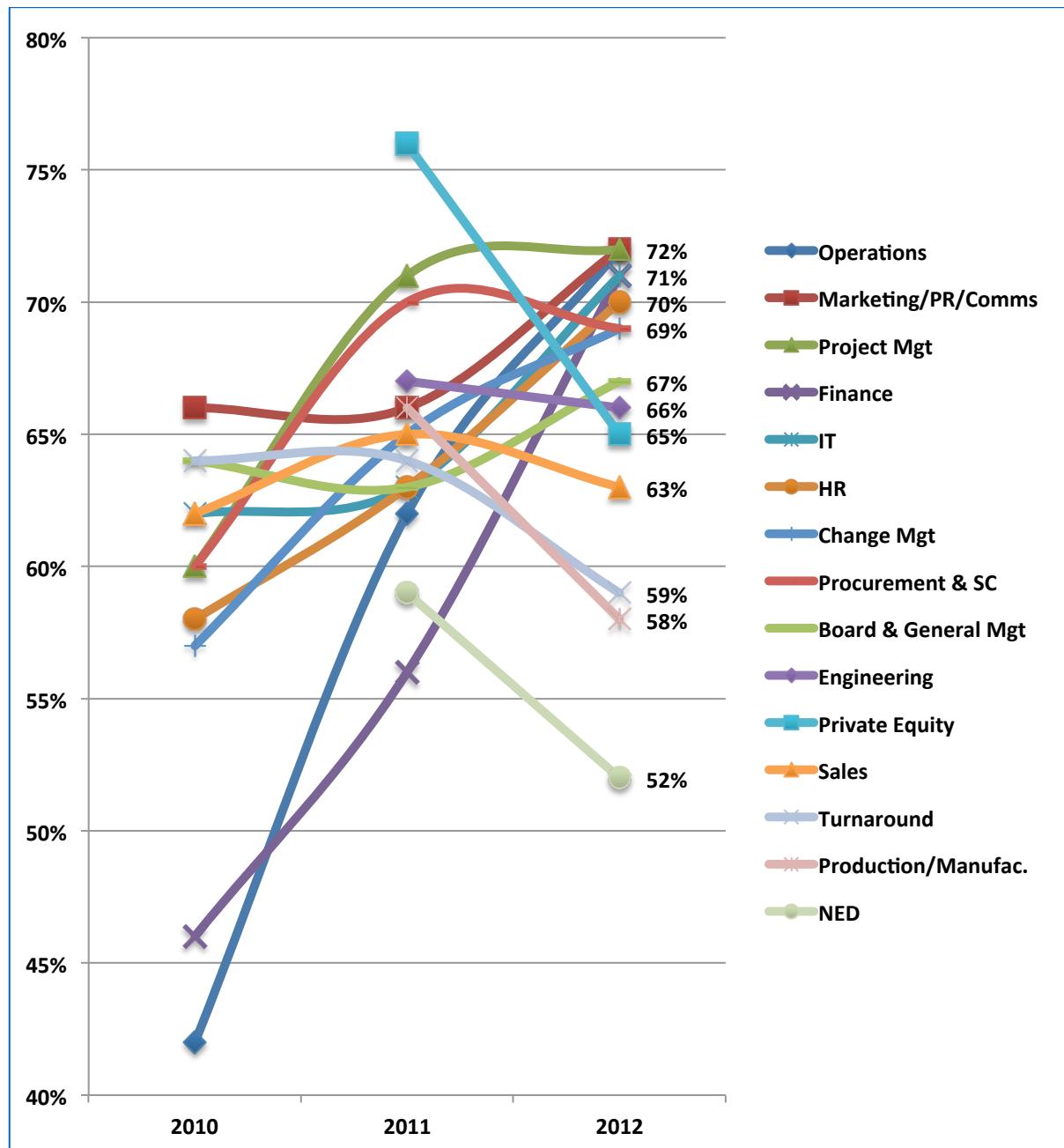


Despite the turmoil in the Public sector, those who are working and seeking work in the sector are maintaining a decent 'on assignment' percentage (72%).

Private sector maintains 65%, and the 3rd sector has recovered well to 74% on assignment.

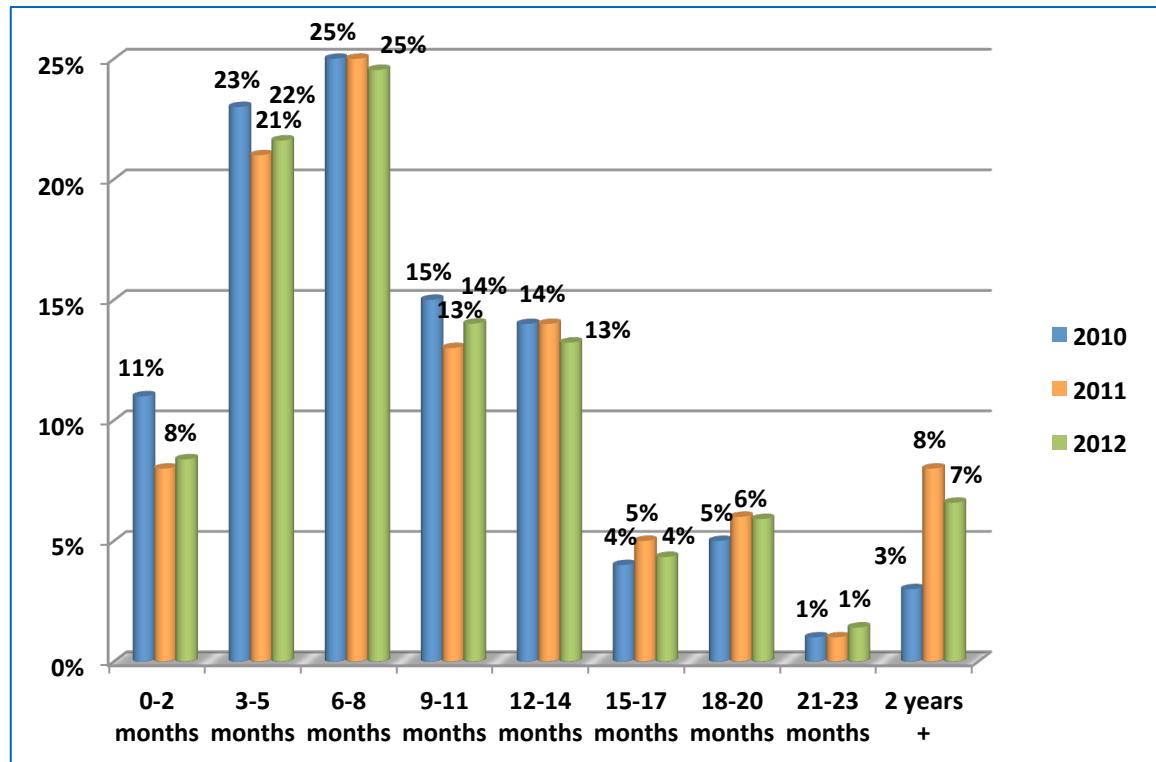
The improving assignment proportion in the public sector could equally indicate that some interims are leaving the sector entirely, improving the engagement odds for those who remain.

Assignment status by function - % on assignment



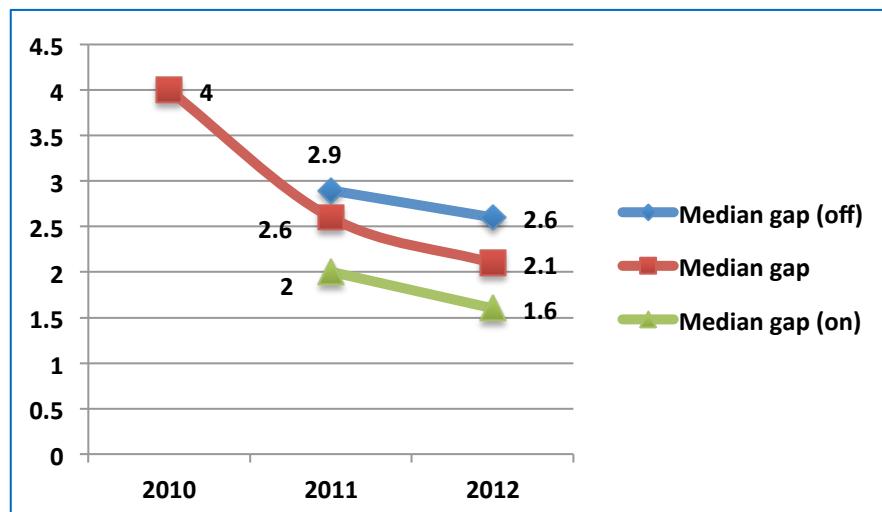
Comparing assignment status by discipline with last year, we find that Project Management, Procurement, Change Management, HR, Operations and Finance are recovering most strongly (although Operations and Finance were particularly poor last year, and so are recovering from the back of the pack).

What was the duration of your last assignment?



The median assignment length is 7.3 months which is a nudge up on last year's 7.1 month median.

If you are off-assignment, for how long has this lasted (in months)?



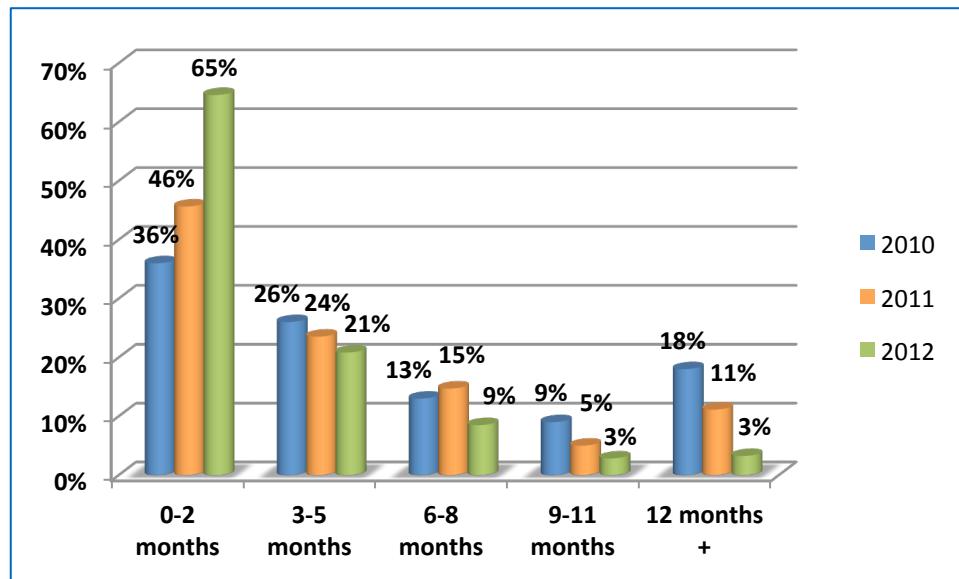
Assignment gaps continue to fall.

The average assignment gap (median) is now 2.1 months, down from median gaps of 4.0 months in 2010.

There remains a 'two speed' community. A subset of interims are much better at going off, then back on

assignment. Measuring the assignment lengths of those off assignment is significantly different to prior gap length of someone on assignment. The off assignment category clearly includes some stuck off assignment or experiencing longer assignment gaps.

Assignment gaps from 2010 to 2012



Pleasingly, and most importantly, an increasing number of interim managers are experiencing assignment gaps of less than 3 months.

<3 month gaps:

2010 – 36%

2011 – 46%

2012 – 65%

Interims in and out of assignment – Simon Drake (Penna)

"With our challenging economy and the significant pressures that today's business leaders face in all sectors, it's very encouraging that 68% of interim managers are on assignment and that this has increased since 2010, indicating that clients continue to value the services of interim managers to improve their organisations across all sectors. The underlying short-term sector trend indicates that utilisation of interim managers in both the Charity and Public Sectors remains strong. These figures underpin the relevance of the current debate on 'Tax on Controlling Persons' and how important is it that we work together to ensure the public sector can continue to benefit from the significant value that interim managers provide. The challenge of avoiding the 'feast to famine' effect of interim work has long been an issue in the market and therefore it is particularly pleasing to see the significant decrease in the gap between assignments, with 65% reporting less than 2 months between assignments. The potential of a 'two speed' community of interims with one community engaging in their next assignment repeatedly more quickly is something to watch and perhaps further research would certainly be of value to Interim Managers and Service Providers. It's encouraging to see that on average 4-8% of interims are taking deliberate time out from their interim careers, which indicates maturity of our interim market. With assignment lengths at an average of just over 7 months and 82% less than 15 months, this also indicates that interim managers are being utilised in a sensible way by hiring organisations, utilising skills and experience within a period which would not be viable for permanent recruitment. Thank you to the IIM and everyone who has completed this important survey. It's a valuable industry report that helps the IIM and IMA, along with leading providers like Penna, to better understand our profession and improve our industry standards."

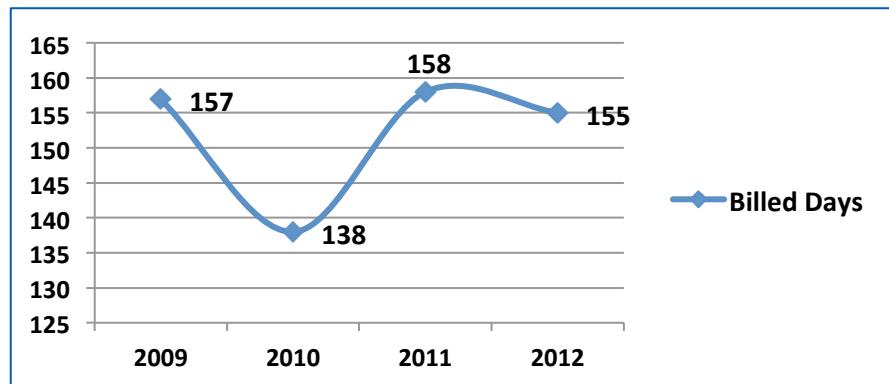


Simon Drake
Executive Interim
Director
Penna



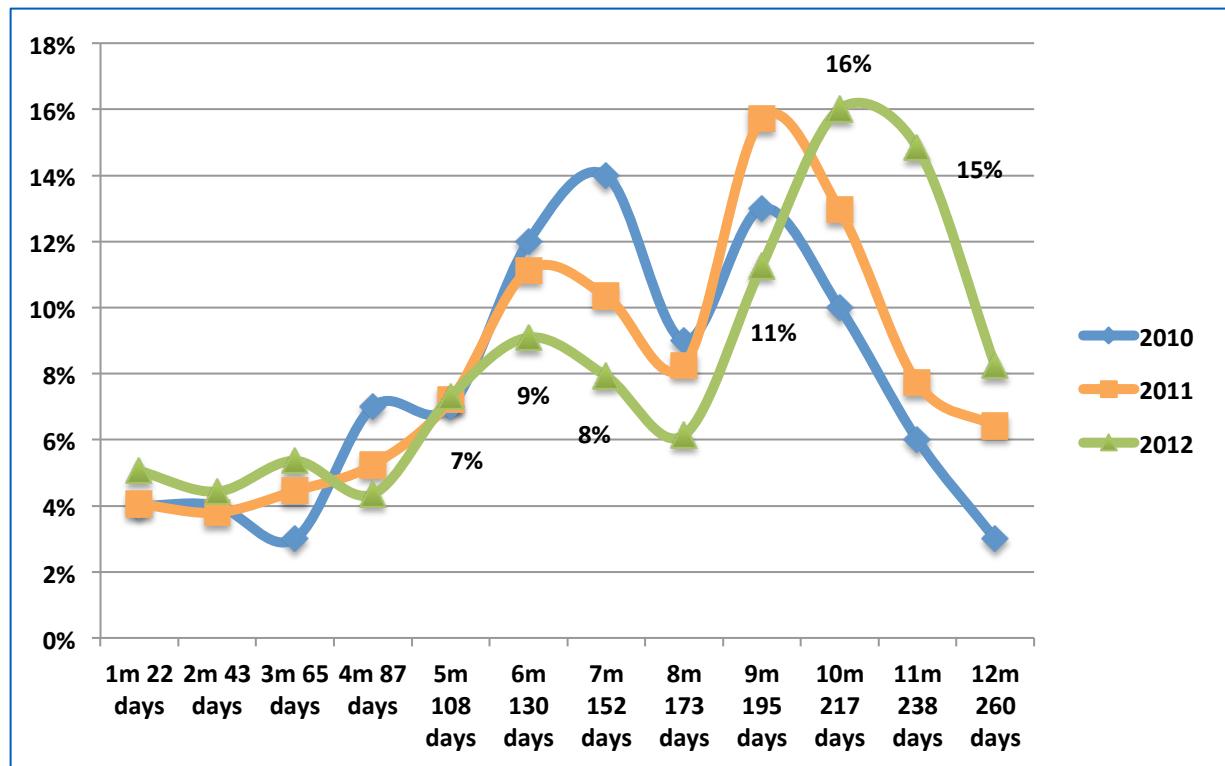
Billed days, Fees and day-rates

What are the 'headline' days billed?



The average days billed has settled in the mid-150's.

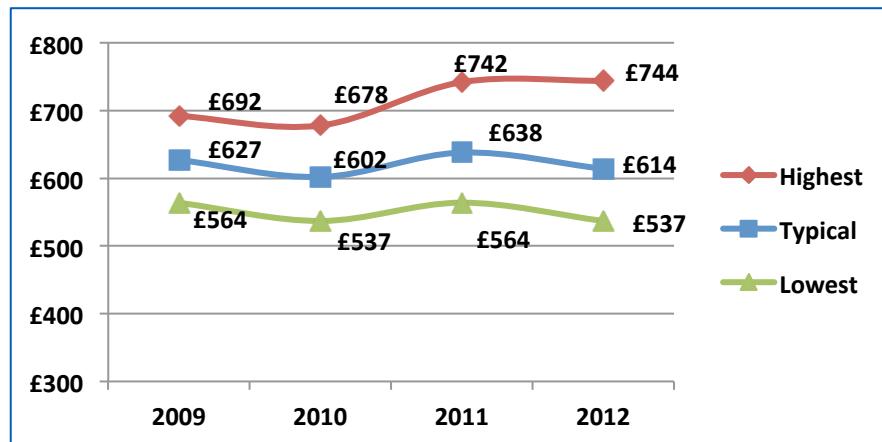
What is the range of days billed?



Within the billable days range (over three years of data) we can see two clear spikes where assignment lengths are more likely to fall.

One is in the range of a 6-7 month assignment and the second is in the range of a 9-11 month assignment.

What's the 'headline' day-rate?

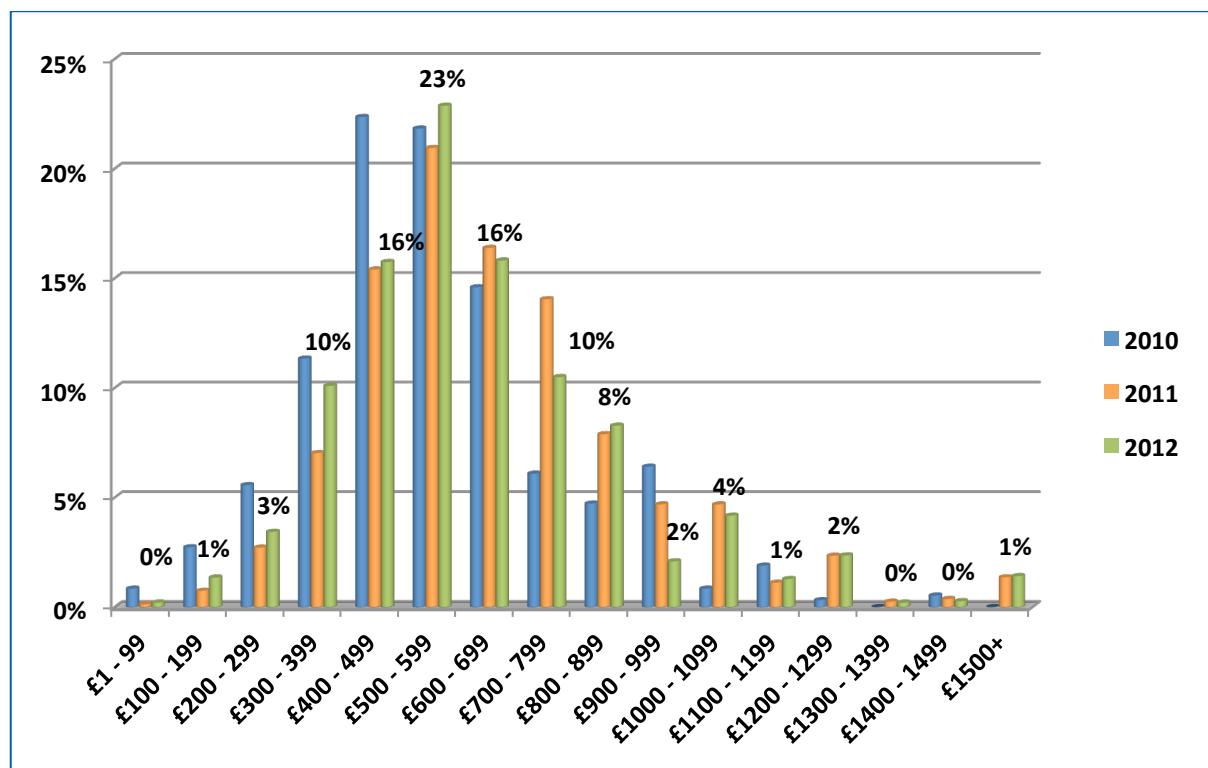


With the economy suffering a double-dip recession, day-rates have softened again to £614 after improvement in 2011, though the average 'best rate' has increased slightly to £744.

Across the recessions, the relative average day-rate has been fairly

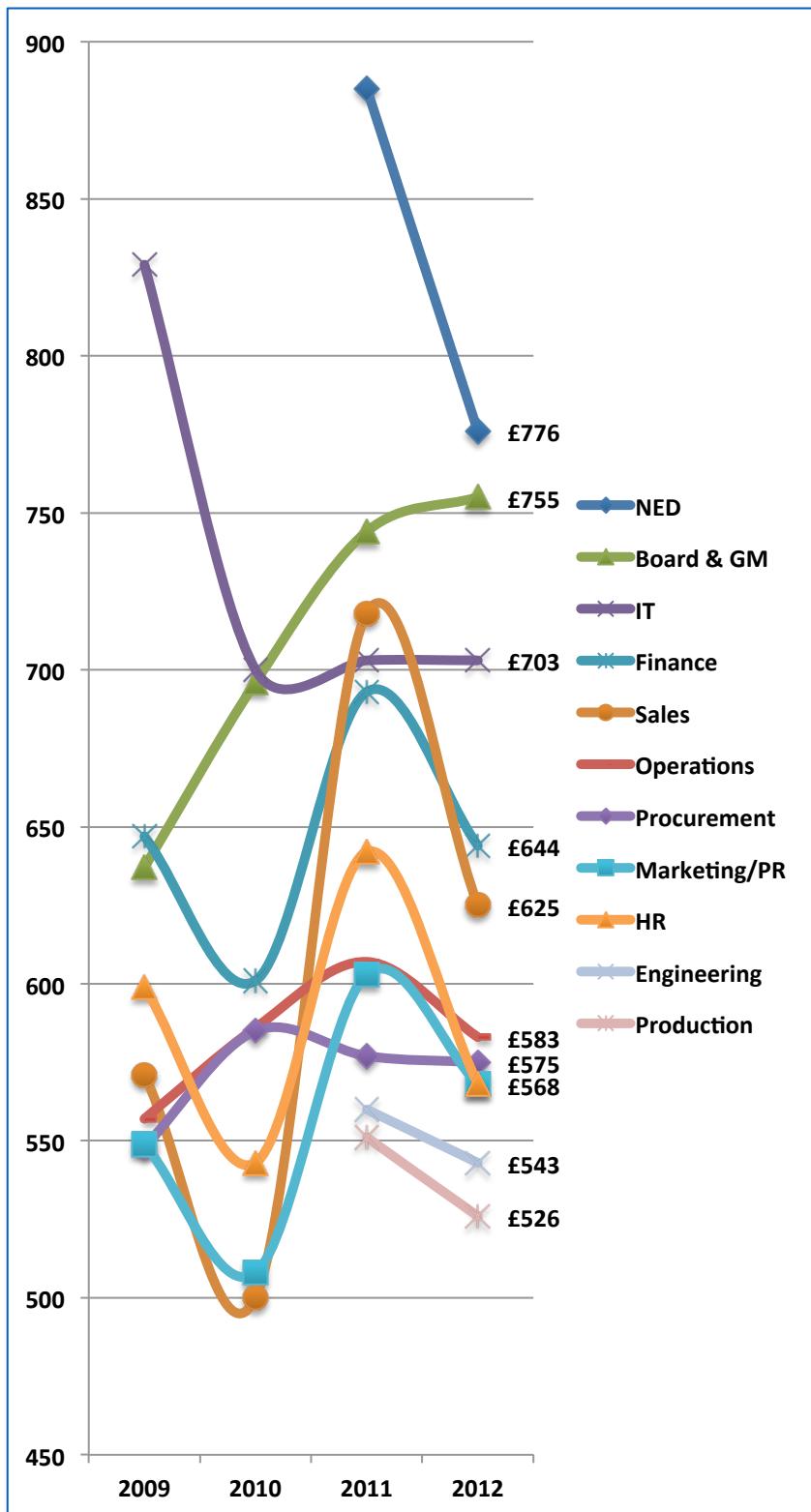
steady, so interim overall earnings across 2009-2011 are more likely to have been dented by the increased assignment gaps and poorer assignment availability of recent years than the rate itself.

Day rate segmented by rate earned



Day rates are close to normally distributed from £100 to £1,500+. 63% of day rates fall between £400 and £799. The average, day-rate has skewed downwards very slightly from 2011 with day-rates in the £300's increasing and day-rates in the £700's decreasing.

Day rates segmented by function

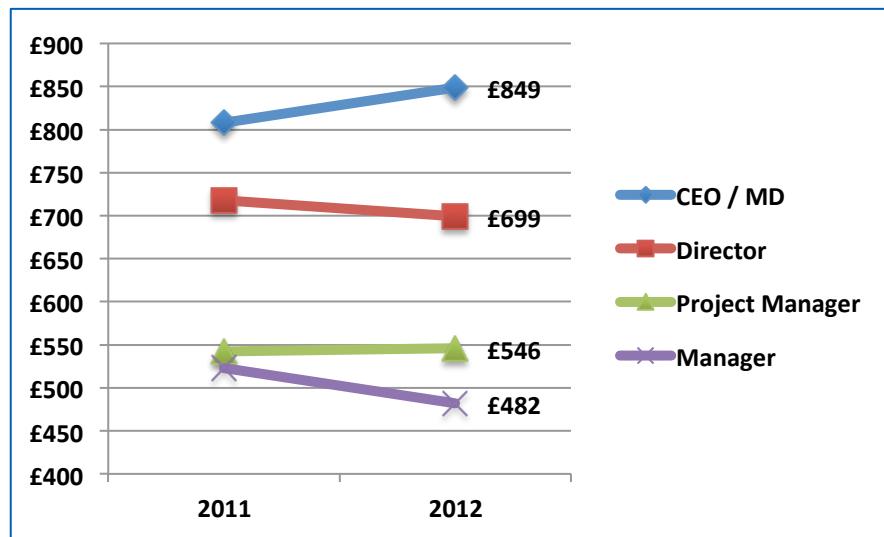


Segmented by function, day rates are mostly experiencing a slight 'double-dip'.

Board and GM are holding up reasonably, as are IT and Procurement.

Other functions have fallen back somewhat but not to 2010 levels.

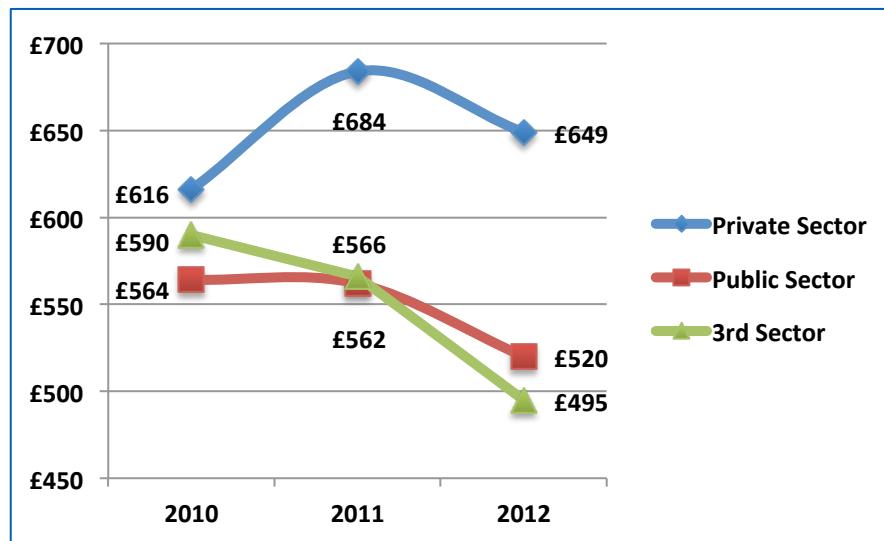
Day rates segmented by seniority



Segmenting by seniority gives us the CEO's & MD's at £849 average day rate, Directors at £699.

The Project Managers are coming in at £546, with the otherwise titled Managers at £482.

Day rates segmented by sector

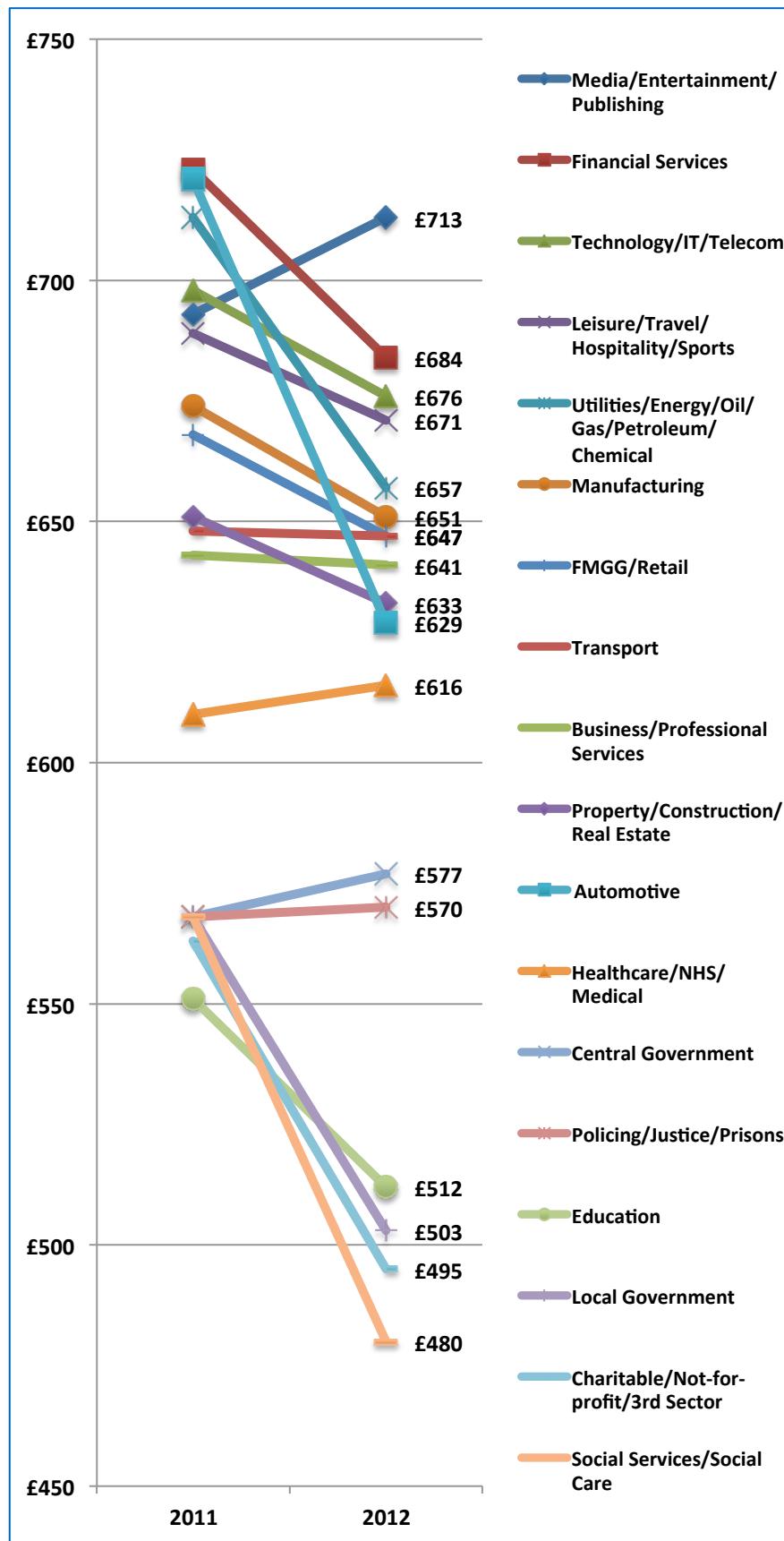


Segmenting by seniority gives us the CEO's & MS's at £849 average day rate, Directors at £699.

The Project Managers are coming in at £546, with the otherwise titled Managers at £482.

Since 2010, the private/public sector rate differential has doubled.

Day rates segmented by industry



Average rates are topped by Media / Entertainment / Publishing at £713.

Financial Services (£684) heads the next group alongside Technology (£676) and Leisure (£671).

Further industries follow in the £600's. (Utilities (£657), Manufacturing (£651), FMCG & Transport (£647), Professional Services (£641), Property (£623) and Automotive (£629))

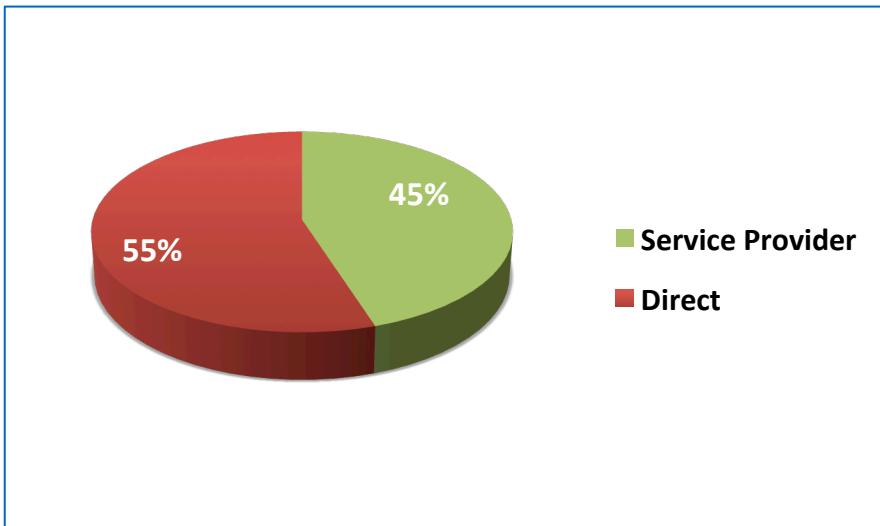
Healthcare straddles the divide between private and public sectors (£616)

Then public sector departments mostly make up the lower averages with Central Government (£577) and Policing (£570) with the highest figures.

Taking up the rear are Education (£512), Local Government (£503), Not-For-Profit (£495) and Social Care (£480).

Routes to market

What proportions of assignments are found direct vs. via Service Providers?



Service Provider assignment placement is traditionally thought of as 40% of the market.

The Provider proportion had gone up during the recession but is now reducing.

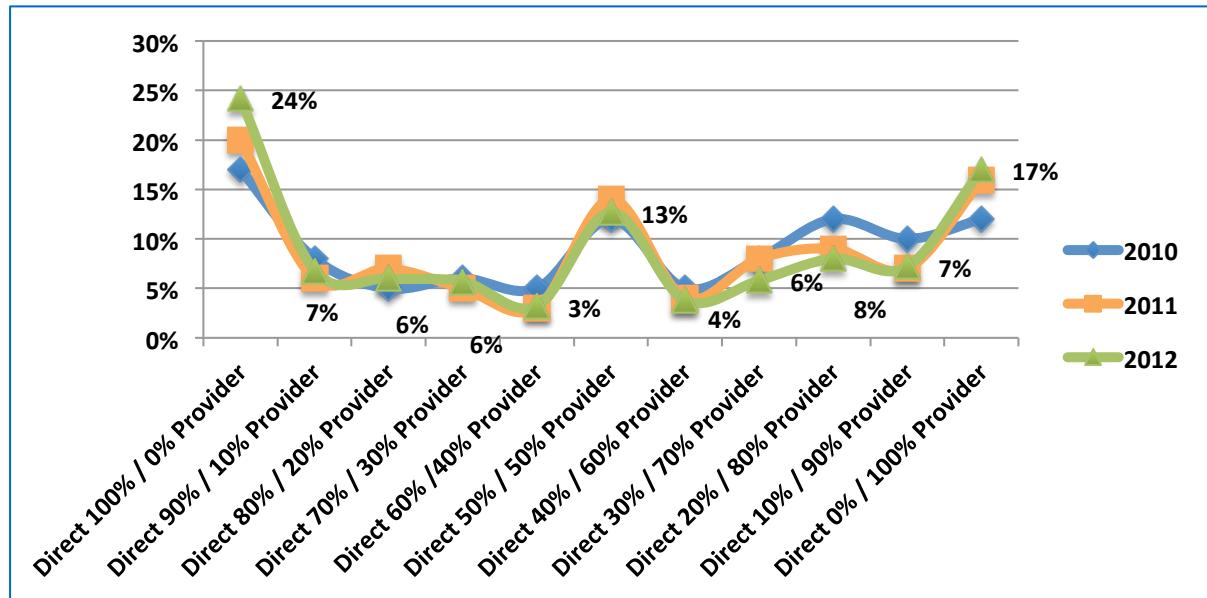
2010 H1: 51%

2010 H2: 50%

2011 H1: 49%

2012 H1: 45%

How does the direct vs. Service Provider split break down?



The spread of usage from 'only direct' to 'only provider' seems very established, year on year.

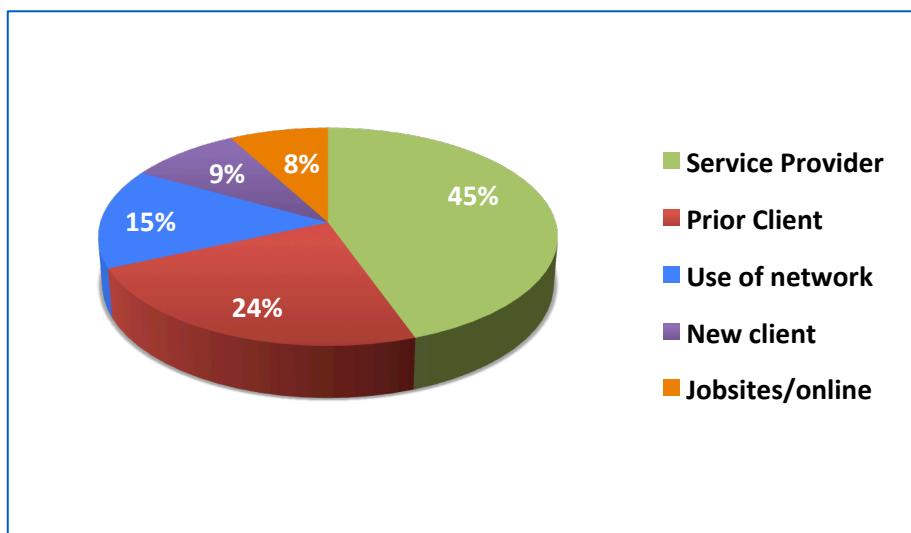
37% of interim managers source work directly (80-100% direct).

31% mix their sourcing of work split between direct and Provider sources. (30-70% mixed)

32% source work predominantly via Service Providers (80-100% Provider).

Therefore, 76% of interims can be found 'on the books' of the Providers at one time or other.

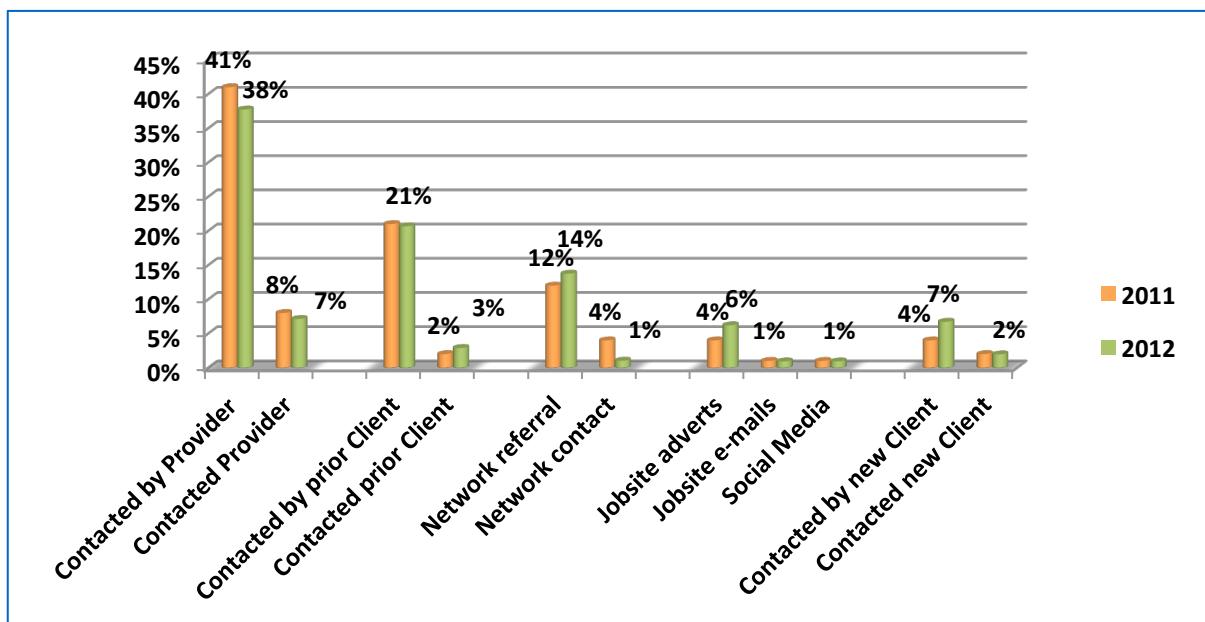
What are the proportions of interim management routes to market?



Looking at the detail, of the direct routes, past clients are the main source at 24% followed by the ever important network at 15%, followed by new direct clients (9%) and online sources (8%).

More interims are finding assignments by their own means in 2012 (55%) vs. 51% in 2011.

Who contacts whom within the routes to market?

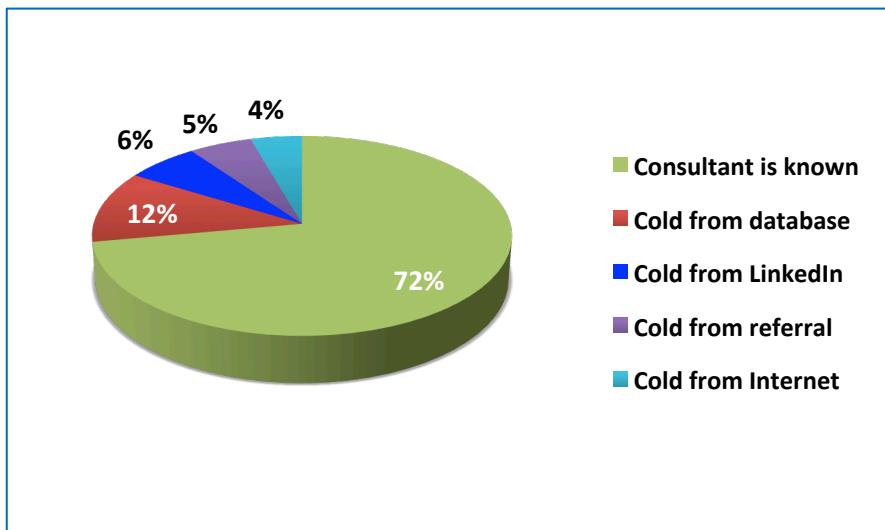


84% of Provider assignments are where the interim manager is contacted by a Provider. Similarly, 88% of past Client assignments result from being contacted by the Client.

Social media and job agents remain a minuscule route to market (1% each) despite internet hype. Most of the small new client pool, comes from being found, rather than as a result of interim managers actively seeking new clients.

Routes to market: Service Providers

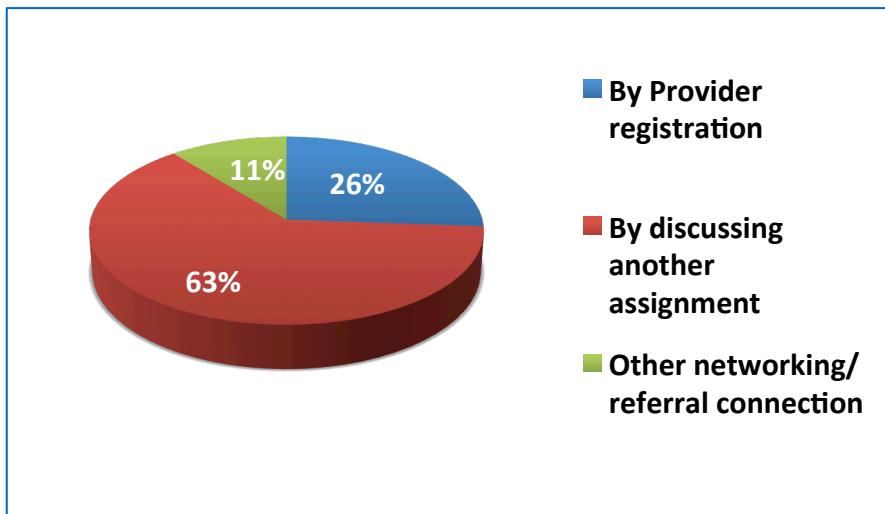
How do the Service Provider assignment placements arise?



Knowing the consultant ahead of time gives you a **six-fold** advantage compared to lodging your CV on a database.

72% of placements occur where the interim manager is **already known** to the consultant.

How are Service Provider relationships established?

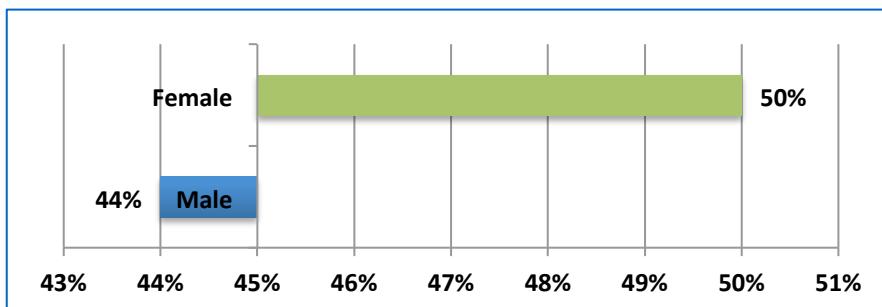


The most popular way to establish a service provider relationship is through an assignment application (successful or not) and then actively maintaining the relationship (63%).

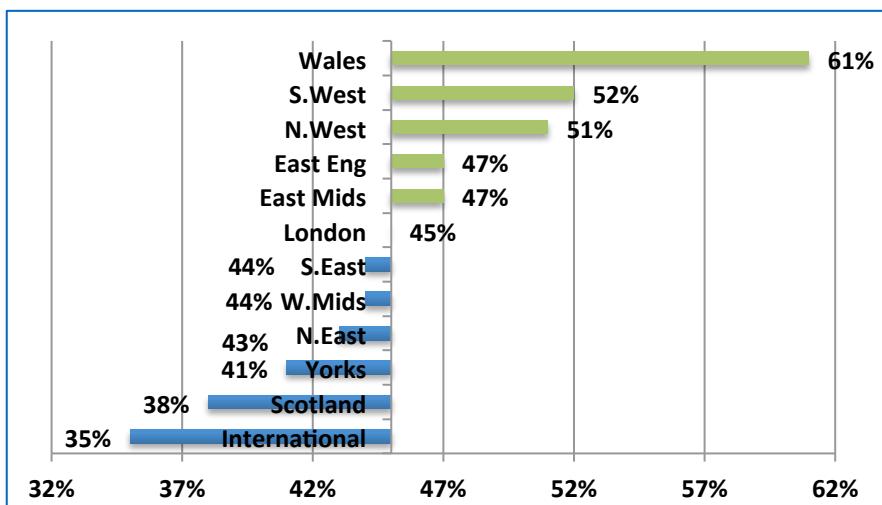
Other routes are formal registration (26%) and referral/ networking (11%).

Do some groups utilise Service Providers more than others?

The following charts show whether various groups are more or less likely to be placed on assignment by Service Providers. The overall average percentage of interim managers placed on assignment via Service Providers is **45%**.

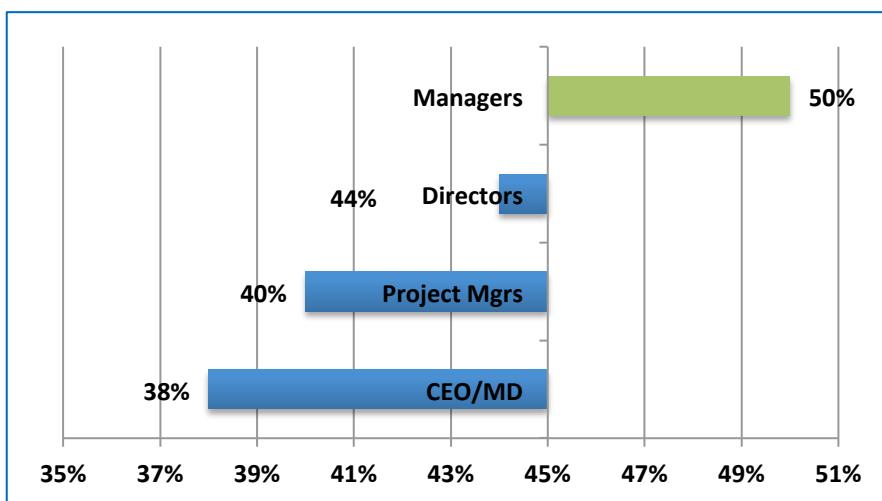


Female interims make proportionately greater use of service providers (+5%) than male interims (-1%).



There appears a greater usage of providers in some of the UK regions, such as Wales (+16%), the South West (+7%) and the North West (+6%).

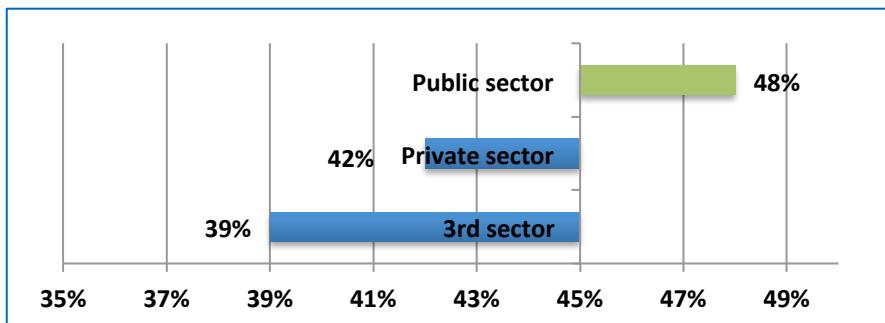
Interims were much less reliant on providers in Scotland (-7%) as were internationally working interims (-10%).



Manager level interims were more likely to use providers (+5%).

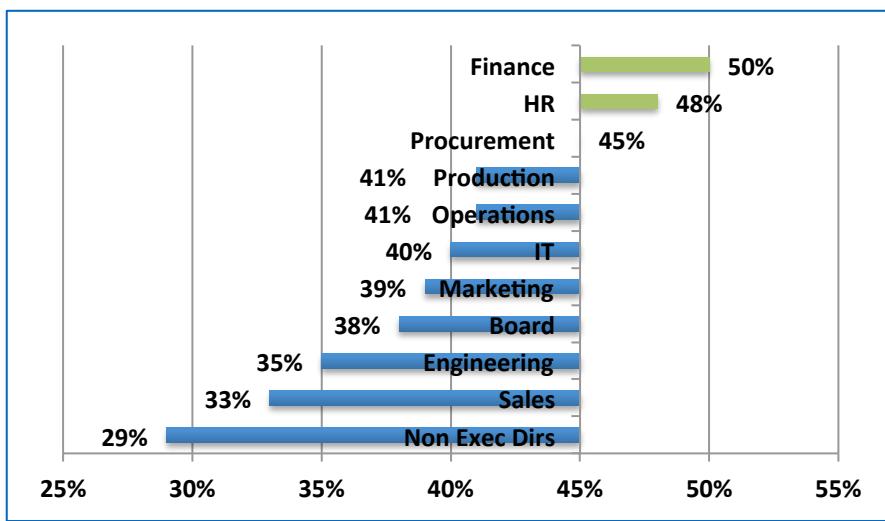
Interim CEO's and Managing Directors were less likely to use providers as a route to market (-7%)

We looked at the extent of Service Provider routes to market in business sectors, functional disciplines and industry sectors.



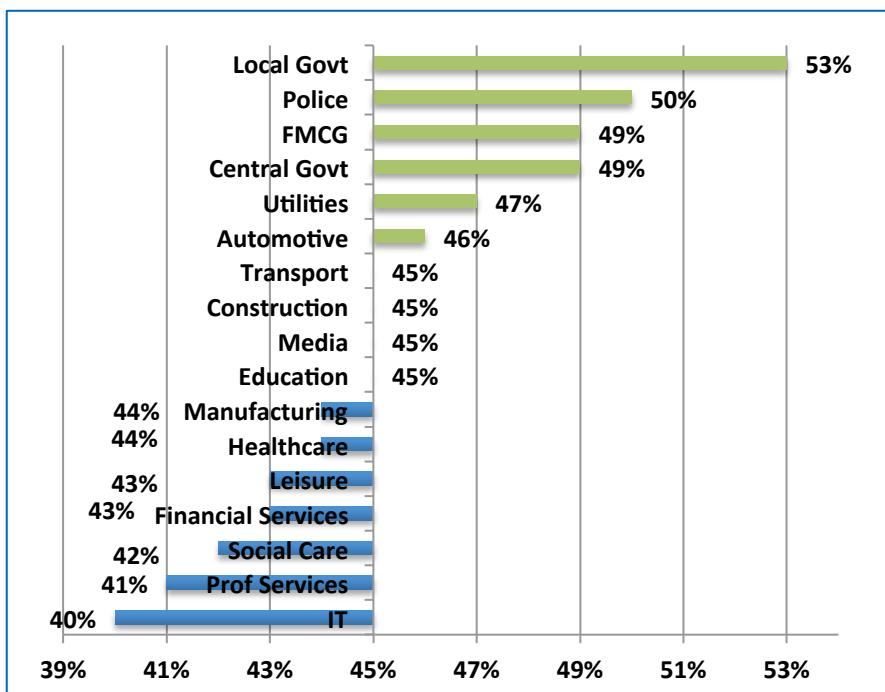
Use of providers is slightly more common in the public sector (+3%) as it is slightly less so in the private sector (-3%).

Not-for-profit has least provider use (-6%)



Of the functional disciplines, interim managers are more likely to be placed by providers if they operate in Finance (+5%) or HR (+3%)

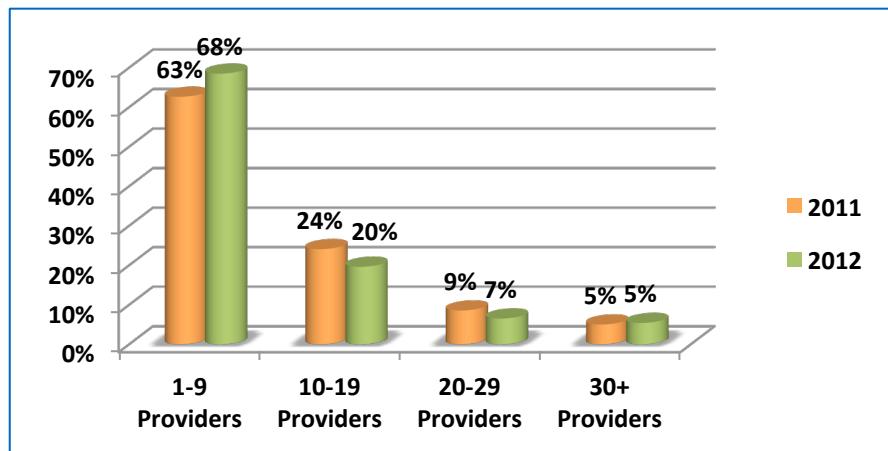
A lesser provider placement proportion can be found with Main Board (-7%), Engineering (-10%), Sales (-12%) and Non-Exec Directors (-16%)



For industry sectors, the highest proportionate provider using body is Local Government (+8%), with Police/Justice (+5%), FMCG/Retail (+4%) and Central Government (+4%) not far behind.

IT/Telecoms has a greater proportion of direct placement with providers placing slightly fewer (-5%)

How many Service Providers are interim managers actively registered with?



'Actively' means that Providers are periodically updated with the interim manager's assignment status and CV. The median number of active Providers that an interim is registered with remains **6**.

The provider / interim relationship – Ashton Ward (Eton Bridge Partners)

"The 'relationship' between the provider and the interim is as important as the provider / client relationship. Like all relationships it needs effort and attention from both parties to become effective and enduring. The provider's role is to secure assignment opportunities for the interim, but also to educate and manage expectations.



The education or coaching process is essential as interim management is not for everyone. What makes a good interim? How should I do my CV? How do I market myself? Who else should I approach? These are all questions that candidates will want to know. This is where it is so important to invest time in helping and advising candidates, who will gain more from this sort of approach, rather than a call once a month saying, we haven't got anything for you at the moment!

Providers will have met hundreds, if not thousands of interims. The provider should therefore manage the expectations of the interim at the start of the process. The provider cannot help everyone they meet, quite the opposite, so they should say so and recommend other providers which are likely to be able to help.



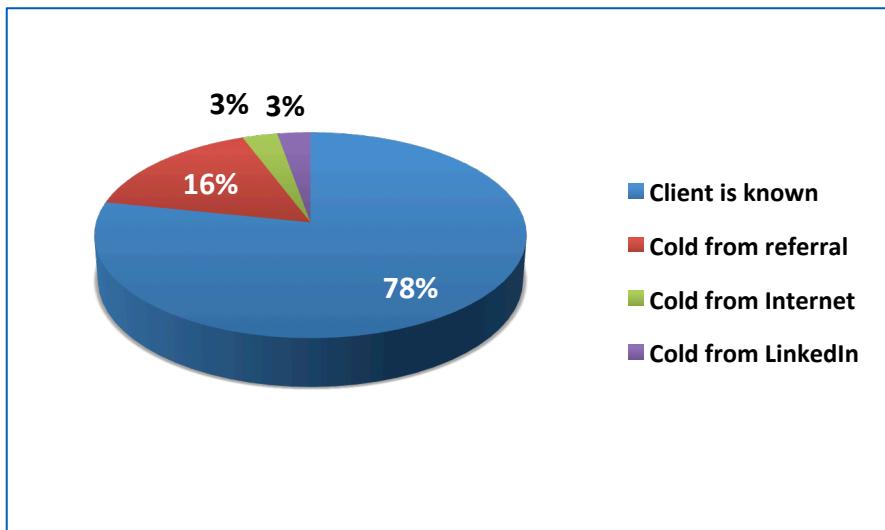
Ashton Ward
Co-Founder
Eton Bridge Partners

Get to know your provider and their colleagues – a personal touch is key. Provider consultants who operate as a team will deliver better results for the interim and the client.

A provider is more likely to turn to a proven interim who has successfully delivered for them on previous assignments."

Routes to market: Direct Clients

How do direct client assignments arise?



The majority of direct assignments (78%) occur where the client already knows the interim manager.

Referral is a more powerful way than online mechanisms for getting assignments with new clients.

Do key statistics vary with interims that only source directly?

We filtered the interims who **only** found work directly, i.e. 100% of their work was directly with clients, not via service providers (who account for 24% of interim managers).

Interim managers who **only** source work directly:

- Are **more** likely to be on assignment. 73% versus the 68% average.
But interims who **only** work 100% via providers are **also** at 73% on assignment.

So specialising in one particular route to market appears to have a mild advantage over mixing and matching.

Interim managers who **only** source work directly:

- Are paid **similar** day rates. £620 versus £614 average (less than 1% better).

Though the average best rate is higher direct. £789 versus £744 average.
And the average worst rate is slightly lower direct. £531 versus £537 average.

At best there is some upside, but it would appear to rely on the individual interim's haggling skills. A direct only interim's 'best' day-rate is 6% higher than the average interim's 'best' day-rate.

Does a direct assignment mean that the c.21% service provider margin gets paid straight to the interim manager?

No. Though on a good day, the interim could reasonably haggle under a third of it (c.6%).

Routes to market: Online sites

What are the best online interim job sites?

Online jobsites account for about 10% of interim 'route to market', including some use by Providers. About 4% through being contacted as a result of being on a job or social media site and about 6% by seeing and following up an online posted vacancy or e-mail job alert.

Interim managers cast over 12,000 unique votes for their favourite interim management job sites, from a list of well over 300 different sites, boards and groups. For the several hundred 'also ran' sites, their actual percentage 'route to market' is fractional and consolidation seems inevitable.

We are classifying two categories of site:

- **Passive:** Best sites to have your profile or CV posted on
- **Active:** Best sites to find posted jobs (or receive e-mail posts)

Top 10 passive internet sites for posting your profile or CV

No.	Site	Votes
1	LinkedIn	1712
2	Jobsite	421
3	Exec Appointments	366
4	JobServe	326
5	Monster	292
6	Total Jobs	261
7	GAAP Web	237
8	Executives Online	209
9	Changeboard	197
10	Interim Partners	155



Below the top 10, honourable mentions to Reed, CW Jobs, Michael Page and Executives on the Web.

Top 10 active internet sites for checking job postings or receiving e-mail alerts

No.	Site	Votes
1	Exec Appointments	884
2	LinkedIn	763
3	GAAP Web	408
4	Jobsite	402
5	JobServe	340
6	Changeboard	313
7	Total Jobs	303
8	Interim Partners	192
9	Executives Online	187
10	Michael Page	162



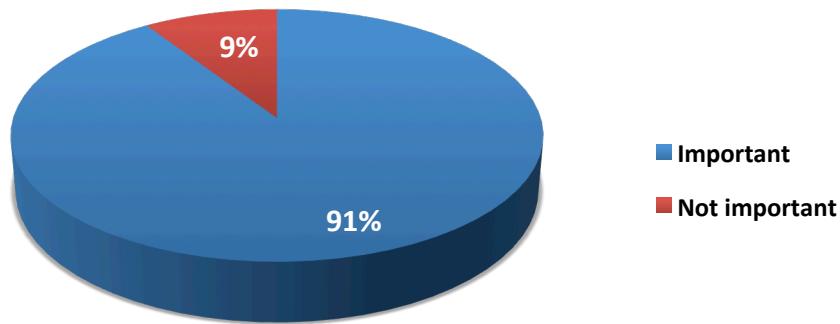
Below the top 10, honourable mentions to Reed, Indeed, Executives on the Web, and CW Jobs.

Leaving an interim legacy

It is often proposed that establishing a 'legacy' is a key aspect of the value that interim managers leave behind.

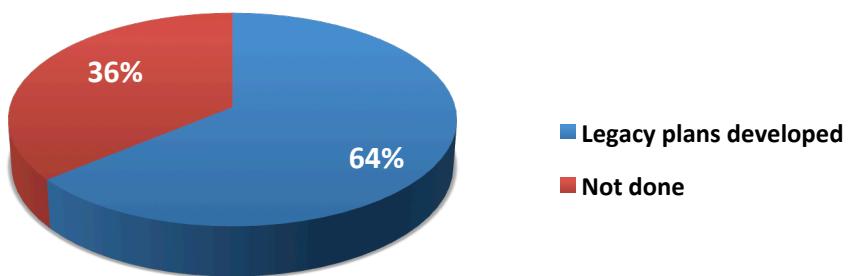
The following questions about legacy came about because BIE Group came to the IIM with some initial ideas that we were pleased to incorporate into our 2012 survey as a 'taster'. BIE have further research plans and we are pleased to have them share their thoughts on the matter below:

The importance of legacy planning



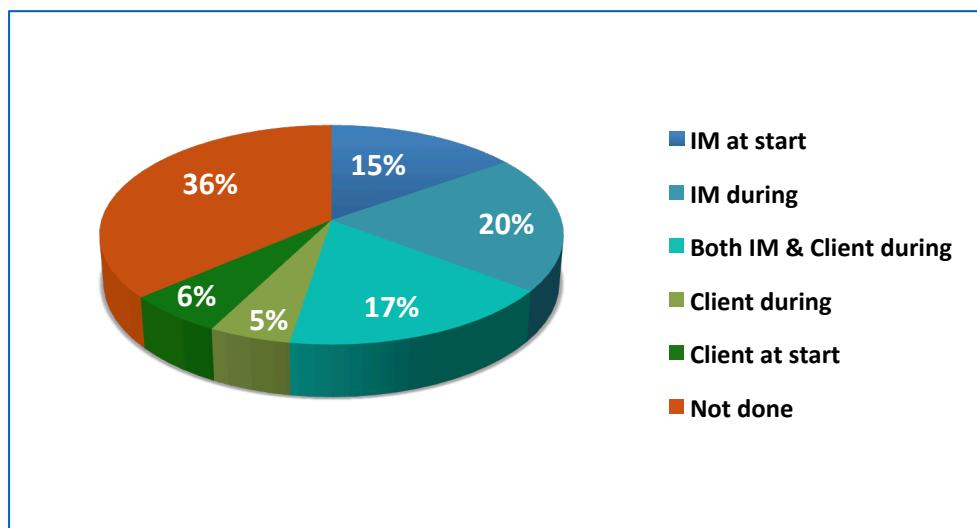
91% of interim managers philosophically support the importance of leaving a legacy, but in practice the actual development of a legacy plan is somewhat less.

The implementation of legacy planning



In only 64% of assignments are legacy plans actually developed.

At what points, and by whom are legacy plans actually developed?



Where legacy plans are made it is normally the interim who proposes it (35%) usually during the assignment.

In about 10% of cases it is the client who raises it.

In a further 17% of cases, the development of legacy plans happens organically between the interim and client during the assignment.

The case for an interim legacy – Nick Diprose (BIE Group)

“Interims should always be hired with the post-assignment legacy in mind. A legacy is the extra bonus above and beyond immediate requirements; how lasting, added-value is contributed. And it creates a compelling reason for clients to call upon interim managers to solve their next business problem or to recommend interims to others.

Given all this, it’s very interesting to see the results of the legacy questions instigated by BIE and posed in this year’s survey. The importance of legacy planning is unanimous, but curiously only two-thirds of assignments feature them.

That cries out for more research: do enough clients understand what a legacy looks like and how best to secure one? How and when will they know if they’ve succeeded? Why do so many assignments stop short of including legacy? We don’t yet know the answers to these and other potentially valuable questions, but we intend to find out and share what we discover. By doing so, BIE will contribute something valuable to both interims and those who hire them. If you are reading this as a user of interims and would like to find out more – perhaps even to take part in this research – please get in touch.“

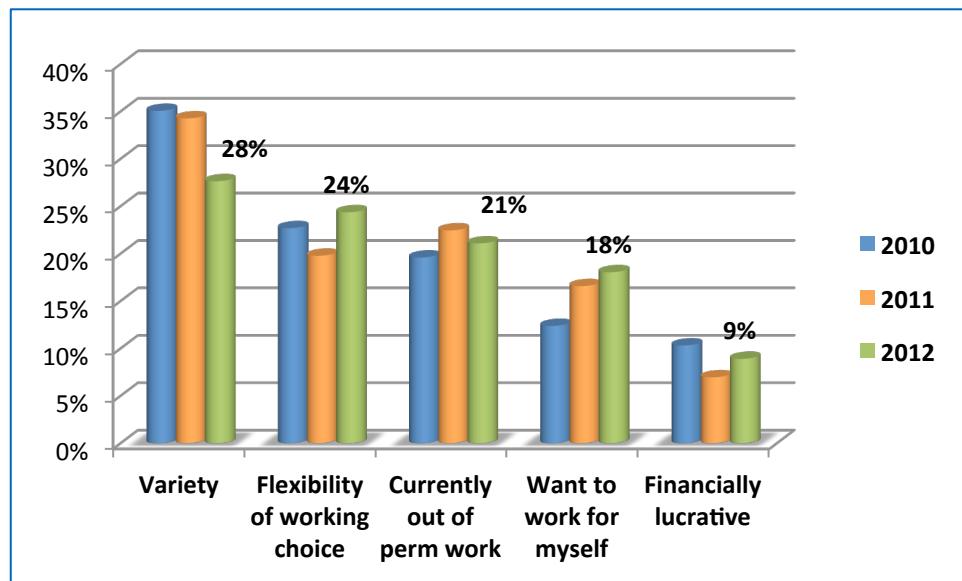


Nick Diprose
Managing Director,
interim management
BIE Group Ltd

New and prospective interim managers

We asked those individuals starting and considering taking up interim management about their expectations of the profession.

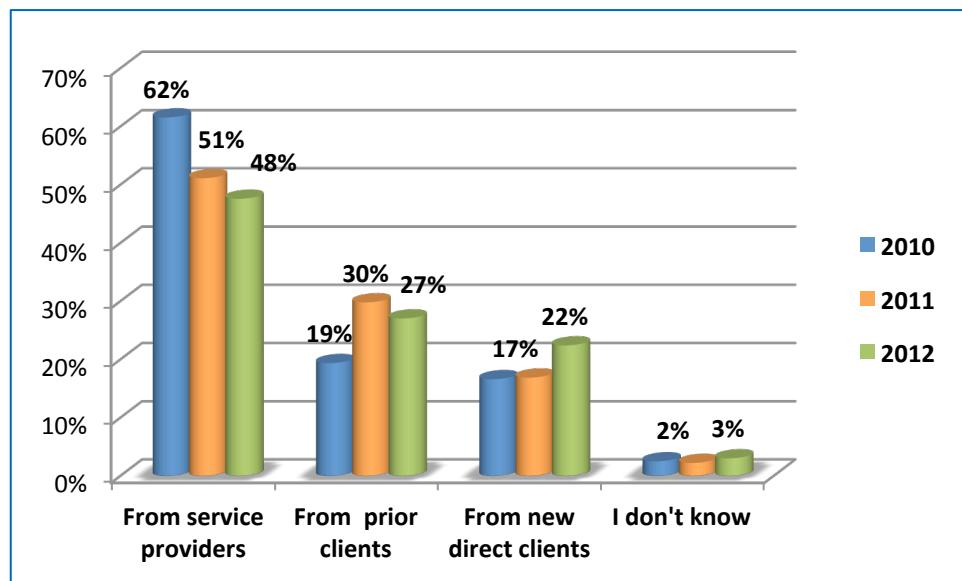
Why are you considering 'Interim Management'?



Whilst 21% of prospective Interims cite the ending of employment as a trigger, 70% give 'professional and lifestyle' choices as the principal driver.

Variety (28%) and flexibility (24%) were the popular choices.

Where do you expect to source assignments?



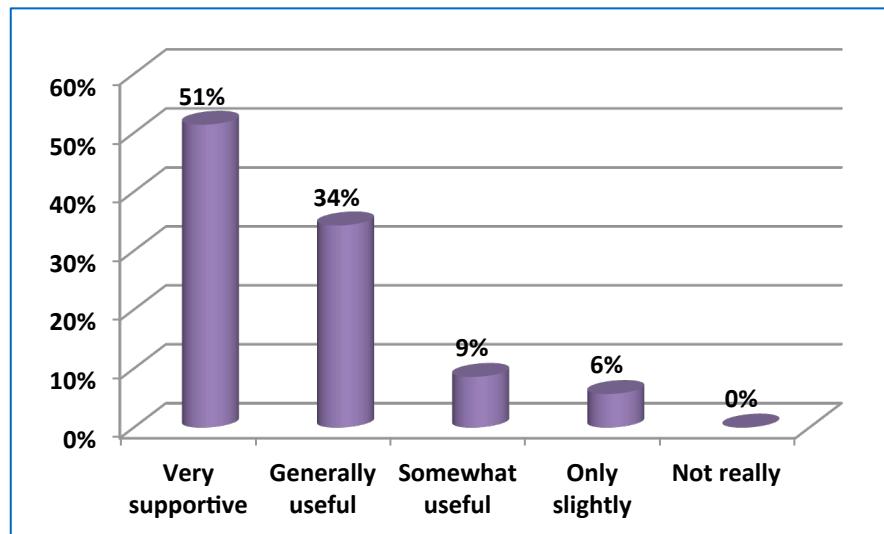
Prospective Interims predominantly see Interim Service Providers as the source of their first assignment (48%) continuing to drop toward the actual proportion (45%).

The expectation of working through a new direct contract is extremely optimistic (22%) compared to actual experience in the market (9%).

Interim management clients

This year we were delighted to gain some Client feedback from the survey, a trend we hope to continue. We asked Clients about their view of the interim management profession and their expectations of it.

How supportive are you of the Interim Management concept?

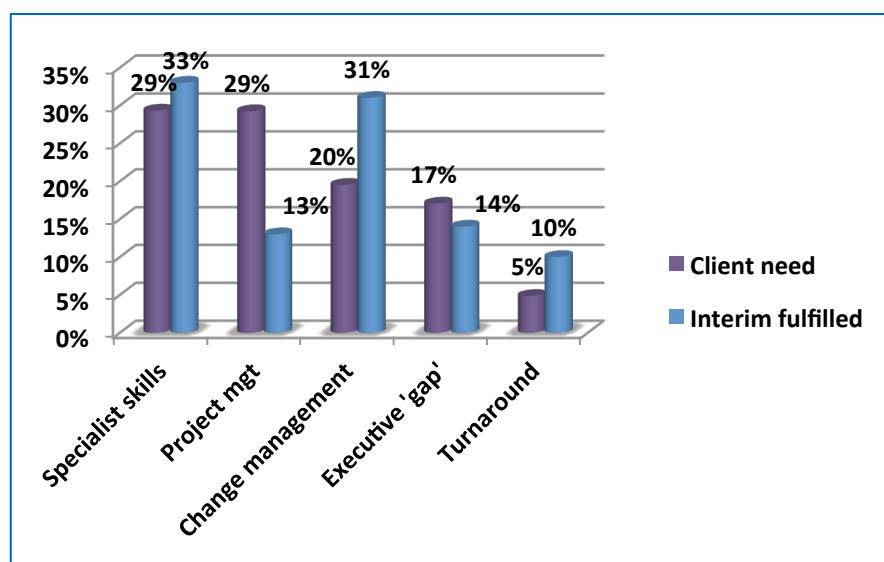


It could be argued that Clients willing to complete a survey on interim management would feel positive about the concept.

Nevertheless, a good response is still nice to see:

85% of Clients are supportive or very supportive.

What type of work do you use interim managers for?



There is reasonable congruency between what the Client is wanting done, and what the interim management population is delivering.

Clients may be labelling some work that interims would consider 'change management' as a project management activity.

It is also possible that project management solutions are partly being sourced from the wider contractor population.

Which of the following interim values are advantageous to you?

We asked Clients to rank the seven classic facets of the interim management value proposition:

1. Return On Investment
2. Speed
3. Expertise
4. Objectivity
5. Accountability
6. Effectiveness
7. Commitment

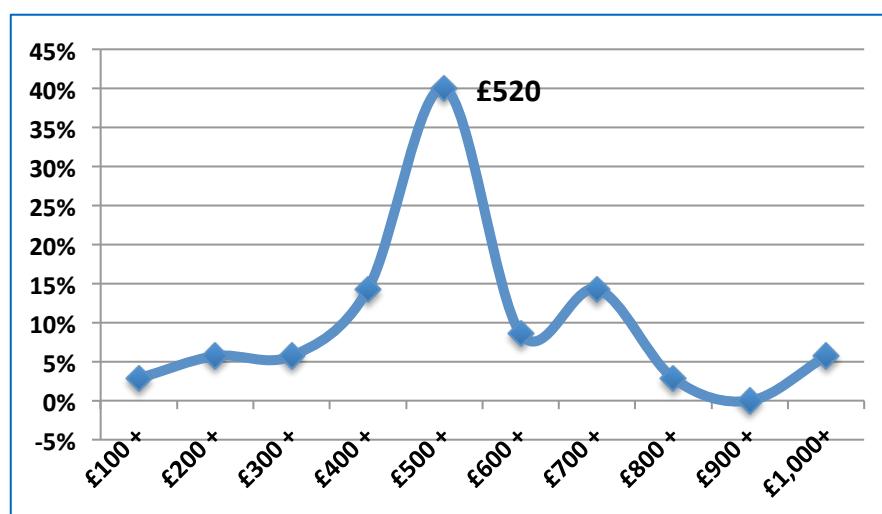
The Clients surveyed valued these criteria positively. 90% were rated valuable or very valuable. A small proportion (4%) viewed Objectivity as having no particular value to the client.

The Client 'top 7' in terms of perceived value are as follows.

Vote Ranking	Values	%	Classic order
1	Speed - in place and delivering quickly	16.8%	2
2	Expertise - skilled and sensibly over-qualified	16.2%	3
3	Commitment - professional Interim from start to exit	16.2%	7
4	Return On Investment - delivering a saving or solution	15.2%	1
5	Effectiveness - with the credibility to effect change	14.9%	3
6	Accountability - responsible for implementation & results	12.0%	5
7	Objectivity - free of politics and speaking mind	8.8%	4

In a phrase: *Know your stuff, do it professionally and do it fast.*

From what 'day-rate' are you hiring a proper Interim Manager?)

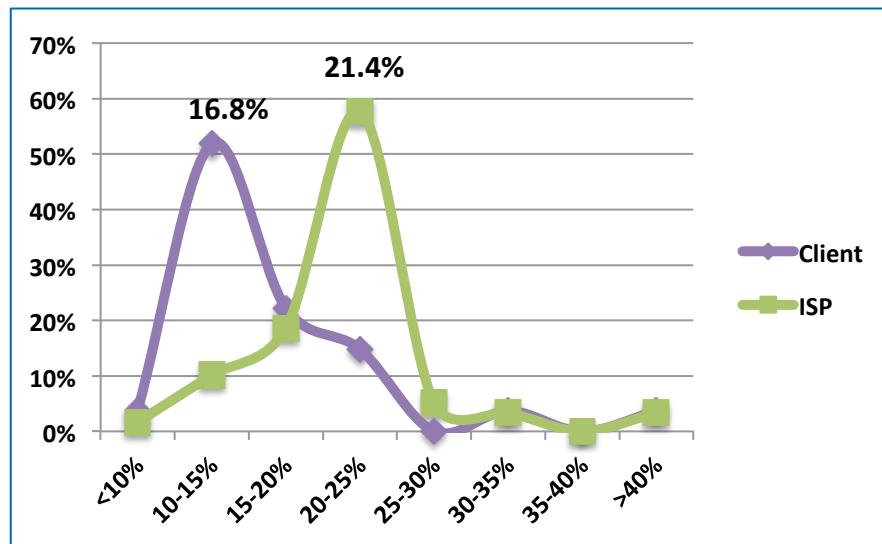


We found good consensus on this.

Clients view a 'proper' interim manager as someone who is on a day rate of £500+ (mean average of £520+)

Naturally there will be some regional and functional variation to this expectation.

What margin is the Service Provider taking from a placed assignment?



Do clients have a good sense of what proportion of the client fee goes to the intermediary?

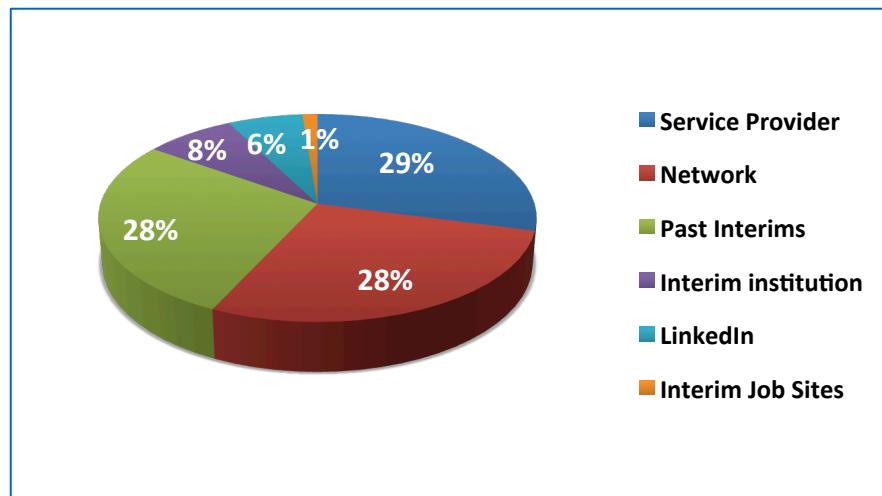
No.

The perceived margin of 16.8% of the fee going to the agency, compares to the actual 21.4% margin taken by Providers.

So for an average £614 day rate assignment, the client on average thinks (if the Client thinks anything at all, as 23% have no clue about margins) that the interim is getting about £650.

The margin taken by the Provider is of course a commercial matter solely between Interim and Provider, yet the margin inclusive price paid by the Client generates an expectation of seniority and delivery, and the interim will have a reasonable expectation of equity.

Client interim search routes



The most popular route used by Clients to find interim managers is Service Providers (just) at 29%.

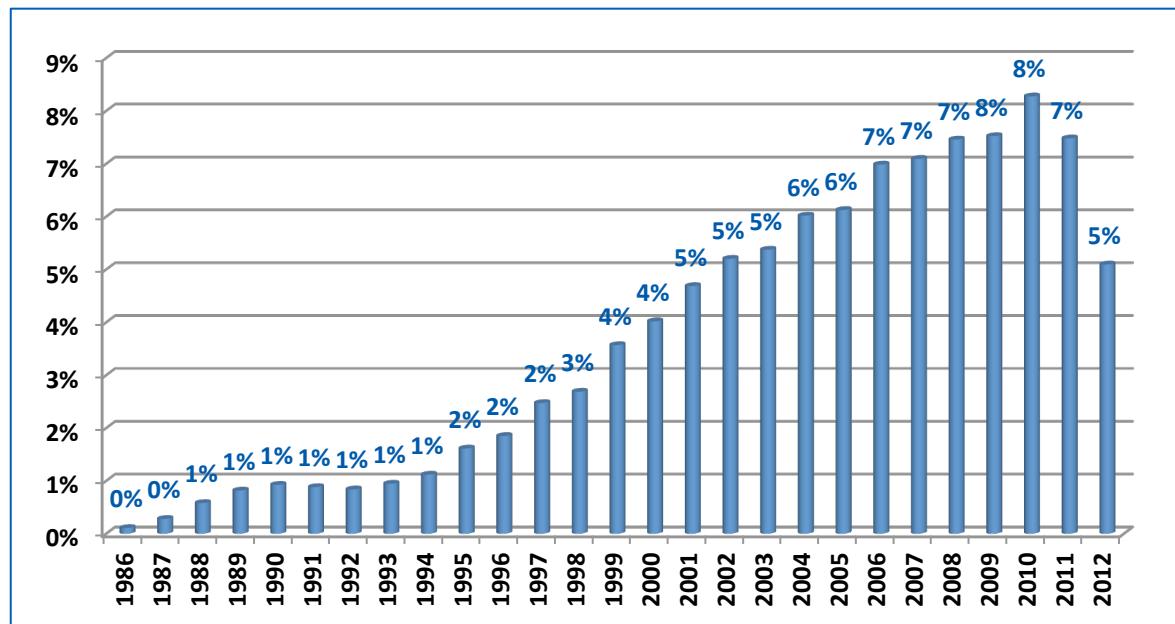
56% are found in equal measure between the Client's personal network and the Client's address book of people they have used before.

The balance is made up of Interim bodies, job sites and LinkedIn.

Interim management businesses data

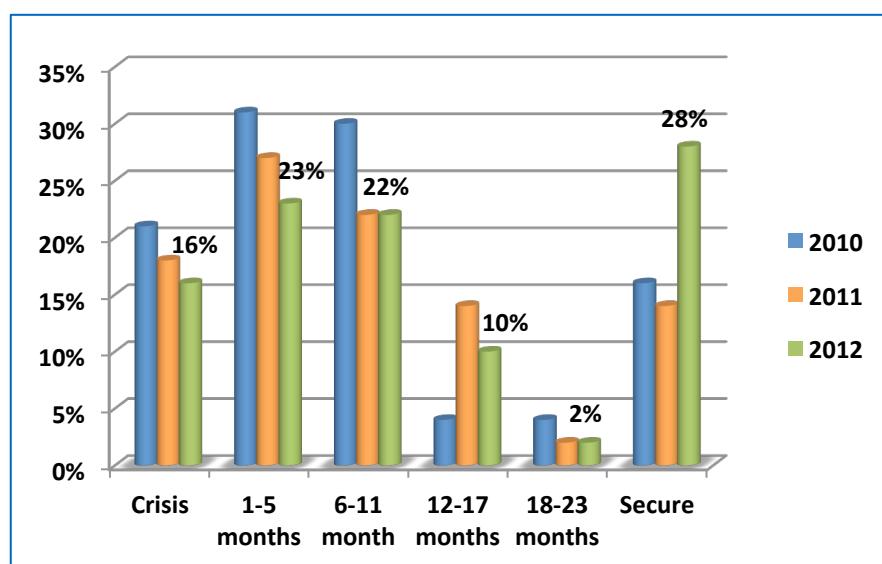
Interim Management experience (measuring year started trading)

The length of interim management experience shows not only the increasing numbers of people becoming interims in recent years, but also the steady growth of interim management as an activity.



The median average length 'interim management experience' is 7 years (2005 incorporation).

How are interim managers faring financially?



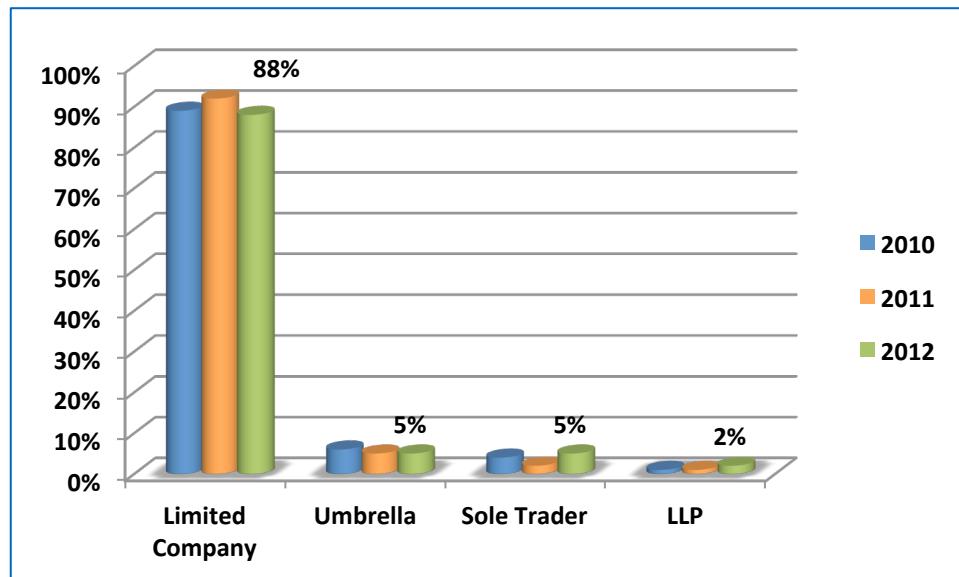
With a tough recession hopefully drawing to a close, interim managers are in the main recovering their bank balances.

The interim community certainly utilised any past savings.

Those who became interims in the recession have certainly faced challenges.

The interim professional can be harsh. If you don't secure work, you don't eat. There remain 16% who are in financial crisis with no (or negative) financial buffer, though this has reduced from 21% over 2 the last 2 years. A proportion of interim managers do leave the profession each year for financial or work preference reasons, though these are of course hard to survey, because they have gone.

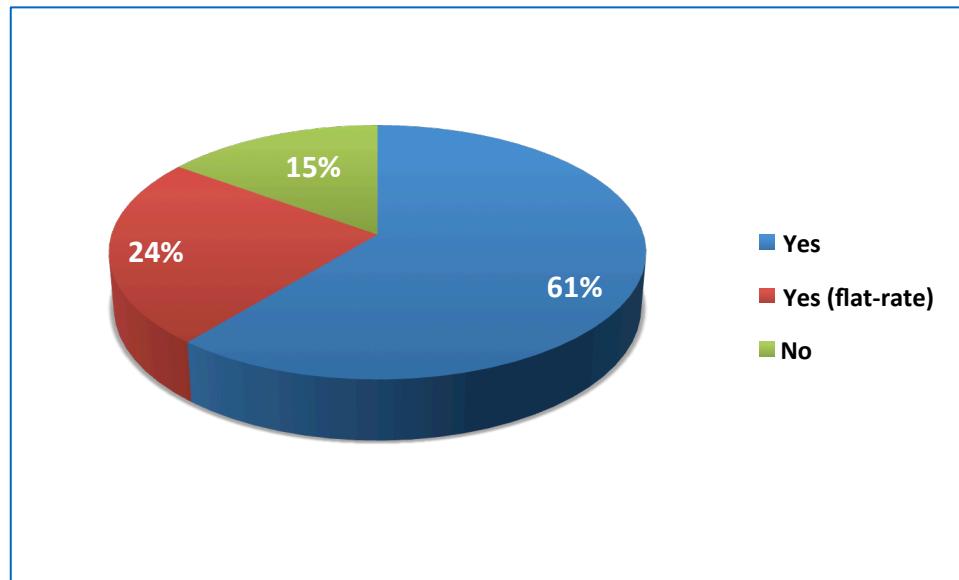
What type of Interim business do you have?



The business model of choice for the interim managers surveyed is clear and dominant:

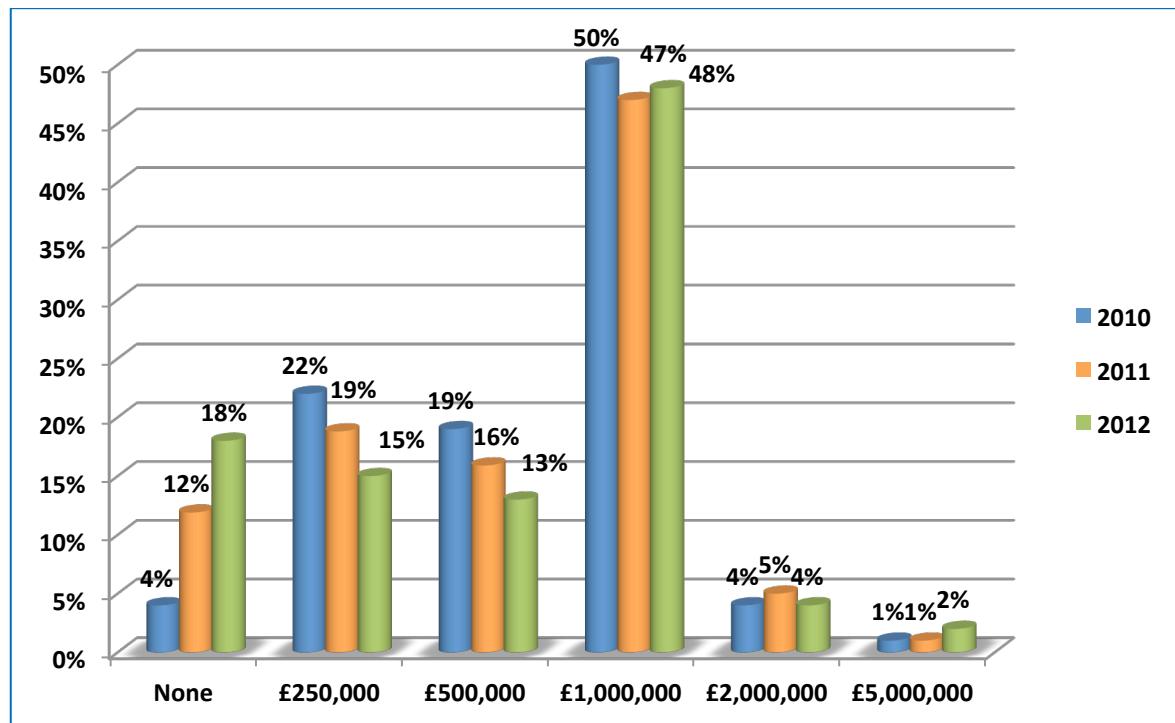
A Limited Company (88%)

Is your Interim business VAT registered?



Similarly, 85% of Interims are VAT registered (including 'flat-rate')

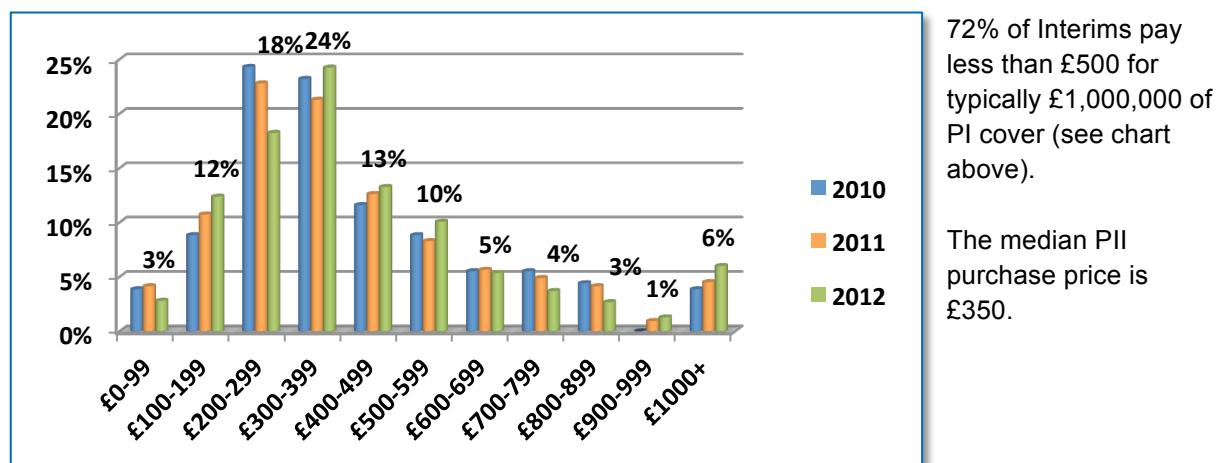
What level of Professional Indemnity Insurance do you have?



The most common PII cover is £1,000,000

Over the last two years, the interim managers who are either taking the risk and not renewing their PII, or are new interim managers not taking out PII in the first place, has increased four-fold.

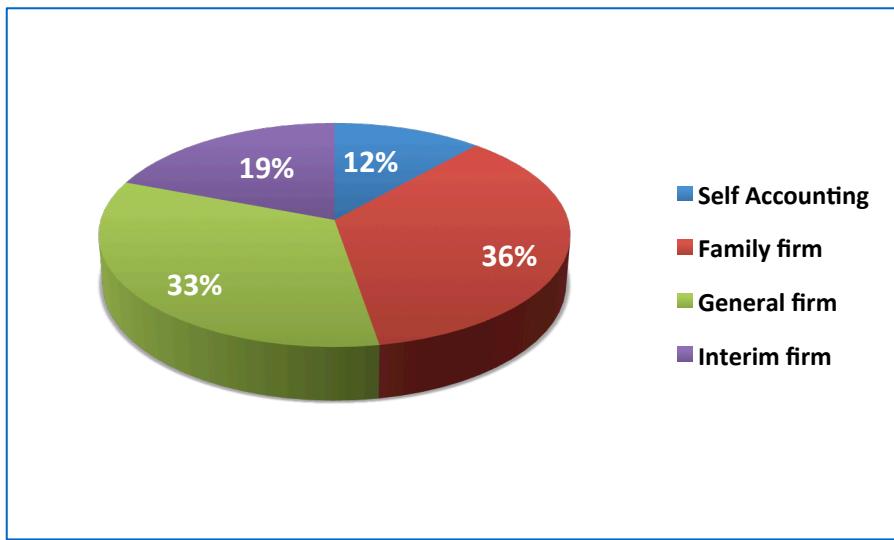
How much do you pay for your Professional Indemnity Insurance?



Services to Interim Managers

Accountancy

In this year's survey we are looking at the Accountancy firms that service the interim management population. Like we do with the Interim Service Provider survey, we would like to be able to highlight who's good and perhaps not highlight who's not. 93% of interim managers need to have accounts produced. We are therefore not capturing here a few Umbrella and Sole Trader arrangements.



12% are doing it themselves.

A significant 36% are using 'one-man-band' or family accountancy firms.

33% are using general Accountancy firms with no particular specialism in interim management, contracting or small business.

Less than 20% are with industry specialists. Any aspirations we might have had to conclude who the 'Leading' Accountancy firms are dashed by the sheer fragmentation. We had well over 400 firms voted for in the survey, 95% of which achieved but one or two votes. They may well be terrific, but it is hard to get a ground swell of opinion with those numbers. Even the specialist firms did not poll in sufficient numbers for statistical significance to merit a detailed ranking, so we'll just tell you who polled more than 5 votes (and thankfully they all scored in the 'Good' voting category).

Impact	Leading Providers 2011 (Top 40)	Rating	Votes	
Large specialist	Competex	Good	c.30	 COMPETEX
	SJD Accountancy	Good	c.30	
Medium specialist	ClearSky accounting	Good	5 - 10	
Medium specialist	Hillier Hopkins LLP	Good	5 - 10	
Medium specialist	Nixon Williams	Good	5 - 10	
Medium specialist	Tax Assist Accountants	Good	5 - 10	

This is our 'first pass' at examining interim accountancy; we will dig deeper next year.

Omission from the list means nothing more than a lack of votes. Some big players with footprints in the Contracting arena were lucky to get a single vote in our survey.

This possibly indicates that a strong branding of providing 'contractor or freelancer' accountancy does not particularly resonate with interim managers unless a offering tailored to interim managers is presented.

Perhaps unsurprisingly, interim managers do appear to have the greatest preference for small independent firms (36%).

Contract services

We asked if interim managers used services to check and safeguard their contracts when dealing direct with clients. Very few interim managers voted on this matter, with only four companies highlighted in any number. We are giving the names of the four most quoted companies for reference, though insufficient votes were made to give any ranking of quality.

The following highlighted businesses operating contract assessment services are:

- Bauer & Cottrell
- ClearSky Accounting
- Qdos Consulting
- SJD Consultancy
- PCG were also mentioned as providing standard contracts as part of their membership.

Bundled Interim Services - Ad van der Rest, MIIM

Undoubtedly, the market of c.1.7 million Freelancers in the UK are a bigger commercial target than the c.10,000 interim managers and executives, who are somewhat of a specialist niche within that.

The effect of that is that support services for interim managers' use are typically designed for contractors and freelancers and then repurposed for the interim community.

We will explore this area further, because it is clear from our first pass that there are few strong and embraced offerings to interims in this area.

The IIM itself will continue to grow its own partner provided bundled offerings in areas such as Interim PII, Interim Life Assurance, Interim Health cover and health check and Interim Pension Scheme.

<http://www.iim.org.uk/protecting>



Ad van der Rest MIIM
co-Chairman
IIM

Leading and Quality Service Providers

To set the scene for our 2012 Providers' Survey, we asked for characteristics that epitomised quality service providers. The 'top 5' results were as follows:

Placing	Quality
1	Building strong Interim/Provider/Client relationships
2	Honesty & integrity
3	Understand client requirements/brief
4	Understand the Interim's proposition
5	Giving feedback & advice to Interims

These qualities are not rocket science. Interims truly appreciate providers who build a strong pipeline from Client to Interim, understand both parties well, handling the process with honesty and integrity and finally giving some feedback where possible.

How hard is that to do? We suspect it is actually quite difficult to do consistently as large numbers of clients and interims pass a provider's sight. The IIM's No. 1 'Leading Service Provider 2012' as voted for by 465 interim managers is BIE Group and BIE's Executive Director – Steve Dengel talks about what makes a great Interim Service Provider:



No.1 Leading Service Provider

Leading Service Provider DNA – Steve Dengel (BIE Group)

"I think it's something probably impossible to cultivate or copy. That something is instinct, a gut-feel for what works best in any given circumstance. Try and process-map it all you like, chances are what is produced will be useless when the situation calls for that unique, bespoke solution - as is so often the case.



What else marks out a great provider? Curiosity, a determination bordering on obsession to understand an organisation and its challenges; they know how important this is. Equally, they know that personal briefings, preferably on the client's premises, are critical to finding the best interim manager. Only the best provide distinct expertise, de-risking and managing the intermediary role in a way that the client cannot. They remain involved during assignments and are unafraid to constructively challenge clients; when necessary standing behind and supporting interims. They recognise that an approach based on fewer, deeper relationships trumps the 'shallow connections with many' alternative every time; that defining outputs is as important as listing inputs and experiences.



Steve Dengel
Executive Director
BIE Group Ltd

And finally, they know that reputations are precious; the result of years of hard work that can be lost in seconds, which is why we are indebted to everyone who voted us into the No.1 position."

Service Providers compared

The IIM is uniquely placed as an independent organisation, to oversee a comprehensive poll of Interim Management Service Providers, while maintaining objectivity.

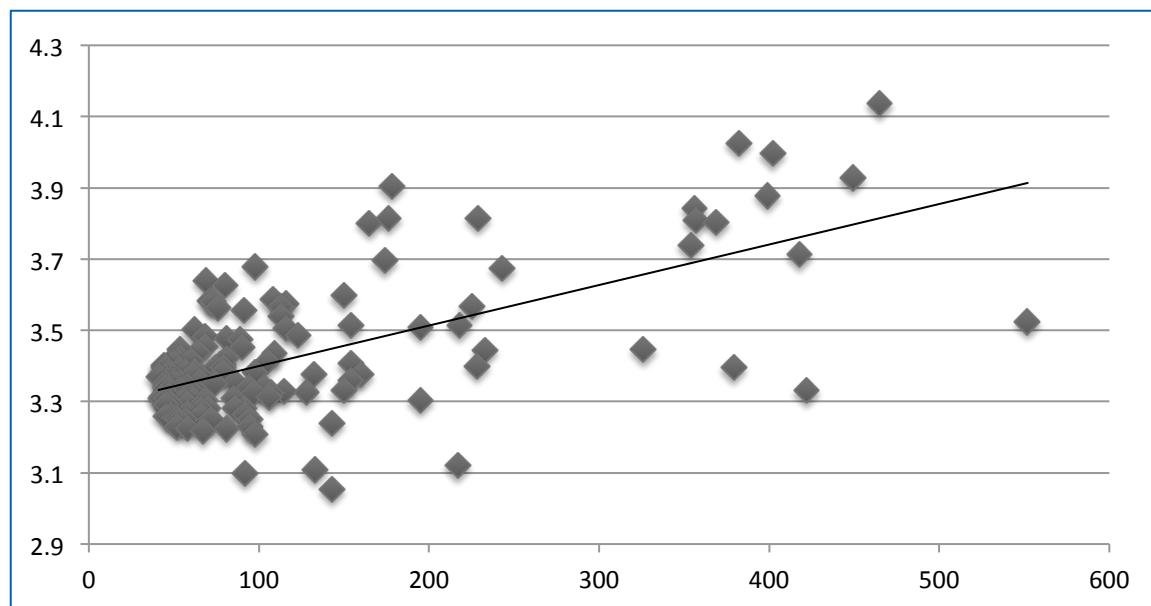
Over the last two years the IIM has whittled down, through the votes of interim managers, the list of Interim Service Providers that we feel are handling interim management as a meaningful activity to 150 businesses. The Recruitment & Employment Confederation (REC) list some 600 Recruitment businesses that claim to conduct interim 'recruitment'. <http://www.rec.uk.com/member-directory/details-rec-members>

Over 2,000 interim managers placed over 18,000 unique votes ranking those 150 Providers. The rating scale runs from 'Great' to 'Good' to 'OK' to 'Poor' to 'Rubbish', gaining a score from 5 (Great) to 1 (Rubbish) accordingly. The "Top 40" "Leading Providers" and a further 60 "Quality Providers", in combination make up the IIM's "Top 100" list.

We have applied a [Bayesian average](#) on the scoring to fairly compare niche consultancies and major players with similar average scores but vastly different vote numbers. This reduces the score of those with less votes in line with the reduced significance of their vote numbers.

We are pleased that the IIM's Provider Survey has attracted the interest of several members of the Provider community, but to keep the scoring scrupulously fair, we have used, with the full involvement of the independent adjudicators, some answer cross-referencing and IP address comparison techniques to correct a small proportion voting patterns that were not 'above board'. We will strive to keep our survey fair and credible.

For more information, see the **Interim Managers' guide to Service Providers 2012** (published in October 2012)



Just to be clear, this list is not a commercial endorsement by the IIM of any Service Provider. Similarly, non-inclusion is not intended as a slight. The bar is a high one, and it's only a survey.

IIM Interim Survey 2012 - Leading Service Providers (1-20)



Ranking	LY	Leading Providers 2011 (Top 40)	Rating	Votes	
1	(2)	BIE Group	4.137	465	 
2	(1)	Veredus	4.024	382	
3	(4)	Interim Partners	3.996	402	
4	(3)	Odgers Interim	3.928	449	
5	(16)	Eton Bridge Partners	3.905	178	
6	(6)	Alium Partners	3.877	399	
7	(7)	Penna Interim	3.842	356	
8	(9)	Practicus	3.815	229	
9	(13)	Gatenby Sanderson	3.814	176	
10	(8)	Boyden Interim Management	3.808	357	
11	(10)	Russam GMS	3.805	369	
12	(new)	Hemming Robeson	3.800	165	
13	(14)	Executives Online	3.739	354	
14	(5)	Green Park	3.713	418	
15	(25)	Digby Morgan	3.697	174	
16	(19)	Langley Search & Selection	3.678	98	
17	(11)	Impact Executives	3.675	243	
18	(90)	Kingsley Search & Interim	3.639	69	
19	(32)	PILOTPartners	3.626	80	
20	(17)	Morgan Law	3.598	150	

IIM Interim Survey 2012 - Leading Service Providers (21-40)



Ranking	LY	Leading Providers 2011 (Top 40)	Rating	Votes	
21	(35)	Marble Hill Partners	3.586	108	
22	(new)	TalentMark	3.582	71	
23	(60)	Greenwell Gleeson	3.581	73	
24	(57)	BK Cornerstone	3.575	116	
25	(21)	Hoggett Bowers	3.568	225	
26	(new)	B2E Resourcing	3.567	113	
27	(40)	PiR Resourcing	3.563	76	
28	(36)	RSA Interim Management	3.557	91	
29	(28)	EIM Executive Interim Management	3.541	113	
30	(23)	Michael Page	3.523	552	
31	(15)	Randstad Interim Executives	3.513	218	
32	(29)	Allen Lane	3.512	154	
33	(15)	Brooklands Executives	3.509	195	
34	(37)	Investigo	3.506	116	
35	(86)	FRP Transition	3.501	62	
36	(new)	Brightpool	3.486	123	
37	(79)	BIS Henderson	3.482	68	
38	(48)	Solace Enterprises	3.477	81	
39	(41)	Purcon	3.474	89	
40	(81)	Macallam Interim	3.453	68	

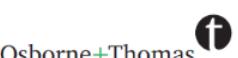
IIM Interim Survey 2012 - Quality Service Providers (41-60)



Ranking	LY	Quality Providers 2011 (Top 60)	Rating	Votes	
41	(64)	Beaumont Select	3.451	90	 beaumont select PROCUREMENT & SUPPLY CHAIN HUMAN CAPITAL RESOURCES
j.42	(12)	Capita Resourcing Interim Management	3.446	326	 CAPITA RESOURCING INTERIM MANAGEMENT
j.42	(99)	Fitzroy	3.446	54	 Fitzroy
44	(34)	Robert Half	3.444	233	 Robert Half®
45	(44)	Methods	3.347	64	 METHODS
46	(46)	Goodman Masson	3.436	109	 goodman masson
47	(new)	Stanton House	3.425	51	 Stanton house
j.48	(new)	Chase Zander	3.423	52	 chase zander
j.48	(84)	Jarvis Johnson	3.423	54	 jarvis johnson
j.50	(94)	Blenkin Associates	3.416	52	 topinterim.com
j.50	(68)	Top Interim	3.416	60	 Campion Willcocks
52	(33)	Campion Willcocks	3.411	105	 Quantica
53	(new)	Quantica Search & Selection	3.408	50	 Quantica Search & Selection
54	(30)	Morgan Hunt	3.406	154	 morgan hunt
55	(new)	Alpine Interim	3.405	79	 Alpine
56	(87)	MDH Interim	3.403	77	 Macmillan Davies Hodes
57	(63)	The interim Register	3.422	81	 THE INTERIM REGISTER
58	(new)	Interea	3.402	44	 intRea
59	(27)	Hudson	3.399	228	 Hudson
60	(new)	Consult Interim	3.397	75	 CONSULT INTERIM

IIM Interim Survey 2012 - Quality Service Providers (61-80)



Ranking	LY	Quality Providers 2011 (Top 60)	Rating	Votes	
j.61	(new)	CPA	3.396	44	 CPA Search Selection Advertising
j.61	(51)	Hays Executive	3.396	379	HAYS Executive
j.61	(51)	VMA Interim Performers	3.396	79	 VMA INTERIM PERFORMERS
j.64	(92)	Rawson Downey	3.395	45	 RDR
j.64	(new)	The JM Group	3.395	45	 the jm group
66	(52)	Pace Executive Resourcing	3.389	53	 Pace Executive Resourcing®
67	(new)	Macildowie	3.387	62	 Macildowie Recruitment Expertise
68	(new)	Wilton & Bain	3.386	57	 WILTON & BAIN
69	(91)	Metzger	3.385	62	 metzger
70	(88)	Hutchinson Consultancy	3.382	47	 hutchinson consultancy ltd
j.71	(new)	Axon Resourcing	3.381	79	 axon resourcing
j.71	(59)	Hitchenor Wakeford Interim	3.381	98	 Hitchenor Wakeford INTERIM
j.73	(39)	Finegreen	3.376	132	 Finegreen associates
j.73	(22)	Norman Broadbent	3.376	180	 NB : BOARD INTERIM COMPETITIVE EXCELLENCE THROUGH PEOPLE
75	(80)	StopGap Marketing	3.375	65	 Stopgap
76	(61)	Ortus	3.373	61	 Ortus Specialist HR Recruitment
77	(new)	Turnoak	3.368	41	 Turnoak
78	(73)	Outcomes UK	3.366	48	 outcomes uk®
79	(18)	Heidrick & Struggles	3.360	154	 HEIDRICK & STRUGGLES
80	(new)	Osborne + Thomas	3.358	50	 Osborne+Thomas

IIM Interim Survey 2012 - Quality Service Providers (81-100)



Ranking	LY	Quality Providers 2011 (Top 60)	Rating	Votes	
81	(new)	First Counsel	3.358	48	
j.82	(new)	Executive Futures	3.357	46	
j.82	(74)	Sand Resources	3.357	65	
84	(new)	International Interim Management	3.355	53	
85	(100)	Nexus	3.355	45	
j.86	(new)	Axiom	3.353	54	
j.86	(new)	McKenzie Jones	3.353	52	
j.86	(46)	Rialto Consultancy	3.353	54	
89	(72)	IMS Worldwide	3.350	74	
90	(new)	Interim GAAPS	3.347	46	
91	(93)	Strategi Executive Search	3.346	58	
92	(new)	Brightred Resourcing	3.341	47	
93	(new)	Edbury Daley	3.341	45	
j.94	(78)	Frazer Jones	3.340	103	
j.94	(78)	Morgan McKinley	3.340	94	
96	(new)	Toner Graham	3.336	56	
97	(new)	Rullion	3.335	54	
98	(new)	QI Consulting	3.334	47	
j.99	(20)	Badenoch & Clark	3.332	422	
j.99	(new)	Cast UK	3.332	63	
j.99	(69)	Interregna	3.332	55	
j.99	(42)	Robert Walters	3.332	150	

IIM Interim Survey 2011 – Most voted for Service Providers

This listing is in order of popular vote by total numbers of votes cast.

Vote Ranking	Most Voted Providers 2011	Survey ranking	Votes
1	Michael Page	30	552
2	BIE Group	1	465
3	Odgers Interim	4	449
4	Green Park	14	418
5	Interim Partners	3	402
6	Alium Partners	6	399
7	Veredus	2	382
8	Hays Executive	61	379
9	Russam GMS	11	369
10	Boyden Interim Management	10	357
11	Penna Interim	7	356
12	Executives Online	13	354
13	Capita Resourcing Interim Mgt	42	326
14	Impact Executives	17	243
15	Robert Half	44	233
16	Practicus	8	229
17	Hudson	59	228
18	Hoggett Bowers	25	225
19	Randstad Interim Executives	31	218
20	Brooklands Executives	33	195

Service Provider interim strategy - Ad van der Rest, MIIM

The research is crystal clear; If you utilise providers (and 26% don't need to, or choose to), build **great** relationships with a limited selection of providers directly relevant to you, **not** a superficial connection with a host of businesses where you only marginally overlap.

Interim managers sometimes complain that service providers do not 'think outside the box'. Yet what you are most likely to be engaged to do is that which plays to your strengths and value proposition. So why make it hard for intermediaries? Make it fully apparent what your 'package' is offering (and what it doesn't). Qualify yourself in or out of assignment leads promptly and keep that balance between the provider thinking 'who was that?' and 'oh no, not them again'.

Check out the IIM's 'Top 100 list as voted for by interim managers:
<http://www.iim.org.uk/provders>



Ad van der Rest MIIM
co-Chairman
IIM

For IIM members, the Institute is continuing to expand the 'Provider Direct' service which offers a further qualified route of entry for interims:
<http://www.iim.org.uk/provider-direct>

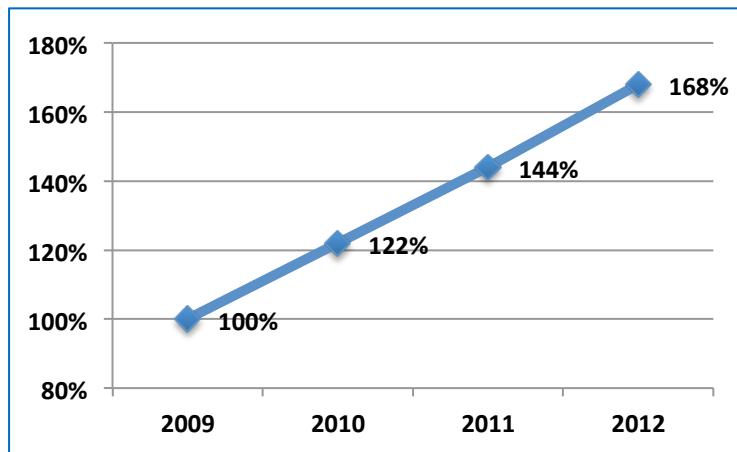
Interim professional body

The Institute of Interim Management (IIM) is itself a service to the interim management community, so we do have some statistics about its activities.

The 2008 recession caught many in the interim community by surprise and the IIM was no exception among organisations that had to step up to the mark or fall by the wayside.

2009-2011 was a time of some struggle for the hearts and mind of the interim community, but by the IIM's 10th Anniversary celebration in April 2011, which was attended by a breadth of over 100 movers and shakers in interim management, the IIM was able to declare interim fragmentation over.

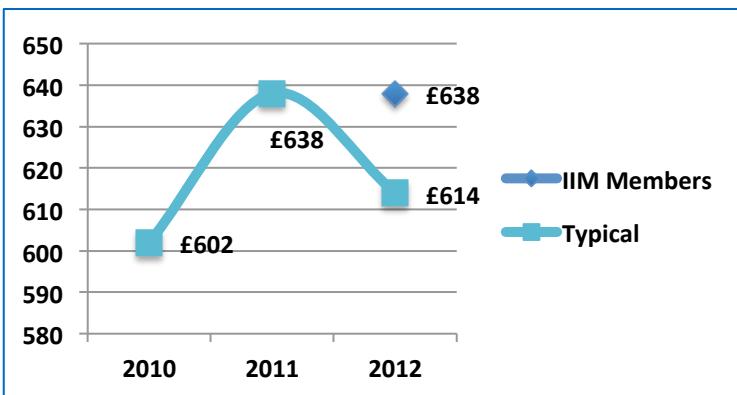
IIM performance rating



Starting with a notional base figure of 100% to measure IIM in 2009, IIM members have consistently reported the IIM as improving its offering year-on-year.

There is no room for complacency. As a not-for-profit organisation, there are always challenges to face and with the interim community's help, the IIM wishes to grow further and influence more.

Performance of IIM interim managers



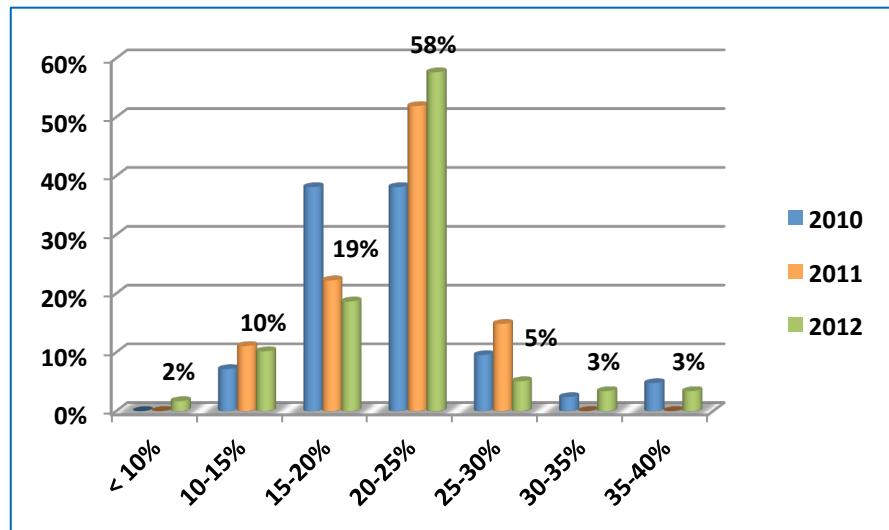
The collection of interim managers who are members of the Institute are on average gaining higher day-rates than the average interim manager.

They are also 4% more likely to be on assignment (72% vs. 68% average).

Service Provider data

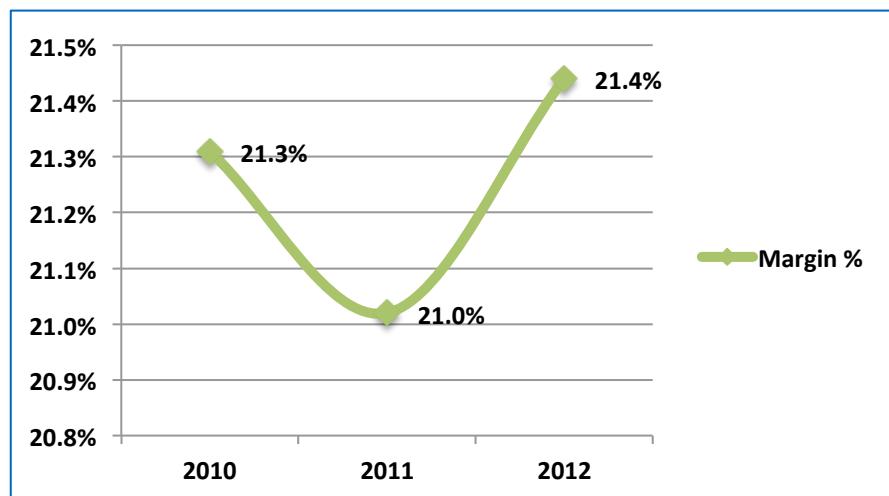
Service Providers were asked some questions about perception of rate and the interim market.

What margin are you typically making from an Interim placement?



Service Provider margins continued to consolidate in the 20-25% range.

Provider margin trends

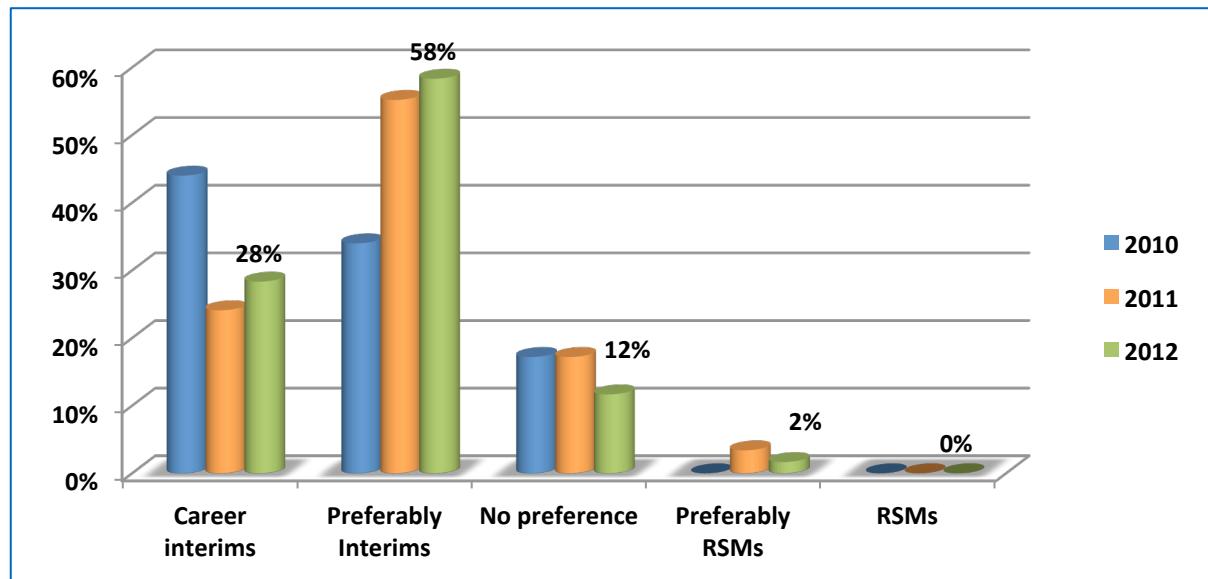


Average margins were:

2010: 21.3%
2011: 21.0%
2012: 21.4%

The slight increase is indicative of returning confidence, which is no bad thing.

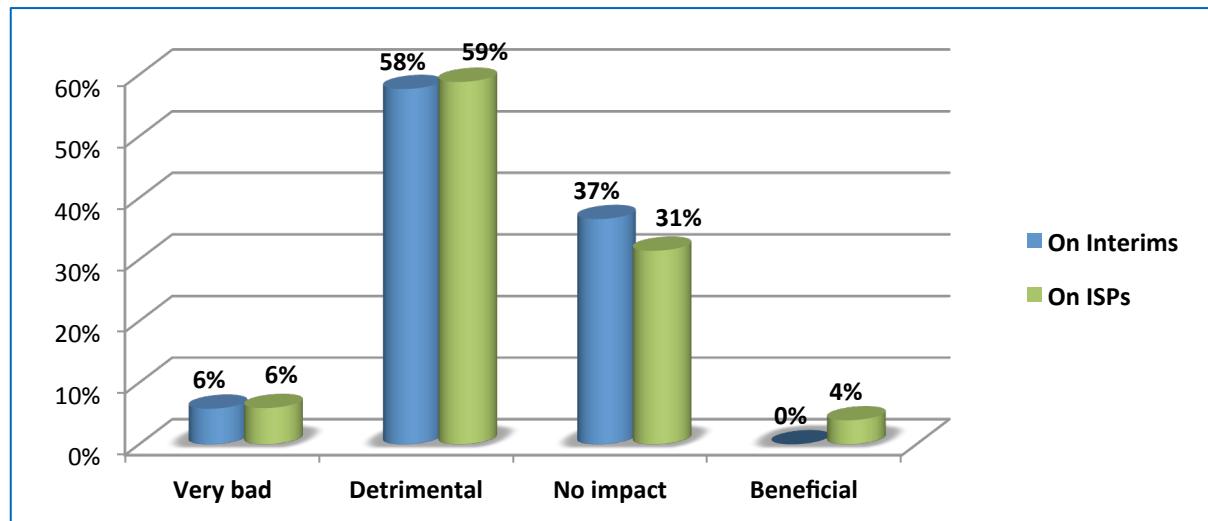
Career Interims vs. Redundant Senior Managers (RSM's)



Many interims worry that 'Redundant Senior Managers' are getting preferred submission to clients.

84% of Service Providers expressed a commitment or preference to submit professional Interims to clients, up from 79% in 2011.

The effect of the public sector review and Controlling Persons consultations



Providers were asked to assess how the public sector tax review and Controlling Persons consultations would impact interim managers and Interim Service Providers alike.

64% think it's bad news for interims, 65% bad news for Providers. We struggle to disagree.

Final comments and conclusions

The big story of 2012 is the threat posed to the interim management profession by planned HM Treasury and HMRC regulations and proposed legislation to curtail off-payroll engagements in the public sector and to drive the tax treatment of senior interim managers across industry into an 'employee PAYE' model.

Other conclusions from our survey include:

- The interim management recovery has continued
- The public sector presents mixed messages
- Interims are not getting younger
- Female interim managers are increasing in number
- Assignment gaps and the two-speed interim community
- Service providers respond to cultivation not shotgun marketing
- The Agency Workers Regulations (AWR) was a damp squib for interims
- Clients like professional expertise quickly delivered
- Lone wolves sometimes need to run as a pack

Interim Profession Threatened

When this first emerged as a news story in the Spring of 2012, it was easy to dismiss it as a being a light news day and that the ill-informed controversy would fizzle out.

When actual proposals emerged in the budget Red Book, the penny dropped that 2+2 did in fact equal 5 in the minds of those constructing regulations and that while laudable ambitions were raised of dealing with fat cats and tax cheats, the mechanics that were proposed were broad brush and indiscriminate, with scant logic, equity or practicality.

Interim managers and executives are a force for good in the flexible economy. The interim business model of moving from assignment to assignment relies upon a self-employed 'hitting the ground running' engagement model, without being fettered in the red tape of employment. Being branded as a group of suspected tax cheats, simply by virtue of self-employment is incredibly galling and panders to the most simplistic of reactive politics.

The IIM urges those constructing these regulations to take a pause and work with the numerous parties who are, in chorus, aghast at these proposals, to work something better out. Interim managers mostly understand that the best of intentions are behind these proposals, but inflicting significant collateral damage to a valuable flexible profession is not the answer.

The IIM invites all professional interim managers and the wide range of interim partner organisations to get behind our collective attempts to halt these misguided proposals. Then we can get back to focusing on promoting growth and business effectiveness rather than getting mired by these crude procedures.



The interim management 'recovery' has continued

Our survey shows more than two thirds of interim managers 'on assignment' and a further reduction in average assignment gaps, compared to 2010 and 2011. Day-rates and billed days have fallen back very slightly, but in the round it was the extended gaps that were the bigger killer factor to the interim model during the recent recessions than a few percentage points easing of rates. We expect a gentle rate improvement across 2012 from post-survey anecdotal evidence.

We again make the point that averages mask many human stories from lucrative success to financial misery. Thankfully as the market recovers, average interim managers with skill and drive can make a success of this profession without the market and recessions kicking them in the teeth.

Mixed messages in the public sector

Statistics on the state of play in the public sector are curiously conflicting.

Despite all the political controversy about the use of off-payroll resource, the proportion of public sector interims on assignment remains healthy, and healthier than the private sector.

This could be because some interims have left the sector, leaving proportionately more work for those who remain. The proportion of interims working in the public sector has fallen by a third in two years, which is likely to be a combination of private sector recovery and actual assignment heads reductions in the public sector.

Finally, the day-rates in the public sector have been significantly slammed these last two years. Public sector day-rates were about 10% below private sector in 2010. That gap has since doubled.

Interims are not getting younger

We would like to myth-bust the notion that interim managers are getting younger. The choice to enter interim management at a younger age is increasing. Yet interim managers are also working longer, in some cases into their 70's. The next effect is that the average age of an interim manager (52.4) is largely unchanged in 8 years since the 1st IIM survey in 2004.

Female interim managers are increasing in number

Filtering our survey results by age gives a clear indication that female interim managers are proportionately increasing each decade. 60-something female interims account for about 10% of that age band. For 50-somethings, it's 20%; 40-somethings it's 30%; 30-somethings, it's about 40%.

If female interims don't get trapped into less senior positions by entering the interim market too early in their careers (as interims don't typically get promoted, they deliver their expertise) then we foresee a healthy increase of about 1% per year in the proportion of female interims, to a predicted 40% of the market in the late 2020's.

Assignment gaps and the two-speed interim community

Assignment gap lengths continue to fall. This varies by seniority and discipline of course, but on average, assignment gaps are now 2.1 months, down from 4 months in 2010.

We are also seeing a six-fold decrease in the number of interims suffering a gap of over 1 year that in 2010 was not far off one fifth of the interim population.

The notion of the two-speed community comes from data that shows that if you ask interims who are working how long their last gap was, that is less than the current time off assignment of those not working, or even the average gap that those not working interims had before their prior assignment.

In other words, the ability to secure assignments is not uniform. Some who experience long gaps are burnt on their CVs harming their re-engagement prospects. Regularly working interims get even more proficient at getting back on assignment.

It's difficult to track those interims who don't succeed at interim management because they leave the market. Interim management is a tough profession that's not for everyone. The IIM will do more research into this area in 2013.

Service providers respond to cultivation not shotgun marketing

The belief held by some interim managers that being on the database of many dozens of Interim Service Providers is a good idea is confirmed flawed. A known relationship with a provider consultant increases the odds of placement six-fold. The average number of active provider relationship is six providers. As last year, do even better by have a provider consultant connection and deal with service providers that really understand interim management from the IIM's survey list.

www.iim.org.uk/providers

The Agency Workers Regulations (AWR) was a damp squib for interims

The Agency Workers Regulations (AWR) came into effect on the 1st October 2011. It seems odd that so much effort was expended debating the ramifications in 2011 when it turned out to be a trifle compared to this year's HM Treasury and HMRC regulatory challenges.

So for professional interim managers genuinely in business on their own account and 'out of scope' of the AWR, there was fortunately no issue. It will be very nice if we can reflect back in 2013 on the HM Treasury and HMRC proposals in the same way.

Clients like professional expertise quickly delivered

We were very pleased to have some client feedback this year. It is interesting to see what clients want from interim managers, rather than what interim managers think clients want. From the interim management value proposition, clients most value professional and expert implementation delivered quickly. They are less bothered by the non-political independence that interims value, but so long as the interim delivers professionally and expertly at speed, that independence still works just fine.

Lone wolves sometimes need to run as a pack

To round out this year's survey, a few words about the value of interim managers working together.

The interim management profession has grown over the best part of three decades, yet it remains poorly understood by many, in part because interim managers and executives are unique specialists in their fields and people who like operating independently tend to enjoy doing their own thing.

What has changed since the interim 'boom times' prior to the recessions is that whilst interim management will never be a mass market activity, the cozy days of it being the limited preserve of a few semi-retired ex-Corporate-Directors are long behind us. It's competitive out there and waiting for the phone to ring is not typically a successful strategy.



On top of the toughness of the market place, we face the perverse upsurge of regulatory interference to add insult to injury.

The IIM invites individual interim managers to play their part in the defence and growth of our profession. No-one else will do it for us. We have no resources but ourselves. We are not denigrating Service Provider businesses by that statement, who are an important part of the market utilised by nearly three quarters of interim managers at one time or another, but they are not custodians of the profession.

Steps an individual interim manager can take, include:

- Sharing interim articles and documents with others
- Share information about the regulatory threats with MPs and others using the IIM's prepared materials: www.iim.org.uk/threat
- Joining and sharing your views and ideas on LinkedIn groups such as 'Interim Management IIM' <http://www.linkedin.com/groups/Interim-Management-IIM-2339933/about>
- If you utilise Interim Service Providers, support the most professional ones as voted for by the interim community: www.iim.org.uk/providers
- Joining the Institute of Interim Management itself as an individual member would help this not-for-profit body and the volunteer real interim managers who run it to continue its work to support, promote and represent interim managers, not only for its own members, who do get some extra benefits, but for the whole interim community.

The 'pack' is calling: <http://www.iim.org.uk/reasons-to-join-the-iim>

Allied to the above 'call for action' the IIM is delighted to welcome the increasing support of leading Interim Service Providers to the cause. Not only are we pleased to work collaboratively with partner bodies such as the Interim Management Association (IMA), APSCo and the PCG, we are also pleased to welcome public Affiliate funding and membership from businesses who have stood by the IIM over several years such as Practicus and Interim Partners, to more recent leading providers such as Veredus, SOLACE Enterprises, Penna and Russam GMS. We look forward to welcoming more. <http://www.iim.org.uk/iim-affiliates-and-partners/>

Further reading



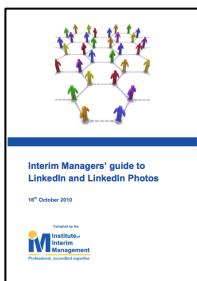
Interim Management Guide For Business Managers

<http://www.iim.org.uk/articles/interim-management-guide-for-business-managers>



Fees and Day Rates

<http://www.iim.org.uk/articles/fees-and-day-rates>



Guide to LinkedIn

<http://www.iim.org.uk/articles/interim-guide-to-linkedin>



Guide to Interim CVs

<http://www.iim.org.uk/articles/guide-to-interim-cvs>



Step by step guide to setting up as a professional Interim Manager

<http://www.iim.org.uk/articles/step-by-step-guide-to-setting-up>

Acknowledgements

Many hundreds of people contributed to this survey from those who completed it, to those who debated and refined its findings. Particular thanks go to the members of the Institute of Interim Management and the members of the '[Interim Management – IIM](#)' and other Interim LinkedIn groups, where this survey has, and will doubtless continue to be debated.

Institute of Interim Management
Interim Management – IIM LinkedIn group

<http://www.iim.org.uk>
<http://www.linkedin.com/groups?gid=2339933>