

## The Russam GMS Interim Management

### Snapshot Survey – June 2007

Russam GMS are pleased to present their June 2007 Snapshot Survey of the Interim Management Market.

The latest *Russam GMS Interim Market Monitor* reaches an all-time High. Their Snapshot Survey at 30th June 2007 reveals yet again record average daily rates and activity levels:-

- Daily rate is up 5.4% on last year at £585
- Activity level up 5.1% on last year.

Again, there is greater activity in the Interim Management sector than at any time since the dot-com boom and there is increasing recognition of strategic change as the prime growth driver rather than the more commonly perceived needs of gap-filling and crisis management assignments.

We would point to the current and increasing domination of demand over supply for Interim Managers - something not seen before in this market. Russam GMS see this as the prime reason for the daily rate increase but tempered by strong client pressures to keep rates down which is more often coming from procurement professionals rather than line managers.

Given that interim Management is now a permanent feature in the resourcing landscape and there are more Interims of undoubted abilities moving in to the market and offering exceptional value for money, finding these Executives is becoming a much more professional activity than hitherto rather than the Clients' DIY approach. The Russam GMS Snapshot Survey now shows an all-time high figure of 59% being the proportion of full time Interims being resourced through Providers. Taking part-timers (who tend to find their own work in good times) into account brings this figure down to 47%, itself higher than it has been at any previous time. Interestingly, the two disciplines in greatest demand – Finance and HR – are the ones where most reliance is placed in Providers - 61% and 58% respectively are sourced through Providers. Sectors using Providers most are Central Government (79% through providers), the NHS (73%), Local Government (71%).

What we are also seeing in this Snapshot Survey is a slight firming up of feelings of Interim Managers about Interim Management as a career. 33% - compared with 29% as at the end of December 2006 – would never take a permanent job. This presumably reflects the current buoyant state of the market and increasing confidence levels. However, whilst only 6% are actively looking for a permanent job (and filling in with Interim), 48% would take a tempting permanent job if asked nicely and 38% would happily move between. Our view is that this balance is

just about right. (Please note that these percentages are **not** meant to add up to 100%!)

Sectors using Interim Managers most were once again Manufacturing and Engineering (13% of all Interims) and Central and Local Government (13%) including Charities. Interestingly, it is the Public Sector that relies on Providers the most whilst the Manufacturing and Engineering Sector uses Providers the least.

The big question is how much longer will this lengthy and sustained high level of activity last particularly in the light of the very new turbulence in the financial markets. Interim Management volumes have always shadowed overall employment levels. But there is a growing view that there is an increasing amount of substitution happening. Hitherto more traditionally permanent roles are now being handled by Interims, reflecting the changing nature of certain types of jobs and the changing attitudes amongst business bosses and the speed with which change is now happening in all business sectors. Many jobs are more like Projects. Many business needs are one-off. Risk assessments often favour Interims. Immediacy and speed of engagement is key. Employment legislation issues are also relevant but not markedly so.

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This electronic Survey was carried out between June 29 2007 and July 27 2007 following established processes. Almost 8000 executives were emailed and 670 responded, 350 of whom were on assignment. This represents 52% compared with 51% at December 2006.

### 1 Respondents analysed over Professional Disciplines

Respondents analysed over Professional Disciplines						
Disciplines	Jun-07	%	F/T	%	P/T	%
Finance	90	13%	40	17%	15	13%
General management	218	33%	73	31%	45	39%
HR	46	7%	20	9%	4	3%
IT	60	9%	26	11%	5	4%
Not specified	14	2%	3	1%	4	3%
Other	74	11%	18	8%	13	11%
Production/ and/or Engineering	44	7%	11	5%	10	9%
Purchasing and/or Distribution	41	6%	20	9%	4	3%
Sales and/or Marketing	83	12%	22	9%	17	15%
	670	100%	233	100%	117	100%

### 2 Interims on Assignment by Discipline

Interims on Assignment by Discipline				
	Jun-07	%	Dec-06	%
Finance	54	15%	96	21%
General management	119	34%	151	33%
HR	24	7%	32	7%
IT	30	9%	35	8%
Other	39	11%	30	7%
Production/ and/or Engineering	20	6%	30	7%
Purchasing and/or Distribution	24	7%	29	6%
Sales and/or Marketing	40	11%	53	11%
Total	350	100%	456	100%

### 3 Average Daily Rates

Average Daily Rates					
F/T		P/T		Overall	
Jun-07	Dec-06	Jun-07	Dec-06	Jun-07	Dec-06
568	555	618	567	585	558

### 4 Daily Rates by Discipline

Daily Rates by Discipline						
Discipline	F/T		P/T		All	
	Jun-07	Dec-06	Jun-07	Dec-06	Jun-07	Dec-06
Finance	589	582	570	577	584	581
General management	585	575	589	582	587	578
HR	596	523	338	515	553	521
IT	603	573	791	375	635	557
Not specified	600	700	413	500	450	600
Other	568	568	1021	654	774	594
Production/ and/or Engineering	478	415	482	557	480	450
Purchasing and/or Distribution	495	546	583	592	510	554
Sales and/or Marketing	514	522	525	525	516	523

### 5 Daily Rates by Sector

Daily Rates by Sector						
Sector	F/T		P/T		All	
	Jun-07	Dec-06	Jun-07	Dec-06	Jun-07	Dec-06
Banking Financial & Insurance	710	637	730	675	716	
Construction & Property	569	553	476	558	534	
Engineering & Manufacturing	633	472	519	512	582	
FMCG	480	529	750	555	538	
IT (Hardware / software / training & services)	512	464	458	465	497	
Leisure Entertainment & Hospitality	595	619	725	595	653	
Not for Profit/Charities	469	449	396	410	429	
Food	431	408	1472	900	865	
Not specified	638	0	300	800	525	

Other	579	593	707	648	634	
Professional services	490	597	640	542	568	
Central Government	548	567	610	554	555	
Local Government	478	520	369	545	453	
Education	400	545	623	499	534	
NHS	600	766	650	0	606	
Pharmaceuticals	592	516	606	625	599	
Retail	622	684	700	800	648	
Supply chain	533	482	582	588	545	
Telecoms	620	657	675	938	630	
Utilities	536	517	775	380	589	

## 6 Daily Rates by Region

Daily Rates by Region		
Region	Jun-07	Dec-06
South	562	555
Central	643	582
West	569	566
North	565	506
Overseas	622	629

## 7 Source of Assignments

Source of Assignments		
Through a Provider	%	
	Jun-07	Dec-06
Full-time	59	56
Part-time	23	19
Total	47	45

## 8 Source of Assignments by Discipline

Source of Assignments by Discipline		
Through a Provider	%	
	Jun-07	Dec-06
Finance	61	48
General management	32	37
HR	58	59
IT	53	63
Not specified	50	0
Other	55	48
Production/ and/or Engineering	40	50
Purchasing and/or Distribution	71	59
Sales and/or Marketing	44	30

## 9 Source of Assignments by Sector

Source of Assignments by Sector		
Through a Provider	%	
	Jun-07	Dec-06
Banking Financial & Insurance	45	47
Construction & Property	47	21
Engineering & Manufacturing	40	42
FMCG	36	44
IT (Hardware / software / training & services)	42	15
Leisure Entertainment & Hospitality	33	40
Not for Profit/Charities	36	54
Food	54	47
Other	40	35
Professional services	25	16
Central Government	79	71
Local Government	71	75
Education	40	67
NHS	73	70
Pharmaceuticals	42	56
Retail	50	71
Supply chain	25	31
Telecoms	45	50
Utilities	44	59

## 10 On Assignment by Sector

On Assignment by Sector				
	Jun-07		Dec-06	
		%		%
Banking Financial & Insurance	31	9%	45	10%
Construction & Property	19	6%	28	6%
Engineering & Manufacturing	45	13%	72	16%
FMCG	14	4%	16	4%
IT (Hardware / software / training & services)	19	6%	20	4%
Leisure Entertainment & Hospitality	9	3%	9	2%
Not for Profit/Charities	25	7%	24	5%
Food	13	4%	15	3%
Other	42	12%	55	12%
Professional services	12	3%	25	5%
Central Government	28	8%	31	7%
Local Government	17	5%	20	4%
Education	5	1%	6	1%
NHS	15	4%	10	2%
Pharmaceuticals	12	3%	18	4%
Retail	12	3%	14	3%
Supply chain	12	3%	16	4%
Telecoms	11	3%	18	4%
Utilities	9	3%	17	4%
	350	100%	459	100%

## 11 Age Range actually on Assignment

% in Age Range actually on Assignment		
	%	
Age Range	Jun-07	Dec-06
Late 20's & 30's	59	55
40's	62	55
50's	47	52
60's	47	38

**12 Daily Rates by Age**

Daily Rates by Age		
Age Range	Jun-07	Dec-06
Late 20's & 30's	552	513
40's	594	575
50's	607	560
60's	467	511
All ages	585	558

**13 Interim Managers' Career Plans**

Interim Managers' Career Plans		
	(% of all resp)	
	Jun-07	Dec-06
Would never take a permanent FT job	33	29
Would take a FT job if the offer were tempting	48	48
Would take a permanent PT job	20	20
Actively Seeking	6	8
Hoping Interim becomes Permanent	4	5
Happily move between	38	42

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