



Welcome to The Interim Statement for New Year 2019. This month's edition takes a different format, with Steve focusing on the business landscape going into 2019.

We hope you enjoy this edition.

Please do not hesitate to contact [Steve Rutherford](#) should you wish to understand more about the value that Interim Professionals could bring to your organisation.

The Interim Statement

New Year 2019

2019 will be a momentous year in the political, social and economic history of the UK. Perhaps 2019 will be one of those dates, like 1066, 1815 or 1939, which every school child will learn in the future? However, how it will play out exactly is incredibly hard to predict, and hence I will limit myself to some thoughts on the world of Interim Management.

2019 will be a huge year for Interim Managers and the organisations they lead, transform and grow.

Here are some of the things I expect to see:-

1. The two-paced economy

Putting aside, for a moment, the UK's departure from the EU, there has been a duality existing in UK business for some years. Individual businesses, commercial sectors and whole geographical regions have grown at massively differing rates in recent times, with a real sense of winners and losers.

In the past, it was convenient to assume that it is the sub-optimal performers who have the greatest requirement for Interim Managers. In a sense this is still true. However, there has been evidence in recent times of high performing, particularly start up, businesses increasingly drawing upon Interim Managers, to accelerate their growth and help them build infrastructure for when they cease to be start-up businesses.

Interim Management isn't just about helping organisations to catch up, but also helping them surge ahead.

2. CEO's role never more difficult

The expectations placed on a CEO have never been higher, and there has never been a greater level of scrutiny of their performance, compensation and leadership style. Again, there will be winners and losers as a result and I expect turnover in the 'top job' to increase again this year.

The role itself increasingly looks like an interim assignment; driving change, performance and culture rather than merely creating good returns and a cosy relationship with shareholders, and many high performing CEOs are looking to Interim Managers to support them as their role develops. I have also seen an increasing interest from permanently employed CEOs in 'going interim' as an alternative to further Executive roles or building a NED portfolio.

3. Management Consultancy: No longer the default agent of change

'Nobody gets fired for choosing IBM' was the received wisdom and then a widely accepted fallacy of the 20th Century. It started out as true, but ended up false, as more nimble entrants ate the proverbial lunch. The 21st Century equivalent of this is 'nobody gets fired for choosing the Big 4'. Increasingly businesses are embracing different methodologies for change, rather than having change done to them by a large firm. Only the largest firms and programmes tend to work exclusively with the Big 4.

There are many reasons for this. Cost is obviously a major factor and the business model of the large firms ('many hands make light work' - and a whopping bill) has driven clients to look at more nimble solutions, smaller firms and technology as a way of achieving the outcomes they are looking for.

The sentiment I hear most from clients is that they think that they are getting real expertise only to find that the best people on the programme are their own staff or the 'Associates' brought in by the Consulting firm to deliver the critical thinking. Could a better model be an Interim Manager to lead the change supported by the client's brightest brains? Cheaper, quicker and an assured legacy.

4. IR35 & all that

The Government recently put back its plan to roll out the changes in IR35 for the private sector until 2020. My guess will be that, with so many other priorities, it might get buried completely.

HMRC has claimed some success in its application of the changes to the public sector, and there has definitely been a fall in what could be termed 'feigned self-employment', but I am not convinced that, overall, the Exchequer has ended up any better off. All that's happened is a steady increase in candidate rates to offset PAYE costs. The HMRC gets richer at the expense of the individual NHS Trust or FE college.

Regardless, if IR35 does come to the private sector I am sure that, after a short period of panic, the world will continue to spin. True, senior Interim Managers will have little to fear and clients will bear no significant risk in hiring them.

5. Brexit

Who knows?

No politician, journalist or business leader claims to, and I certainly will not.

However, what I will say is that, over the next few years, there will be winners and losers. Businesses which face existential threat sharing trading estates with businesses who have never had it so good. There will be uncertainty, short term earnings visibility and a requirement to be agile and open to new thinking.

There will never be a better time for the Interim Management community to demonstrate its collective value.

2019: The Year of the Interim Manager?

Steve Rutherford

Steve has 25 years' experience built in market leading recruitment, interim management and executive search firms. He has built relationships on both a cross sector and cross functional basis.

At The Miles Partnership Steve focuses on the growth and development of our Interim Management offering, helping our clients grow, change and transform.

To understand more about the benefits hiring an Interim Manager can bring to your organisation, please contact Steve Rutherford on +44(0) 20 7569 9540 or steve.rutherford@miles-partnership.com

Steve, and 4 of his colleagues, are raising money to buy school uniforms for a SOS Children's Village in Port Elizabeth, South Africa. To learn more and sponsor them please click [HERE](#)