Programme and Project Management: Delivering Change

Executive Summary

The leading source of demand for Interim Managers in both the public and private sector is programme and project management in the delivery of change. The continued success of a business, regardless of size, often rests on its ability to deliver change programmes and projects successfully. Whilst a programme or project may be delivered, it is only when the benefits are fully realised that the delivery becomes a resounding success. This paper explores how Interim Managers help organisations deliver change, both planned and forced, by providing experienced and proven support for major programmes and projects. In addition, by using Interim Managers instead of management consultants or inexperienced internal resource, clients have greater control over outcomes, retain intellectual property and reduce costs and risk.

For the purpose of clarity we define a project as an activity that sits outside business as usual and has clearly defined scope, budget and timescales. A programme is defined as a range of projects that meets a strategic business objective and encompasses elements of business as usual; for example, a major business transformation programme, of which the payroll project may form a part. Whilst underlying projects may be individually successful, an organisation gains more when a programme’s benefits are fully realised.

The starting point for any programme or project is people. But before any such endeavour an honest analysis of capability is critical. If an organisation has not fostered project management disciplines or has a history of failing to deliver, there is no reason to believe things will be different this time.

Organisations can often underestimate the scale and complexity of a programme and the associated risks of failure. John O’Neill has been an Interim Programme Director for 12 years. His most recent assignment was a programme recovery for a major blue chip outsourcing organisation that had recently won several significant contracts with a value close to £100m, all in new business areas. The client sought to apply its existing project management capability to the onboarding of these new contracts. Unfortunately, this soon developed into a crisis.

“It quickly became clear that the client had not considered the programme management implications of undertaking projects that were very different technically over normal business” he says. “More importantly, they had not fully appreciated the risk of failure to their reputation. I quickly investigated the state of the projects and got the Board’s backing to restructure into a programme with a strong prime team. I also introduced programme and systems engineering processes based on my many years of experience in delivering complex hi-technology engineering programmes”.

For John this was familiar territory: “A common theme that runs through my assignments is that organisations often let a drifting programme mature into a board level crisis before a rescue mission from the outside is considered. A failure of programme governance is often to blame and it is surprising that even major blue chip enterprises can slip up here”.

It is important to recognise managing programmes and projects is a full time job. In the current climate it is tempting to control costs by...
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Rob Wilkinson, an Interim Programme Manager with over 18 years experience highlights this point:

“Most organisations do not have the requirement for frequent major changes. The drive to reduce day-to-day operating costs means that specialist project and programme management resources often are difficult to justify, especially when smaller incremental changes can be delivered on a ‘work it out as you go along’ basis by staff with other operational responsibilities. This approach may be good enough for normal business, but often produces variable results and does not develop the in-house skills needed to successfully achieve more strategic objectives”.

In engaging with external resource, organisations also gain insight into best practice and have the additional value of reviewing their current approach. Ed Hutt, Interim IS Transformation Director at British Gas, says: “A big value add of the Interim Manager is helping organisations to do things differently – not do the same thing with different people.”

Many organisations lack the necessary programme and project management capability to deliver change or, having rationalised their existing workforce, simply do not have the necessary management bandwidth. Their options include appointing management consultants or engaging with Interim Managers. We believe Interim Managers give organisations the opportunity to:

- Maintain greater control
- Retain intellectual property
- Reduce cost
- Manage risk effectively

Rob Wilkinson says: “An Interim Project or Programme Manager is free, from competing consultancy agendas, to sell additional services or colleague billable days. As a result, an Interim’s motives are aligned with the client’s to focus on making best use of resources within the organisation to deliver change”. The reputation of Interim Managers is built on the ability to deliver for their clients. According to Hutt: “Interim Managers’ first, second and third priorities are their client, and making sure that they are successful as a result of the work they do for them.”

- Retain intellectual property – with knowledge transfer throughout the process. Interim Managers work hand in hand with the existing workforce.

When utilising external expertise organisations always run the risk of losing significant knowledge and learning, whether it be a major programme of change impacting the whole business or an individual project. Consultancies will often retain this intellectual property as they seek to commercialise its application across their client base. However, Interim Managers will seek to transfer this knowledge. Tony Martin, Interim Programme Director and COO UK Coal, stresses this point, “Interim’s are not precious about intellectual property, quite the reverse, they bring a ‘can do’ mind set that means they actively share their learnings and skills to short circuit what needs to happen right now within the client organisation.”

It is not just about making an immediate impact, but a lasting one. Hutt says: “Our big concern is sustainability – making sure that we leave behind a legacy of success that is owned by the people of the organisation we work with for a period of time.”

By working with the existing employees, Interim Managers have a positive impact on their career development. “Staff involved in delivering changes, with the help of an experienced Interim Project or Programme Manager, gain significant knowledge from the experience which builds future capability. This advantage is often lost

Maintain greater control of programme and project outcomes. The Interim Manager is directly accountable to their client and not to his/her own organisation.

Organisations can maintain control by ensuring the external resources they bring in are completely aligned with their objectives.
if third party consultancy staff are engaged and then leave at the end of a project” says Wilkinson.

Martin adds that successful knowledge transfer is critical in the ongoing success of an Interim Manager’s career: “I am only too happy to share my experiences, since sharing my knowledge both significantly helps in the effective delivery of the outcome for my client, but also helps me gain a reputation for being a valued asset both within the client organisation and through the external network.”

**Reduce cost of delivery – a highly experienced and qualified Interim Manager costs significantly less than a consultant. In addition, because of their delivery focus, there is often a reduction in times taken as a result.**

Interim Managers act independently through their own limited companies and charge a day rate, typically between £600 and £2,000 per day depending on the level of experience and nature of the project or programme. With a wealth of experience and real world management expertise, this compares favourably with the fees charged by consultancies. However this is not the only concern. The delivery focus and experience Interim Managers have leads to a reduction in delivery times. “Interim Managers, operating in their fields of expertise, are able to highlight areas of potential financial and non-financial benefits much quicker than internal staff because they have most probably been there and done that in previous programmes” says Hutt.

By working with an organisation’s existing employees to deliver change before considering further external resources, Interim Managers reduce cost and help mitigate risk by including people from the organisation in shaping programmes and projects.

**Manage risk effectively – by using experienced and proven programme and project managers with demonstrable track records.**

Risk management plays a key role in the decision making as all projects and programmes involve an element of risk and uncertainty. According to Wilkinson, how organisations address this will vary: “The project, and risk, can be outsourced to a specialist company, such as a consultancy. A good premium will be charged for this service, but often the risks are not fully outsourced as the client had thought. The alternative approach is to recognise the risk and procure the resources via the Interim market to manage it effectively. This is where the Interim Project or Programme Manager can add real value, by applying skills, knowledge and experience, to focus purely on the needs of the client organisation.”

**Conclusion**

The current economic downturn has had a profound impact on both ‘business as usual’ and programme and project management. For organisations that are operating with reduced headcounts and constrained budgets, one would assume projects are secondary and unnecessarily high risk. The reality, however, is more complex. The downturn shapes strategy and develops new business objectives which in turn create new programmes and projects. Some organisations are ahead of the game and have reshaped their operations mindful of the continued economic turmoil, yet aware of the potential opportunities that lie ahead. In challenging times the cost of failure is greater as the margin for error diminishes. As a consequence, the case for engaging Interim Managers is stronger than ever.
About Odgers Interim

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Duncan Hoggett
Duncan is a Consultant with Odgers Interim, a division of Odgers Berndtson. He works across the Energy, Manufacturing and Infrastructure sectors and has particular expertise in supporting clients undertaking major business transformation programmes.
duncan.hoggett@odgers.com

Contact Details
Direct Line: +44 20 7529 1032
Mobile: +44 77 3637 8379
20 Cannon Street, London EC4M 6XD
Tel: +44 20 7529 1111

UK Offices

England

London
20 Cannon Street
London EC4M 6XD
+44 20 7529 1111

Birmingham
9 Brindleyplace
Birmingham B1 2HS
+44 12 1654 5900

Manchester
Suite 16E
Manchester
International Office Centre
Styal Road
Manchester M22 5WB
+44 16 1498 3400

Leeds
10 South Parade
Leeds LS1 5QS
+44 11 3386 8500

Scotland

Edinburgh
5 Melville Crescent
Edinburgh EH3 7JA
+44 13 1563 5410

Glasgow
Stock Exchange Court
77 Nelson Mandela Place
Glasgow G2 1QT
+44 14 1225 6320

Wales

Cardiff
13 Cathedral Road
Cardiff CF11 9HA
+44 29 2078 3050

Aberdeen
7 Albert Street
Aberdeen AB25 1XX
+44 12 2421 8999