



SHEFFIELDHAWORTH

TALENT ON DEMAND WHEN THE MOMENT WILL NOT WAIT

In the next several years the booming demand for 'fractional' and 'on-demand executives' is going to accelerate around the world. Sheffield Haworth is positioned to lead the way for clients. Here's why.

**Oli Templeton, Executive Director, Executive Interim
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Not too long ago I met with an Australian client to discuss its plans for the next several years. Central to those plans were the founder's negotiations to merge the company with a larger one even as he looked toward retirement. The financial and regulatory issues at stake were enormous.

"I keep hearing about your interim-executive network," he told me. "How do I tap into that?"

Naturally I was happy to talk about one of the fastest-growing parts of our business—around the world but especially in North America and Western Europe.

There are multiple reasons why senior roles—C-suite jobs and SVPs—are increasingly filled by what are sometimes referred to as "fractional executives". One reason is that the Covid pandemic accelerated organizations' comfort with nontraditional talent strategies. They are more accommodating to expectations of flexibility and to having members of their senior team working remotely. Engaging experienced talent for a project-limited term feels plausible in ways it may not have just a few years ago.

Even before the pandemic the trend toward what has been called "talent on demand" in the senior reaches of a management team was gathering steam. It will continue to gather steam well past the end of our pandemic era.

Companies cannot wait

The pool of extraordinary talent is never as deep as we would like. A retiring CEO, a key executive on leave, a regulatory change, an immediate growth opportunity—moments like these may create (or reveal) a hole in an organization's leadership reservoir. Especially in smaller organizations there may be gaps between what is needed in the top tier of management and the junior end of the talent pipeline.



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Even in normal times (remember those?) companies may not be able to wait for a search process to play out when the organization's need is strategic and urgent. This is when an interim executive can step in (and even help conduct the search for a full-time individual). It is a model that has been around for two decades. What is new is the accelerating number of talented executives who make a career choice of being fractional.

Sheffield Haworth, for example, maintains a curated network of several hundred individuals who are at the top of their skills and are attracted to the rejuvenation derived from regular exposure to new challenges. Typically these are midcareer senior talent at the peak of their professional lives.

[1] "Freelance, side hustles, and gigs: Many more Americans have become independent workers." André Dua et al. McKinsey Insights. 23 August 2022.

In McKinsey & Co.'s latest American Opportunity Survey, 36 percent of respondents described themselves as "independent". Bear in mind that this term covers a multitude of job categories, and includes senior-executive talent. However, about a third of the self-declared independents in McKinsey's survey reported earnings over \$150,000. They include lawyers, accountants, in-demand creatives, and a variety of advisers and specialists. Their top reason for being independent? They simply enjoy the life.^[1] Whilst we do not have the latest statistics from the European marketplace, it is entirely probable that those numbers are also in alignment with the US.

Sheffield Haworth's experience is that a growing percentage of these professionals are women, tired, perhaps, of being thwarted on the conventional path to senior jobs. Sheffield Haworth's experience suggests that female interim managers tend to skew younger than their male colleagues, a signal that they are open to less traditional career paths.^[2] (In Europe the percentage of female interim executives is still relatively small—less than 20 percent—but in the United States the percentage may now be more than half. ^[3])

Here is something else that leaps out from our experience: About 80 percent of the demand for interim executives comes from small and midsize companies that might not ordinarily have access to the kind of high-achieving talent they need to grow. They may not need such talent full time, and in any case may not be able to afford what that talent costs. But a fractional model, if the fit is right, can be a force multiplier for an organization, one that can produce strategic transformation.



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Not the status quo consulting model

If the idea of engaging an interim executive sounds like hiring a consultant, I would suggest several essential differences.

An interim executive is engaged to deliver on a tightly defined scope of work—the launch of a new business process, say, or a market-research project. Usually these projects are time-bound and do not require a team to manage them. Interims partner with clients at high-stress moments of, say, succession planning or coaching a new chief executive in the first few weeks in her new role. Those are big events in the life of a growth-oriented organization. Interim talent can play a central role in assuring there are no pauses in the velocity of its growth.

Experienced executives have an expertise matched to an immediate challenge, can read the landscape quickly and get down to work immediately. They can keep an organization from drifting. And then move on.

[1] "Freelance, side hustles, and gigs: Many more Americans have become independent workers." André Dua et al. McKinsey Insights. 23 August 2022.

[2] "IM is helping women smash through the glass ceiling." Viola Lloyd. URD Online. 11 March 2014.

[3] Interim Executive Director Demographics and Statistics in the US, Zipia. 2022.

Another essential difference is that when engaging a fractional executive the client is the one that defines not only the scope of work but its budget; the tail does not wag the dog, in other words.

Finally, clients of every size expect the highest level of discretion from the outsiders they engage, no leaks permitted. The sophisticated talents we work with share that same expectation. We know our interims as individuals, and we know their character.

Firms like Sheffield Haworth tend to do a better job of matching interim talent to immediate client needs as our structure allows us to be close to what clients require.

The talent match

“Boutique,” remember, does not mean small. Boutique means being tightly focused on doing a few things extremely well.

Since its founding in 1993 Sheffield Haworth has grown to twelve offices around the world—just the right size to serve blue-chip multinationals and startups with consistent levels of attention. Even before it had a name the interim-executive category was part of our offering, in part because as a privately held firm we haven't the conflicts that bedevil publicly held search firms.

Sheffield Haworth's talent-intelligence capabilities are on full display in our interim-management offering. As we deploy it, talent intelligence combines technology (which increasingly includes artificial intelligence) with insights we acquire in conversation with the wide world all day long. Exactly this combination of the technological and the human gives us a previously unattainable level of customization in matching executive talent to the immediate requirements of clients.

It is a simultaneously high-touch, high-tech offering that the large strategy and search firms frequently struggle to deliver. This is the principal reason 90 percent of Sheffield Haworth's interim engagements are repeat business.



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Oli leads Sheffield Haworth's Consulting Solutions practice across all of the firm's verticals with an emphasis on Wealth and Asset Management. As part of the Sheffield Haworth consulting model, Oli and his team have been instrumental in accelerating change in organizations so they can move forward with certitude and confidence. The extensive network of interim executives that Oli oversees are catalysts for accelerating such change and, therefore ensuring organizations fully optimize their goals in a rapidly changing environment. Short-term managers have a unique set of skills that make them extremely valuable to transitioning companies, and in a post pandemic world have become even more so. As a result, Oli has extensive experience across the entire chain of the C Suite including but not limited to CEOs, COOs, CRO's, CFOs, CMOs, and CIOs to successfully drive forward this change.

When time-critical leadership needs arise, Oli and the team at Sheffield Haworth are already well prepared. The global resources and expertise available to Oli enables him to deploy exceptionally qualified interim leaders who can assess complex business challenges efficiently and then implement solutions effectively. Interim Management at Sheffield Haworth is a great solution for addressing short-term talent needs that arise as a result of acquisitions, unexpected resignations or the launching of critical special assignments. Through the rigorous process Oli and team employ, our clients can gain access to pre-vetted executives when gaps and requirements occur. Many of these assignments are conducted under the radar screen so confidentiality can be met if needed.

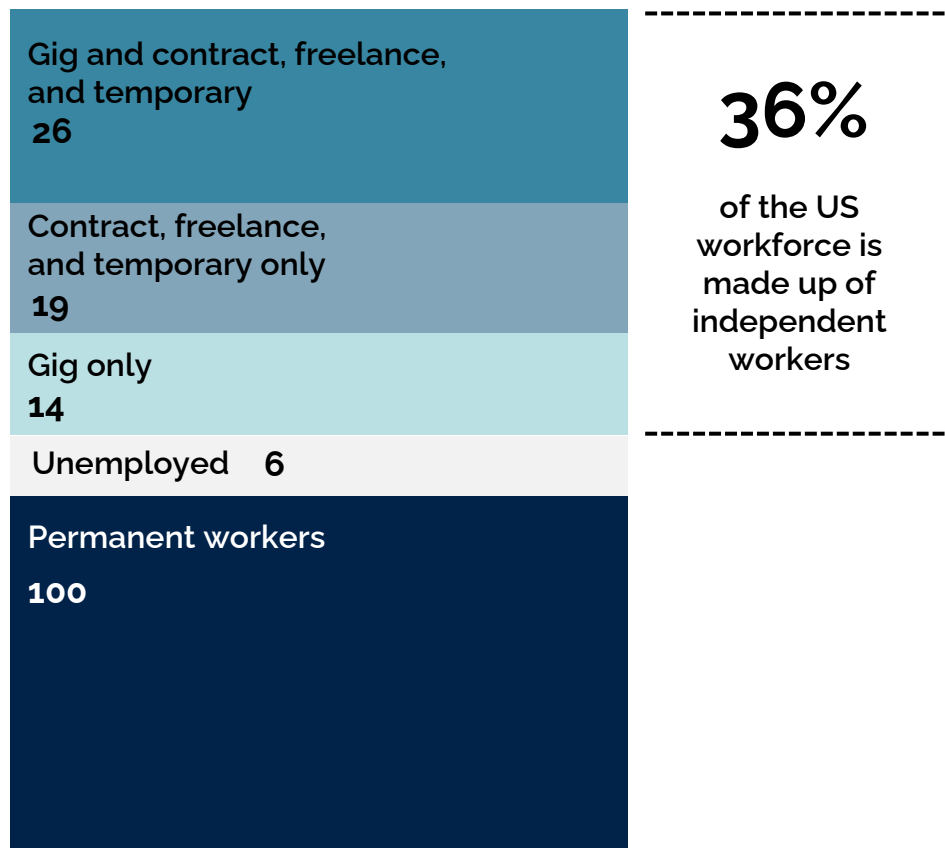
Oli also partners with the various groups within Sheffield Haworth's Consulting arm to provide competitor talent intelligence management scans, management and cultural assessments with the Sheffield Haworth assessment team, benchmarking and succession planning, change management, coaching and leadership consulting. Oli has led a process-driven, research-intensive methodology which truly differentiates Sheffield Haworth from the competition across the interim executive value chain.

Oli has an impeccable track record in the financial services and interim industry of delivering senior assignments with a range of clients including Asset Managers, Alternative Investors, Hedge Funds, Private Banks and Wealth Managers and across several different functional and specialist areas. Oli holds a degree in Business Economics from Kingston University.

For more information about how Sheffield Haworth can help you with your fractional hiring needs, please contact Oli Templeton:
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US civilian workforce, by employment type, million

Total workforce: 164



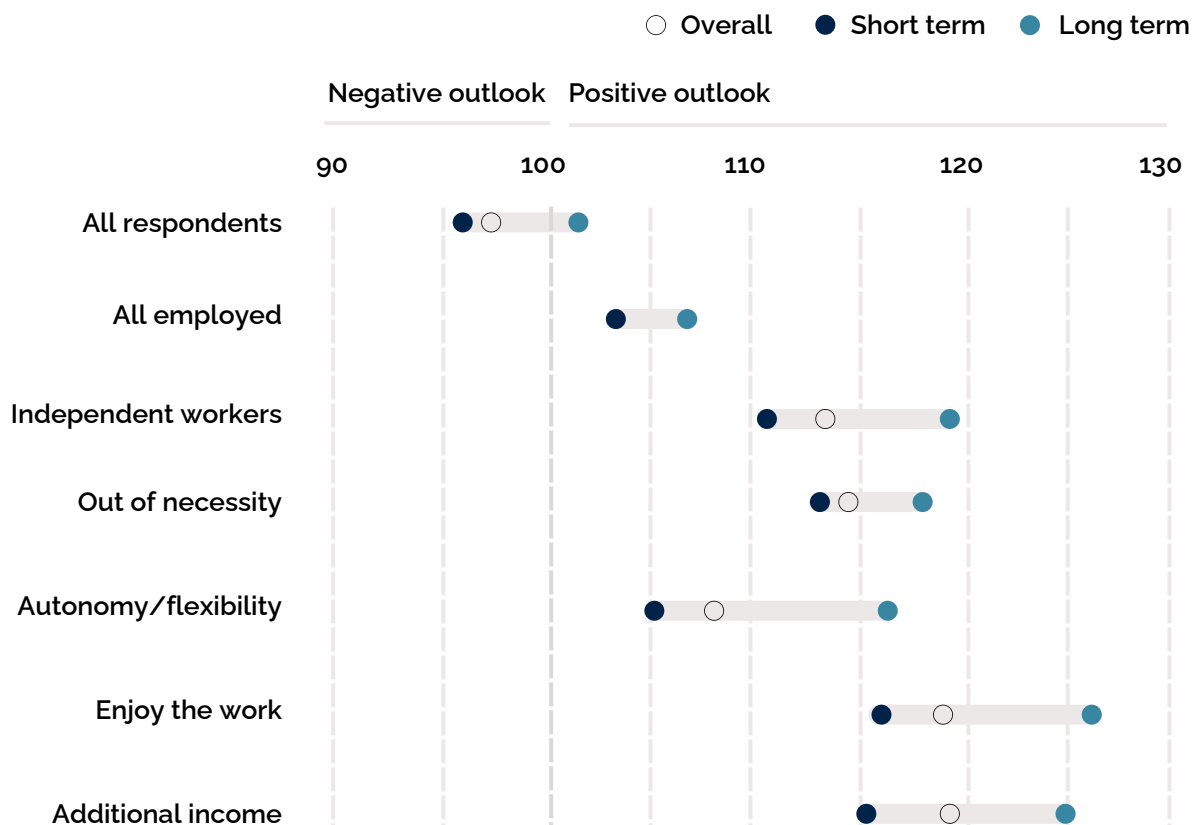
Source: McKinsey & Company: *Freelance, side hustles, and gigs: Many more Americans have become independent workers, August 2022*

Main reason for participating in contract, freelance or temporary work (including gig economy involvement), % of independent workers (n=5,280)



Source: McKinsey American Opportunity Survey Spring 2022

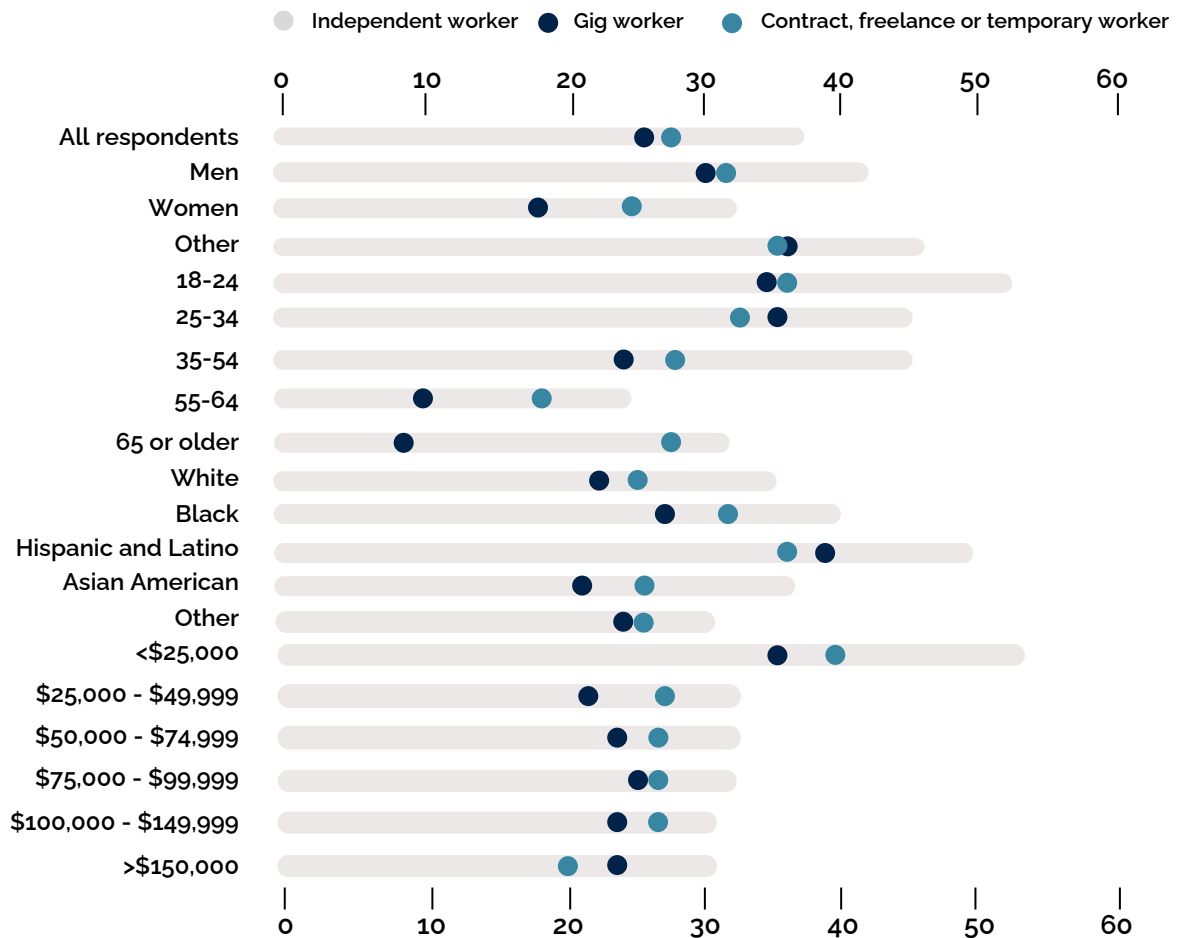
Independent workers are dramatically more optimistic about economic opportunity than workers overall



Source: McKinsey American Opportunity Survey Spring 2022

For each survey respondent, McKinsey calculated an Economic Opportunity Index score, based on a set of 5 questions. If respondents gave pessimistic responses to all 5 questions, their outlook score would be 0; if respondents gave neutral responses to all 5, their outlook would be 100; and if respondents gave optimistic responses to all 5, their outlook would be 200.

Demographic breakdown of independent workers, by employment type, % of respondents (n = 12,896)



Source: McKinsey American Opportunity Survey Spring 2022

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