



Expertise – Search & Deploy

EXPERTISE – SEARCH & DEPLOY

By Mark Yeandle, Michael Mainelli & Ian Harris

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1. EXECUTIVE SUMMARY

Making effective use of experts is an important skill in most organisations today. This booklet gives guidance on a process that will minimise the risks and maximise the rewards from using experts. It is primarily aimed at anyone who may be considering hiring an expert to act as a senior manager within an organisation, but the principles might equally be applied to hiring a plumber or an electrician to do some work in the home. Section 2 explains why we use experts and explains different types of role that experts can fulfil. Section 3 provides some information on the increasingly significant market for experts in organisations.

Z/Yen has recently carried out a major piece of research into the use of experts and the factors most likely to result in a successful assignment. This consisted of desk research, over 100 personal interviews and the analysis of over 400 completed questionnaires. The research is summarised further in Section 4 and a reference is provided in Section 7 for readers who want a full copy. This research confirmed that:

- ◆ a successful assignment needs clear objectives agreed by both parties at the outset.
- ◆ commitment from experts is more likely when objectives are established and used as a basis for remuneration. Payment by results is not common in this field but is usually successful when used.

Contrary to popular belief, Z/Yen's research showed that four in five interim management assignments are based on the management of special projects rather than 'gap filling', 'holding the fort', or providing cover for absent executives. These special projects include post-merger integration, downsizing, launching new products, implementing new systems and building a new sales team. In other words, interim management is not what you might think; it is primarily the deployment of experts for specific projects. Making effective use of experts is therefore principally about choosing appropriate resources to help solve problems.

There are six key stages to go through when hiring experts, which are aligned with problem-solving steps to success. These steps are outlined in more detail in Section 5. The six steps are:

1. 'Establish Endeavour' or 'Identify That You Have a Problem' – there are a number of scenarios which can lead to problems. These include mergers, acquisitions, turnarounds, rapid growth, rapid change and cost reduction projects. You must identify and acknowledge that there really is a problem to be solved.
2. 'Assess & Appraise' or 'Decide that you need Help from the Outside' – assess what skills are required. This is followed by an honest appraisal of the skills and experience that are available within the organisation. Once you have decided to get help, act fast.
3. 'Lookaheads & Likelihoods' or 'Define the Scope of the Assignment' – focus on the problem, where the organisation is now and where it needs to be. Do not get involved in details of deliverables, milestones and resources at this stage.



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4. ‘Options & Outcomes’ or ‘Choose an Expert’ – firstly build a shortlist. The three main methods are ‘cold’ – via a trade association, ‘warm’ – via a personal recommendation and ‘hot’ – via a professional provider of expertise. Issue a brief and assess the responses.
5. ‘Understanding & Undertaking’ or ‘Employ the Expert’ – negotiate a contract which covers a definition of scope, a list of deliverables, proposed activities, milestones, completion dates, billing schedulers and a termination mechanism.
6. ‘Securing & Scoring’ or ‘Regular Review & Feedback’ – a continuous and two-way process to assess progress, problems and changes to the plan.

Further guidance on using the six steps to success is provided in a useful checklist form in Appendix 1.

Z/Yen knows from experience that organisations often do not optimise the value of experts because they do not generate sufficient commitment from the experts. Commitment is more likely to flow if there are clear objectives, regular and honest appraisal and payment based on measurable results delivered. Commitment comes from careful management and putting in the energy to define and run the assignment.

This booklet contains many handy case studies, which illustrate the ideas contained in the text. Appendix 2 describes Z/Yen SpecialiZm, the expert resourcing division of Z/Yen; this appendix contains several useful case studies in addition to those peppered throughout the text. We hope the booklet helps you and increases your likelihood of successfully hiring and getting commitment from experts.

2. INTRODUCTION

Why do We Use Experts?

Expertise can take many forms. This document is primarily aimed at anyone who may be considering hiring an expert to act as a senior manager within an organisation, but the principles might equally be applied to hiring a plumber or an electrician to do some work in the home.

Organisations need temporary expertise more frequently than in the past because:

- ◆ many have downsized considerably and are often short of specific skills;
- ◆ they are seeking to reduce fixed costs;
- ◆ new technology, globalisation and competitive forces have increased the pace of change, thus organisations need greater operational flexibility;
- ◆ recruiting permanent staff is often not a short-term option.

Experts are valuable to organisations as they can:

- ◆ provide instant additional manpower;
- ◆ fill a gap at short notice and are able to ‘hit the ground running’;
- ◆ provide project management skills;
- ◆ implement change;
- ◆ offer third party objectivity and can act as a non-judgemental sounding board;
- ◆ transfer skills to in-house staff;
- ◆ often offer a network of other expertise;
- ◆ ‘tell it like it is’ without political fear or favour;
- ◆ diagnose problems;
- ◆ offer knowledge of generic models developed from multiple organisation experience.

What is an Expert?

Dictionary definitions include:

- ◆ ‘a person who has great skill, experience and knowledge in a particular field or endeavour; one who is well trained, extremely skilled and very knowledgeable’.
- ◆ ‘someone who has knowledge beyond common experience’.

Additionally, anyone likely to succeed as an expert in a senior position within an organisation is likely to:

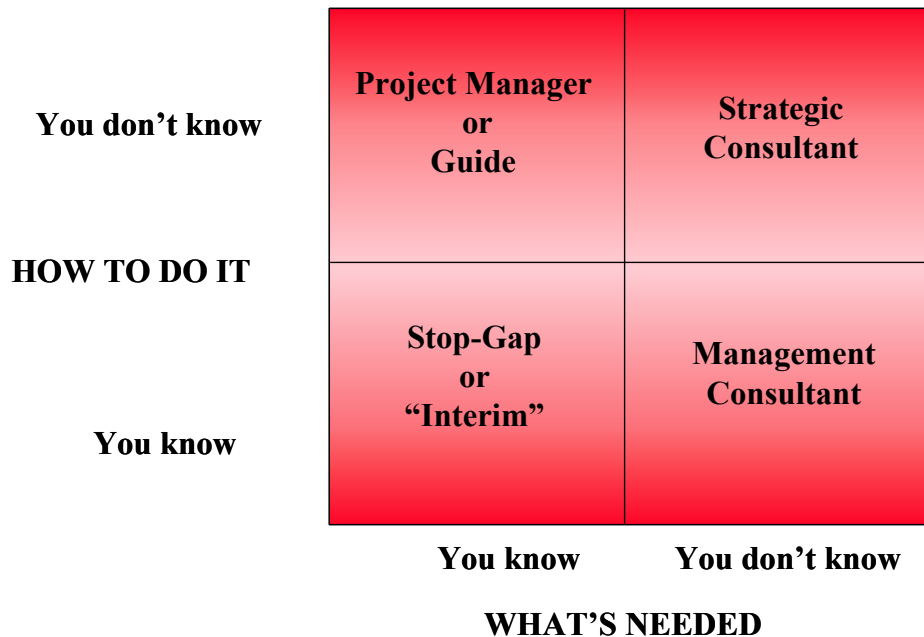
- ◆ have a strong academic record.
- ◆ have strong project management skills.
- ◆ have good interpersonal and communications skills.
- ◆ be unable to perform magic!

An expert can be hired by an organisation in a number of different ways. Experts are often referred to as consultants, contractors, interim managers or people on fixed-term contracts. These classifications sometimes have ambiguous definitions. The length of time that the expert works for the organisation does not



help classification. It is more useful to think of the use of experts as part of the human resource or ‘people management’ function.

Another way of looking at the use of experts is by the type of role that they fill. The diagram below shows that the role depends on the hirer’s knowledge of what is needed and how it is to be done:



At one extreme, a strategic consultant provides clients with advice on the future direction of the organisation. At the other extreme a stop-gap or interim management expert is effectively ‘holding the fort’ and covering for an absence or genuine gap in the organisation. A brief case study of a recent Z/Yen assignment:

A Z/Yen client was installing a major CRM system – 1,500 users, millions of records, new architecture, new business processes. Z/Yen believed it was in the client’s best interest to temporarily strengthen their project management for such a large project or the software would be supplied but not meet the business requirements. Unfortunately, the client’s management team was already stretched. Z/Yen provided a Senior IT Project Manager who took over the two-year project. She led a large team of staff, contractors and suppliers through an enormous systems design, development and roll-out, bringing in specific Z/Yen specialists in contracting, networks, software and change management as needed. The project was delivered on-time and on-budget. Subsequently, the CRM system has been declared the “core” system of the organisation and is being rolled out to a further 2,400 staff.

Alongside these two extremes are two other distinct roles. The project manager does a specific job which the client needs done but does not have the experience to do themselves (this type of situation often needs the expert to act as a guide or mentor):

A large client was failing to deliver financial, IT, marketing and change management projects. Projects were very late, substantially over budget and not satisfying their target users. Following a review, Z/Yen recommended the formation of a formal Project Support Office (PSO) headed by a Programme Manager. In discussion with the client, Z/Yen also recommended the use of interim skills to get the PSO up and running. Z/Yen's first Programme Manager worked over six months to set out the PSO's policies, procedures, methodology, reporting, staffing and training. He drew on his extensive formal project management and business process development skills, e.g. PRINCE. As the post was new, Z/Yen convinced the client that he should be followed by a hardened Programme Manager before seeking a full-time person. Z/Yen's second Programme Manager succeeded in transforming the client's culture from operationally-based to project-based over the following 12 months. With a successful PSO running well, and a much better idea of the personality requirements, the client was able to specify the requirement for a full-time person more accurately and show candidates the appeal of the position.

The management consultant helps when the client is unsure about what needs to be done but is likely to know how to get it done. In some instances experts are hired to fulfil one type of role but the assignment leads to another.

3. THE MARKET FOR EXPERTS

Interim Management began in the Netherlands in the 1970's as a result of restrictive Dutch labour laws, but began to gain momentum in the UK during the 1980's. Our experience backed by research¹ shows the typical functions and roles for experts:

Function	
Finance & Accounting	25%
General Management (e.g. MD)	15%
Sales & Marketing	15%
Information Technology	10%
Human Resources	10%
Manufacturing & Production	10%
Other	15%

Similarly, the situations that prompt an organisation to hire an expert are:

Organisation Situation	
Key Person Temporary Replacement	25%
Company Turnaround	15%
Mergers & Acquisitions	10%
Rapid Growth	10%
Change Management	10%
Disposal Management	10%
Other	20%

Other research shows that:

- ◆ The UK Interim Management Market is estimated to have grown 20% pa from £75m in 1995 to £190m pa in 2000 and to roughly £300m in 2003. The market is expected to grow to reach £400m by 2005.²
- ◆ The average fee earned by an Interim Manager is £550 per day, while the top 5% earn £1,000 to £1,500 per day.³
- ◆ It is estimated that there are currently about 2,400 interim managers on assignment at any one time, which will grow to about 5,000 by 2005. If this doubles again between 2005 and 2010 it would result in about 10,000 interim managers, which would represent approximately 3% of all managers/directors with similar earnings capabilities (i.e. £50,000 a year or more).
- ◆ A recent survey⁴ found that of the companies surveyed, 42% of those within the top FTSE 250 had used interim executives – and the fastest growth area among all companies is in managing closures (8%, up from 3% the previous year).

4. Z/YEN RESEARCH

We carried out a significant piece of research⁵ on how to make the most effective use of experts and the factors most likely to lead to successful assignments. Anecdotal evidence suggested that the most significant factor in increasing the likelihood of success is agreeing clearly defined objectives and milestones at the outset of an assignment. It also appeared that objectives were set more rigorously and regularly when the assignment involved the management of a particular project rather than ‘holding the fort’.

Our research focused on the hypothesis that the use of experts is perceived as more successful when objectives are set and expected outcomes established clearly at the outset of the assignment.

Our research was conducted in three phases:

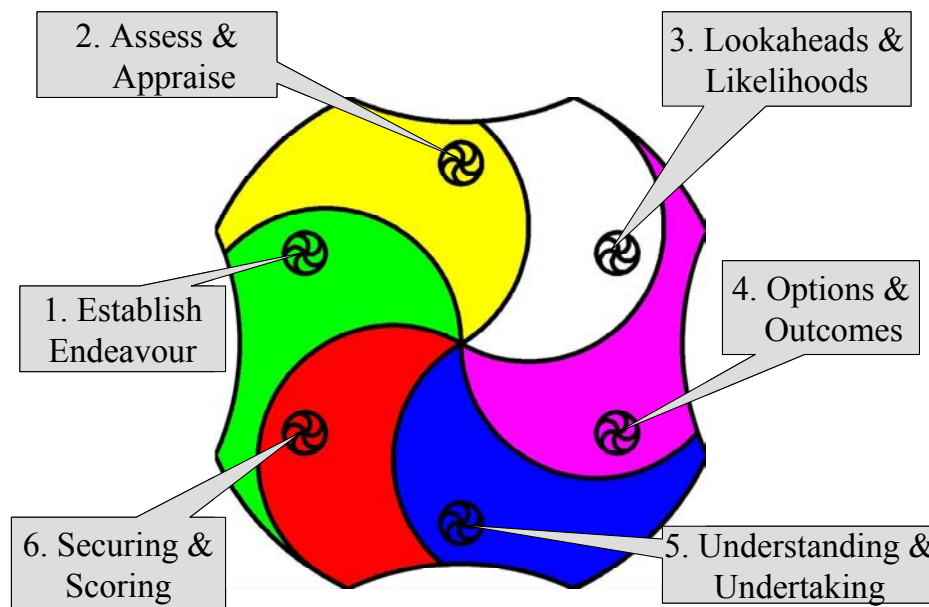
- ◆ desk research
- ◆ over 100 personal interviews with senior managers who have employed experts and with experts themselves.
- ◆ an email questionnaire to which we had over 400 responses.

The key findings were:

- ◆ Four out of five (80.2%) assignments are involved with specific projects rather than ‘gap filling’, ‘holding the fort’, or providing cover for absent executives. These projects include post-merger integration, downsizing, launching new products, implementing new systems and building a new sales team.
- ◆ Over one in three (35.1%) of project based assignments are perceived as being ‘Very Successful’, but only one in six (18.2%) of ‘holding the fort’ type assignments are so perceived.
- ◆ According to responses from clients, 93.3% of assignments are clearly defined at the outset, according to the experts only 66.9% are so defined.
- ◆ Overall, well defined assignments are perceived as being ‘Very Successful’ or ‘Successful’ in 82.0% of cases, but only 65.7% of assignments that are not well defined are so perceived.
- ◆ Clients rate well defined assignments as ‘Very Successful’ or ‘Successful’ in 75.8% of cases, but only 45.5% of assignments that are not well defined are so rated.
- ◆ Experts rate well defined assignments as ‘Very Successful’ or ‘Successful’ in 90.2% of cases, but only 69.7% of them that are not well defined are so rated.
- ◆ Payment by results is only used in one in five (20.1%) assignments. Where it is used it is perceived to have had a positive effect on the performance of experts in over 70% of cases.

5. STEPS TO SUCCESS

As Z/Yen’s research demonstrates, making effective use of experts is principally about choosing and managing appropriate resources to help solve problems. There are six key stages to go through when hiring an expert, which are aligned with problem-solving steps to success. These stages are outlined below and are also summarised in the form of a handy checklist in Appendix 1.



Step One – ‘Establish Endeavour’ or ‘Identify that You Have a Problem to Solve’.

Deciding and critically, acknowledging that you have a problem is the first stage in solving it. Most problems that arise in the day-to-day management of an organisation are dealt with as they occur and without the help of outside experts. Sometimes however, a problem is more complex.

The following situations indicate problems where outside experts might be needed:

- ◆ Your organisation is undergoing or is in need of a major turnaround.
- ◆ You are considering taking part in or have just completed a merger.
- ◆ You are considering making or have just made an acquisition.
- ◆ The organisation is going through a period of rapid growth.
- ◆ Market conditions are very tough.
- ◆ The organisation is going through a period of rapid change.
- ◆ You are considering a company disposal.
- ◆ A key member of the management team is currently unavailable for work.
- ◆ You are involved in a cost reduction project.
- ◆ You are trying to rationalise suppliers.
- ◆ You are involved in a customer retention project.

For example, mergers are notorious for decreasing shareholder value. Does your management team have actual experience of mergers? Have the key decision makers actually been involved in real mergers and experienced the pitfalls?

If a key member of your team is suddenly and unexpectedly unavailable for work (for example due to serious illness or an accident), can the organisation cope by spreading the workload of that one person? It may be possible but it can also be very damaging to try and ‘get by’. Excellent organisations strive for excellence. Just ‘getting by’ might not be good enough in the face of the competition.

Turnarounds create harsh environments. Constantly operating at the very limit of your borrowing facility with no financial ‘headroom’; managing cash flow on a daily basis; keeping creditors and lenders appeased; squeezing debtors and turning all surplus assets into cash are all vital disciplines in this situation. The skills necessary to succeed are different from those required in managing a healthy business.

A large consumer goods company needed a turnaround specialist to join a new management team as Marketing Director. A specialist with experience of three turnarounds in similar sectors was sourced and started work within a week. The company had large debts, negative cashflow and was losing money rapidly. Our expert developed and successfully implemented a strategy for reducing stock levels by 50% (£12m) within one year. A new marketing strategy was developed and approved. This involved market segmentation, the development of new products for profitable sectors, the launch of a new brand and the restructuring of all sales and marketing activities. The business plan, developed from the marketing strategy, showed that a return to positive cashflow and profitability was possible. The strategy was approved by the company’s banks and implemented. The company was able to pay back over 50% of its debts within one year and long term financing was secured.

During a turnaround is it wise to try and go it alone? The right advice and help could greatly increase the chances of a successful outcome.

Step Two – ‘Assess & Appraise’ or ‘Deciding that You Need Help’

Once you have decided and acknowledged that you have a problem the next step is to act quickly. Deciding that you need the help of an outside expert is a vital stage in any assignment. This decision is frequently left until far too late.

The Z/Yen research asked the question ‘How could the assignment have been made more successful?’. A verbatim comment representative of several responses:

‘If I had been called in just one month earlier, the job would have been easier and quicker – it would also have saved the client money.’

Sometimes it is very straightforward to decide that you need outside help. When you need to get things done on time, hiring additional resources is an obvious

step. If you or your organisation does not have the right skills for a particular ‘one-off’ task for example a relocation or the development of a website, then it is a fairly simple decision to hire those skills.

Managers within organisations will go to the dentist with toothache, hire a plumber to fix the shower or call a mechanic to get their car started without even a second thought. Too many managers will not however seek external advice when there is a problem within their organisation. This is often because they find it hard to accept that they cannot deal with the problem themselves, thinking that it’s just part of normal management and that they can handle it. It can also be because having to ask for help is seen as a sign of weakness. Remember you wouldn’t deal with your own toothache – you’d see a dentist!

An IT department of 30 people was inherited by an Administrative Director with no knowledge of IT. Having reviewed the situation, Z/Yen concluded that an IT Manager could manage the department without having to recruit a specialist IT director. However, the department needed to be brought under management quickly. From a shortlist of candidates Z/Yen’s IT Manager was selected and running the department within days, stabilising the team and then laying out a longer-term strategy while the client began their recruitment process. Repeated difficulties hiring the right IT manager in a tough market meant that it took over a year to find a permanent person. During that period, Z/Yen’s IT manager was able to increase user satisfaction by 20%, reduce the budget by 15% and reduce the headcount to 22 while improving all key performance measures. Upon arrival, the new IT Manager was able to focus on new initiatives rather than fire-fighting.

Once a problem has been identified, it is very useful to get into the habit of assessing whether the existing team really does have the time and skills to solve it. It is important to have an honest assessment of in-house skills and to know the limits of those skills. It is similar to the DIY enthusiast who can repair a leaking pipe or fill a small hole in a wall but would not dream of fitting a new boiler or plastering a whole ceiling.

It is also worth remembering that an outside expert can offer other benefits to an organisation:

- ◆ They are often experienced project managers;
- ◆ They offer the objectivity of a third party;
- ◆ They transfer skills to in-house staff and act as a mentor;
- ◆ They can offer knowledge of business models developed with experience of working for multiple organisations.

Step Three – ‘Lookaheads & Likelihoods’ or ‘Define the Scope’

Once you have identified that an external expert would be beneficial it is important to define what help is needed. At this stage it is important to focus on

what you believe the problem is and what the end results should be. Start with where the organisation is now and the symptoms of the problem. Then develop a clear idea of where you believe the organisation needs to get to and how long you have to get there. The main aim of defining the problem and the current situation is to give the expert a background against which they can develop a proposal.

It is important not to be too prescriptive about the problem at this stage as it is quite likely that a fresh outlook on the organisation from an outsider may reveal a different situation than the one you initially imagine. Think again of the expert called into your house. You would tell the boiler engineer that you were not getting any hot water but you would not attempt to tell him which tools he needs to fix it.

Z/Yen's research gives some very clear pointers in this respect. There was significant feedback from experts that described how clients had identified the wrong problems, only part of the problem, or had asked them to tackle a problem that was of little consequence to the overall success of the organisation. A representative comment:

‘Clients hire experts to solve a problem they recognise. Often clients haven't identified the real problem. Clients need to trust specialists they hire to help them redefine the problem’.

Step Four – ‘Options & Outcomes’ or ‘Choose an Expert’

A frequent problem is finding and selecting the right expert. How can someone who is not an expert in a particular field evaluate someone who claims to be? The three main methods of finding and identifying experts in a particular field are:

- ◆ The 'Cold' method - by the recommendation of a trade body. Whilst many trade institutions are fairly relaxed about whom they admit this can still be a good source of expertise. Contact the relevant organisation and establish what sort of entrance criteria they use to admit new members. Select a shortlist of their members to talk to. It is important that if you select anyone by this method you ask for and contact references and verify their qualifications.
- ◆ The ‘Warm’ method - by personal recommendation from someone whose opinion you trust. Someone in your network may have had some relevant experience that could help you find the right person. Again it is important that you follow up references.
- ◆ The ‘Hot’ method - by using a professional organisation to help you find someone. Z/Yen for example, have a rigorous system of evaluating potential experts. Potential candidates are interviewed in depth, assessed against others, references are taken and opinions are sought from third parties who know the expert in question.

Using a specialist and professional provider is likely to be the most reliable and quickest way of finding suitable people, especially in areas with which you are unfamiliar.

A major logistics company was failing to deliver and needed an interim Logistics Director. Over 800 vehicles and 2,000 staff had become used to an informal management system that meant that the company was failing to meet key performance indicators for major accounts. The company was unable to find the right person with relevant experience through their own network. Within 48 hours of being approached, Z/Yen had introduced two suitable experts to the client for interview. Both were very capable of doing the job but one was selected because he could start the following day. Z/Yen's expert quickly came to terms with leading his team. His first major programme was a quality management initiative throughout the company. This was followed by closer integration with the sales department to ensure major account promises would be kept. After 18 months, performance was so markedly improved that the firm was valued at three times its previous value, and sold successfully to new investors. Z/Yen were retained for a further three months to ensure a smooth transition.

Once a shortlist has been generated, either by yourself or by a specialist provider, it is important to meet the potential candidates and discuss the project in detail with them. It can be a good idea to issue a brief and request a formal response. The responses will give an indication of how the expert works and you will be able to assess:

- ◆ How well the 'whys' (needs) and the 'hows' (strategies/activities) have been addressed.
- ◆ How well recommendations are explained and justified.
- ◆ How well the expert has been able to understand the issues involved with the problem.
- ◆ How much confidence you have in them in terms of credentials, qualifications, project experience, references and sector experience. Experience is often hard to judge but there might be clues - for example a good computer programmer may have a library of re-usable code kept from previous projects.

Experts from outside the organisation will often have a different and fresh perspective on the organisation. They may come up with some surprising recommendations. It is important to listen to these, as they will help to refine your perspective on the situation. It is also important to assess whether any alteration to the proposed project still fits in with your 'why' and is not merely to suit their 'how'. A comment from the Z/Yen research:

'A problem was clearly defined. The defined problem was however actually a symptom of the real underlying problem. This only became apparent when the project started'.

Any proposal should include at least the following: Objectives, Scope, Deliverables, Key Issues, Resources and Timescales. You should not be tempted simply to pick the least expensive option. The costs should be weighted up against the advantages to the company to check that the proposal you select

represents good value. Professionals should be able and happy to break down the costs into individual elements. From these proposals you can choose which expert most closely fits your requirements.

Step Five – ‘Understanding & Undertaking’ or ‘Employing the Expert’

The first stage of actually employing an expert should be the agreement and confirmation of a contract. This should incorporate a full and final version of the proposed work. As a very minimum the contract should cover the following:

- ◆ A definition of the scope of the project – including to avoid misunderstanding, what is not within the scope.
- ◆ A list of deliverables with timescales.
- ◆ An idea of proposed activities.
- ◆ Suggested checkpoints, milestones and completion dates.
- ◆ A schedule of regular review and discussion dates to assess progress.
- ◆ Contractual arrangements to cover billing and payment schedules.
- ◆ A termination mechanism.

The Z/Yen research referred to in section three above concludes strongly that the clear definition and agreement of the assignment before it begins dramatically increases the likelihood of it being successful. A comment:

‘By clearer definition of the goals / objectives / success criteria. By making the assignment more results orientated rather than ‘open ended’.

This does not mean that there should not be some flexibility during the assignment. It is quite likely that the expert will raise some issues or discover some problems that may change the nature of the assignment. It is vital that if this happens a revised set of objectives, deliverables, milestones and review dates is created.

The Z/Yen research also indicates that it is a very good idea to have some element of the expert’s remuneration based on performance – a type of ‘payment by results’. This is not necessarily an easy thing to arrange but it is likely to be beneficial to the performance of the expert. One of the great strengths of a system of payment by results is that it helps both you and the expert to really work at the clear definition of objectives at the outset. It is also very helpful if you are able to quantify the objectives and put some values to the success of the assignment. If no obvious ways of quantifying the objectives arises then the meeting of pre-agreed deadlines is another way of putting a clear target in place at the outset. Another comment from the research:

‘We would have been more successful by tying remuneration to performance, giving the temporary manager greater possession of the project’.

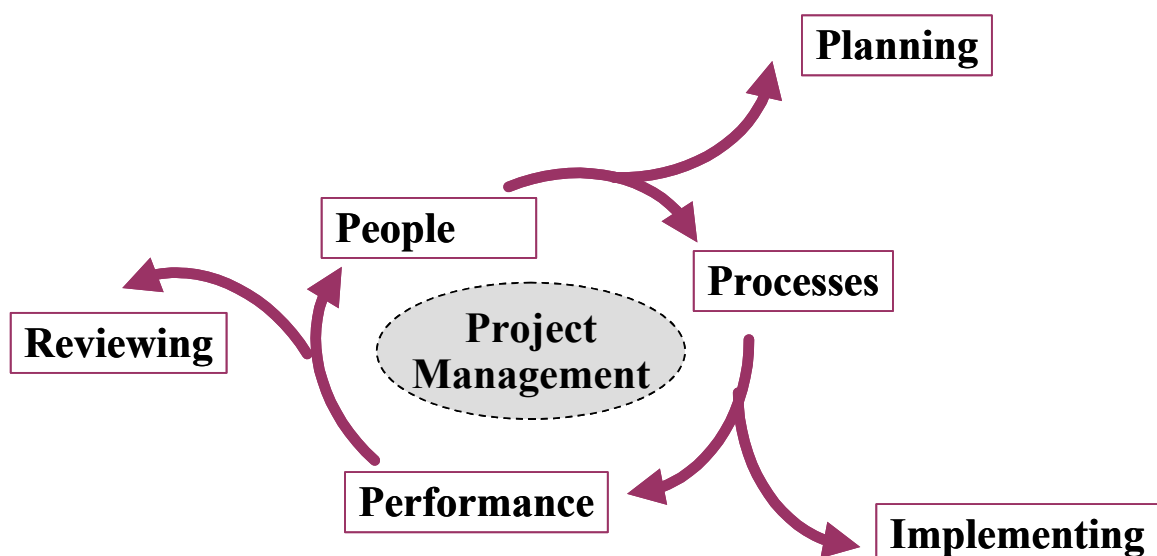
Other factors which will help you in the successful running of an assignment is the preparation of the organisation and smooth introduction of the expert. All relevant team members should be briefed in advance about the arrival of the expert, why they are there, what they are set to achieve and what is expected of the existing team to assist the expert. One of the most frequently encountered problems in assignments is the hostility that the expert faces on arrival. People are often intimidated or worried about the arrival of an expert on the scene and much of this can be avoided by ‘selling’ the assignment before it starts.

Two other comments in response to the Z/Yen research question on how an assignment could have been made more successful were:

‘To have spent a bit more time and effort at the planning stage, clearing the path for the expert and thereby ensuring that he was unaffected by those who wanted to challenge or interfere with the assignment’.

‘Better cooperation from senior managers and less ‘turf protection’.

You should provide the expert with your normal management facilities when working at your business. In many ways you should treat the expert as if they are a new member of staff and follow any standard induction procedure. For example, ensuring that the expert is introduced to all the relevant people, is provided with ID, has access to the computer network, knows where to find all relevant documents. In many environments there is a legal requirement for all people working on the site to be shown fire escapes etc. It will also save significant time if the expert knows how to find the relevant people and their phone numbers and email addresses. Another important factor is that the expert is given sufficient access to decision makers for discussion and to confirm decisions. These things are very simple but are frequently forgotten because the expert is not treated as a new permanent manager might be.



Step Six – ‘Securing & Scoring’ or ‘Regular Review and Feedback’

One of the most important stages of using experts is the management of the assignment once it is underway. You will benefit from regularly reviewing and feeding back to the expert. The progress that you should examine includes the achievement of objectives and whether they are of sufficient and expected quality, whether they are on schedule and within budget. Other factors that you should consider are the ideas that the expert has in relation to improving the organisation. It is inevitable that if the expert is doing a thorough job, and is suitably experienced, they will come up with some other proposals outside the strict remit of the assignment. You should consider these as added value – they are almost certainly given in good faith and as a result of having seen them working in other organisations and situations.

The review process should be continuous, and most importantly, two way. Ask the expert how they feel they are getting on and what problems they are encountering. This will help stop problems developing and will allow the expert an open forum to discuss any resistance they are encountering. Another representative comment in response to our research question on how an assignment could have been made more successful was simply:

‘More regular reviews of progress’.

After the assignment has finished it is also worth giving a full and frank debrief to the expert. Good experts are keen for experience and learn from each assignment. If you have been happy with the work done, say so. If there have been problems then point these out (although these should have come out during the continuous review process). A good reference, or the willingness to provide one if requested, is valuable and will be appreciated by the expert. It is also worth bearing in mind that the expert is living from the money that he invoices – the best thanks is prompt payment.

6. CONCLUSION

Z/Yen knows from experience that organisations often do not optimise the value of experts because they do not generate sufficient commitment from the experts. This is because a fair proportion of assignments concentrate on filling gaps in the organisation rather than employing expertise. This is partially because recruitment companies focus on ‘selling’ people not on solving business problems. Clients are thus in danger of ending up with ‘bodies not benefits’.

Commitment is more likely to flow if there are clear objectives, regular and honest appraisal and payment based on measurable results delivered. Commitment comes from careful management and putting in the energy to define and run the assignment.

This booklet contains many handy case studies, which illustrate the ideas contained in the text. Appendix 2 describes Z/Yen SpecialiZm, the expert resourcing division of Z/Yen; this appendix contains several useful case studies



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in addition to those peppered throughout the text. We hope the booklet helps you and increases your likelihood of successfully hiring and getting commitment from experts.

7. REFERENCES

Text Number	Reference
1 and 4	<ul style="list-style-type: none">• MORI / BIE research on ‘Board Level Interim Executives’ 2002 – part of MORI 2002 Captains of Industry’ survey.• Albemarle Survey 2002 conducted by Albemarle Interim Management.• Praxis Survey – carried out in first half of 2002 by Praxis Limited – a survey of all Interim Managers on the Praxis database.
2 and 3	<ul style="list-style-type: none">• The Sambrook Report 2002 – ‘The UK Interim Management Market’ - in association with The Institute of Management Consultancy.
5	<ul style="list-style-type: none">• Z/Yen research conducted during 2002/2003. “Research into Optimising the Use of Experts” is downloadable from the Z/Yen website www.zyen.com/knowledge/research/research.htm

8. APPENDICES

Appendix 1 – Six Steps Checklist

Step One – ‘Establish Endeavour’ or Identify and acknowledge that you have a problem. Situations where problems can occur include:

- ◆ Your organisation is undergoing or is in need of a major turnaround.
- ◆ You are considering taking part in or have just completed a merger.
- ◆ You are considering making or have just made an acquisition.
- ◆ The organisation is going through a period of rapid growth.
- ◆ Market conditions are very tough.
- ◆ The organisation is going through a period of rapid change.
- ◆ You are considering a company disposal.
- ◆ A key member of the management team is currently unavailable for work.
- ◆ You are involved in a cost reduction project.
- ◆ You are trying to rationalise suppliers.
- ◆ You are involved in a customer retention project.

Step Two – ‘Assess & Appraise’ or Decide you need help.

- ◆ Appraise honestly whether your team has the relevant skill sets and experience for the situation (if you are in one of the situations listed above and you or a senior member of your team has not experienced that situation at least once before then the chances are that you need external help).
- ◆ If you need external help – act fast.

Step Three – ‘Lookaheads & Likelihoods’ or Define the scope.

- ◆ What is your perception of the problem?
- ◆ Where is the organisation now & where does it need to get to?
- ◆ How long do you perceive that you have?

Step Four – ‘Options & Outcomes’ or Choose an expert.

- ◆ Get a shortlist of two or three via at least one of the following:
 - The ‘cold’ route – professional bodies.
 - The ‘warm’ route – word of mouth leads.
 - The ‘hot’ route – a professional provider of expertise such as Z/Yen.
- ◆ Interview each on the shortlist.
- ◆ Issue a brief.
- ◆ Evaluate the response.

Step Five – ‘Understanding & Undertaking’ or Employ the expert.

- ◆ Confirm and agree a contract which should include:
 - A definition of the scope of the project – including what is not within the scope.
 - A list of deliverables with timescales.
 - An idea of proposed activities.
 - Suggested checkpoints, milestones and completion dates.
 - A schedule of regular review and discussion dates to assess progress.



Expertise – Search & Deploy

- Contractual arrangements to cover billing and payment schedules.
- A termination mechanism
- ◆ Sell the idea of the assignment to existing staff and management.
- ◆ Provide the expert with normal management facilities including access to decision makers, email and phone lists, ID and network access.

Step Six – ‘Securing & Scoring’ or Regular review & feedback.

- ◆ Establish continuous and two way feedback.
- ◆ Check that milestones are reached.
- ◆ Examine the achievement of objectives – are they of sufficient quality, on time and within budget.
- ◆ Identify problems early.
- ◆ Full and frank debrief to expert on completion.



Appendix 2 – Z/Yen SpecialiZm

Z/Yen is a risk/reward management firm that works to enhance performance by helping organisations make better choices (see www.zyen.com). We aim to reduce risk, enhance reward and manage volatility. To meet these goals, appropriate “expertise on demand” is crucial. SpecialiZm is the expert resourcing division of Z/Yen and provides experts for management roles – typically for assignments of between 6 and 18 months. SpecialiZm provides experts who are:

- ◆ carefully selected to ensure quality;
- ◆ ‘fit for purpose’ – our expertise is matching organisations with the right experts;
- ◆ able to start within a tight timeframe;
- ◆ where possible, remunerated based on performance against quantifiable objectives;
- ◆ variable costs, able to leave when the project has completed or demands have changed.

We provide experts in operations, sales and marketing, finance, information technology and logistics. Our experts can be senior project managers working on acquisitions, logistics, new product launches or training. Our experts can work on-the-ground or up to board level. We frequently provide managing directors, finance directors and marketing directors.

We have a community of several hundred experts with wide ranging experience. We go to great lengths to keep up-to-date with the knowledge and skill sets of our experts. SpecialiZm begins assignments with a detailed brief that establishes a clear understanding of the client’s organisation and requirements. We normally introduce clients to up to three suitably experienced and well-briefed experts within seven days. We define, where possible, quantifiable objectives. Our experts are remunerated on a risk/reward basis. We assess, on a monthly or quarterly basis, the progress of each assignment and pay our expert a performance fee accordingly. Success fees are unusual in this type of contract but in our experience ensure the necessary motivation for project success.

The SpecialiZm Pledge to Clients is:

- ◆ We develop a detailed understanding of you and your needs. We offer objective advice on the appropriateness of providing an expert for your organisation.
- ◆ We write a detailed proposal defining the scope and objectives of the assignment. This includes, wherever possible, quantifiable objectives. On completion we audit the project against these objectives.
- ◆ We meet potential candidates in advance in order to ensure suitable “over-qualification” for the job. Candidates are briefed prior to interview.



- ◆ We introduce you to up to three suitably experienced candidates within seven days. In the unlikely event that we are unable to find suitable candidates we will be honest about this and not waste your time with candidates who only partially meet the brief.
- ◆ We appoint an Assignment Director to oversee the project and hold monthly progress reviews with both you and the expert.
- ◆ Our experts are paid using risk/reward contracts where substantial success fees are based on client satisfaction. This is unusual for this type of work and provides a great incentive to exceed expectations.

The SpecialiZm Pledge to Experts is:

- ◆ Prior to interview, experts are briefed on the scope and objectives of the assignment.
- ◆ Experts' details and Curriculum Vitae are confidential and will only be shown to clients with permission from the expert.
- ◆ We appoint an Assignment Director to oversee each project and hold monthly progress reviews with both the expert and the client. The Assignment Director is also available for consultation with the expert when required.
- ◆ Experts are paid using risk/reward contracts where success fees are based on client satisfaction and achievement of objectives.
- ◆ We are open with our experts regarding rates of pay and the rates at which the expert is billed to the client.
- ◆ Experts are paid within a week of the client paying us.
- ◆ We negotiate notice periods with our clients. These give the expert a greater degree of security than generally available in this type of work.

A Few Recent SpecialiZm Assignments:

A membership organisation with over a million members needed a **Financial Controller** to help with the transition from a monolithic finance department to a service-based finance department. Z/Yen's Expert provided eight months of assistance to the Finance Director. His work included coaching the Finance Director through the changes, leading outsourcing projects, redrafting procedures, redesigning the regional management information systems and retraining the finance team. Due to his efforts, the transition was made in eight months rather than the original plan of eighteen, and the department was delivering a much better service with fewer staff.

For this large, international technology corporation Z/Yen provided a **Commercial Director** responsible for sales and marketing to a large commercial sector. The



products and services were complex, the corporation large and bureaucratic. Clients found that dealing with one sector of the corporation did not mean they were supported by other sectors. Our Expert created a pan-corporate project management unit to focus on solving client problems while integrating sectoral delivery. Sales to the commercial sector rocketed by 400% in 18 months.

A large business services organisation needed a **Sales and Marketing Director** at a time of tremendous change. Z/Yen's Expert needed to build a sales and marketing team in a short space of time in order to increase sales rapidly. Our Expert set out the sales and marketing strategy, supplemented by market research. While building up the sales infrastructure of marketing materials, website, contact management and bid documentation, he also set about hiring a team of 15 business development managers and their support staff. Annual sales were raised in one year by 50%. Using his hard-won, competitive bid experiences, our Expert then moved on to identifying key acquisitions and helped to consolidate the business service firm's competitive position.

One charity needed a part-time **Treasurer** to ensure that they were financially aware and under control. Z/Yen was able to provide a financially qualified MBA who sought part-time work in order to build up her expertise. She was able to work a few days per month and attend board meetings so that the Trustees were comfortable with the financial position of the charity. One of her major achievements was implementing a budgeting system at the charity which they continue to use several years later. As Z/Yen provides a standard discount to the voluntary sector and as the Z/Yen expert was clearly learning from the assignment, the rates were very competitive. The charity was able to have an extremely well-qualified, hands-on financial person for just the amount of time they needed.

A client with a distributed structure, 12 regions, 1,400 branches, was considering the implementation of a new telephone system and associated telecommunications. Z/Yen was able to provide a **Telecommunications Manager** who worked with the client over 18 months to specify, select, negotiate and manage the installation of an entirely new telephone and telecommunications infrastructure, working with the Communications Director. Z/Yen's expert brought in specific training specialists to help staff understand both the new system, but also use this opportunity to provide customer service refresher courses. He also helped our client rationalise contracts with telecommunications companies, personal digital assistant suppliers and maintenance organisations. Finally, having renewed the infrastructure, he worked with the client and other Z/Yen technology experts to set out a new strategy for mobile and home working using the latest wireless and security technologies.

A construction company with two owner/directors sought to prepare itself for sale. Z/Yen provided a **Non-Executive Director** who worked with the two owners as a coach. The Expert functioned as a sounding board for general management issues, but brought particular expertise in marketing and raising finance. He worked to get the management team to be more systematic about their sales and marketing processes as an important precursor to proving to investors that income was well-managed. He also structured their board meetings and finance so that investors could have a record of the company's development. He introduced them to a variety of professional contacts which expanded their understanding of construction and facilities



management, as well as the pro's and con's of trade sale, MBO and exchange listings. The firm is now poised for sale.

A Z/Yen client had a disorganised and demoralised human resources (HR) department. Staff in the HR department were unsure of their roles and responsibilities. Staff who needed HR services complained of problems with benefits, difficulties in hiring staff, poor advice on consultation and repeated mistakes on payroll and expenses. Z/Yen introduced a part-time **Human Resources Advisor** who worked with the department to put some basic systems and procedures in place. The HR Advisor used the idea of getting the team to build a 'Business Management System' manual together in order to start them down the road of being more organised. The part-time advice enabled the team to pull together and accelerated the results gained from hiring a new departmental manager six months later.

Z/Yen conducted a research project with a software company for an innovative piece of software with applications in a number of sectors as diverse as R&D, financial markets and consumer electronics. The research project led to a technology commercialisation strategy focused on medical imaging. However, the software seemed to be always 95% complete, and had been so for over 18 months. Z/Yen provided a **Chief Technology Officer (CTO)** who worked with the company over nine months. The CTO needed a broad range of skills in mathematics, software development, operating systems, statistics, imaging, security and the general software industry. In nine months he succeeded in delivering a working product that was loaded directly for end-users via CD-ROM in a Windows environment. He also delivered a working medical imagery system, a "technology demonstrator", which went immediately into successful medical trials.

Our client had outsourced a large call-centre operation handling millions of calls. Following a value-for-money review by Z/Yen, a number of changes were recommended. One major change was to renegotiate the contract with the supplier. Z/Yen provided a **Contract Negotiator** who worked with the client and the supplier to establish an improved, more professional working relationship. Our expert provided a contract template, model service level agreements, an initial key performance measures reporting package and service quality questionnaires. He succeeded in getting the relationship onto a more professional footing without disturbing some of the successful, if accidental, best practices which had evolved.

Why use Z/Yen and SpecialiZm?

You are more likely to succeed if you work with an organisation that:

- ◆ Understands organisations (we do through our consultancy projects).
- ◆ Works with experts itself and therefore understands how to optimise their performance (we work with experts on most of our projects).
- ◆ Understands and focuses on outcomes (we do through our risk/reward methodology).
- ◆ Has a risk/reward approach to ensure commitment (we do – as demonstrated by our investment of hard cash in some of our clients).