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## **Interim I/T Management**

### **What Is It? When And How Should It Be Used?**

#### **WHAT IS IT?**

**Interim I/T Management** is a service provided by several consulting firms whereby an individual is provided to a client to fill an open management role for, most often, a relatively short period of time. The time period is rarely more than nine months and is typically in the 3-6 month range.

#### **WHEN AND HOW SHOULD IT BE USED?**

The reasons for retaining Interim I/T Management include the following:

- #1 Resignation or termination of a key I/T executive where replacement, either by promotion from within or by external hiring, is likely to take an extended period of time.
- #2 Business growth where the in-place senior I/T executive senses impending overload.
- #3 I/T management issues where a skilled, experienced, objective outsider can more swiftly overcome internal obstacles, often in the form of a counselor to the in-house I/T management team.

In the case of resignation of a well-regarded person, an Interim Management person is generally asked to simply fill the interval while making few if any management or process changes. However, even in this limited role, the Interim individual can serve at least two, and possibly more, important ancillary roles:

- **First, helping identify internal candidates** -- Promotion from within is widely seen as a preferable course of action whenever a qualified upwardly mobile candidate is found to exist.
- **Second, stabilizing the organization** -- Frequently, when a well regarded person resigns, the related organization goes into turmoil or a state-of-shock. Unless a replacement manager is found quickly (which, if poorly done, can lead to its own problems), the organization is often without direction and its staff demoralized and discouraged, sometimes leading to further resignations. The CIO or other I/T executives may try to take on additional responsibility and run the organization (where the loss has occurred), but in today's stretched-thin environments, that may be neither effective nor productive.

In the case of termination of a poorly-regarded person, an Interim Management person is often asked to fill a more complex role including restoring staff morale and reconstructing (or building from scratch) damaged business processes in addition to handling the daily routine plus assisting in the search for a replacement (both internally and externally).

In the case of Business Growth, the retention of, for example, an Interim Business Systems Director

reporting to the in-place CIO can have several advantages. An over-qualified (for the growing environment) Interim Executive can quickly put in place proven-in-practice business processes while concurrently selecting and building a skilled team responsive to the new business needs.

In the case of troubling management issues, a well-experienced outsider can often accomplish things in a few weeks or months where internal efforts would take far longer. This is not outsourcing I/T management. Rather, it is temporarily providing added I/T management horsepower to achieve a carefully specified list of improvements. These can include the rescuing of a troubled project, the reengineering of some flawed business processes, the reorganization of an ineffective business unit, the reestablishment of broken chains of communications, etc.

### **HOW DO YOU SELECT AN EFFECTIVE INTERIM MANAGER?**

The person must be over-qualified in several regards including integrity, maturity and inter-personal skills, and have extensive, relevant, highly successful experience. There can be no on-the-job learning except, of course, with regard to the detailed specifics of the job at hand. An Interim Executive must swiftly bring to bear a powerful reservoir of experience-based concepts and alternative approaches to getting things done -- in a highly professional and effective manner.

Industry experience is a plus but not a necessity. The authors of this report have served quite successfully in many interim roles in highly disparate industries. We have been unconstrained by accepted industry norms and have often brought new and useful insights to environments limited by "but we've always done it that way" thinking.

### **WHAT ARE SOME OF THE CRITICAL SUCCESS FACTORS?**

[1] - The role of the Interim Executive must be made clear to everyone involved. The role must be very clearly defined as interim in contrast to anything of a "temp-to-perm" or "acting" nature. A successful Interim Executive is, in virtually all cases, demonstrably over-qualified for the interim role he or she is being asked to play. The expected duration should be widely communicated along with any specific areas of focus such as a troubled project, a set of ineffective processes, or something similar.

[2] - The Interim Executive must have easy and swift access to the person to whom the position reports. The "highest and best use" of an Interim Executive's time is getting things done in a timely and enduring manner. That is, to complete the desired corrective tasks so that they stay fixed for a considerable period. This can only be accomplished with (a) an open and ongoing dialogue with the senior executive to whom the interim position reports, and (b) the highly visible support of that executive for the Interim Executive's actions.

### **FOUR CASE STUDIES**

**ONE** -- A California manufacturing and distribution company lost its CIO at a time when I/T staff morale was unacceptably low and two mission critical I/T projects were in considerable trouble. An SCC Interim CIO was retained to improve morale, rescue the two projects, and help find a new CIO. Within six months, I/T resignations had dropped to virtually zero and the two projects were well on their way to successful completion. At the end of slightly more than a year, the Interim CIO recommended a promotion from within as the new CIO. During the interim period, a set of I/T User Councils were established and a simple yet effective Systems Development Methodology was

internally developed and implemented.

Several years later, the promoted-from-within CIO was still in-place and quite successful. The User Councils were still operating, with one still meeting at the same time and day of the week as established by the Interim Executive many years previously. One of the two mission critical projects enabled the company to set industry Best Practice standards for product delivery leading to a substantial increase in market share. The systems that resulted from the mission critical projects are still operating at the time of writing of this report.

In this case, an Interim CIO with a highly successful track-record took over a deeply troubled I/T department. No additional external resources were brought in, and most of those already in place were discontinued. The Interim CIO concentrated on skillfully managing the core team of I/T employees, almost all of whom proved to be quite excellent.

**TWO** -- A recent spin-off of a very large corporation had many challenges. It was a large and rapidly growing company with revenues exceeding \$1 Billion and over 1,600 employees. It had a Technical Services Agreement with the former parent that was quite expensive and valid for only one year. The company had to move rapidly toward self-sufficiency in all aspects of the business. Self-sufficiency meant that the company could operate without the Transition Agreement.

The company signed an outsourcing agreement for the I/T Infrastructure and was moving quickly to install ERP and CRM systems as well as data warehousing, and other unique business solutions. The company was also looking to upgrade all of the desktops before the Transition Agreement ended.

The VP/CIO wanted to increase their Management Bandwidth to insure the successful delivery and operation of the infrastructure in partnership with the outsourcer. The Infrastructure group had a full agenda of projects while others were being added or frequently changed. A SCC Interim Executive was retained. The executive did a quick assessment of the Infrastructure organization and outsourcing transition plan, identified gaps and risks, and developed an execution plan. While the business strategy was clear, the I/T organization was evolving and required excellent strategies, plans, processes, communications, and teamwork to be successful. The infrastructure was a critical component of self-sufficiency and the installation of the critical applications to run the business.

SCC assisted in planning, process improvements, vendor relationship management, change management, employee recognition, and improved teamwork. The SCC executive brought to the table a very successful track record in larger companies that had been through similar change and was able to apply this knowledge and experience to insure success.

**THREE** -- A large and rapidly growing life sciences firm had recently discharged the Senior Director of Applications Delivery. This person had only been on the job for a few months and the customers and I/T employees had difficulty in working with this individual. The CIO was faced with two alternatives: 1) Begin another long search to hire a regular replacement, or 2) Look for an Interim Executive with the knowledge, skills, and experience to quickly assume the position, regain credibility with the customers and I/T employees, and improve the capability of the organization. SCC provided that individual who quickly built credibility with key customers and the I/T organization.

The SCC Interim Executive assessed the organization and received buy-in from his staff to develop and deploy three strategies for Applications Delivery: [1] an Application Portfolio Management process to

ensure that they were working on the “right things”, [2] methods and tools for the staff for applications delivery, [3] a much increased focus on making the proper training investments in the staff. He also assisted in deploying a customer driven project portfolio process.

There were significant working relationship issues between the applications and infrastructure groups and the interim executive worked closely with the Senior Director of Infrastructure to identify root causes of problems and chartered cross functional teams to address them. Finally, the interim executive was closely involved in recruiting/interviewing candidates to fill the position as a regular employee.

The CIO recently offered the following assessment: “The interim manager was effective from the onset of the engagement, using his maturity, interpersonal skills, and experience to calm the organization and restore focus on the work needing to be done. He proposed an approach that would go beyond “caretaking” and delivered changes that would persist after his engagement ended. One caution: He raised the bar with respect to team expectations of the Senior Director role. There is a need for change and expectations management in the transition from the interim leader to the ongoing replacement.”

**FOUR** -- The Director of I/T of the R&D subsidiary of one of the world's largest international computer companies had resigned and the company's CFO, aware of turmoil and numerous recent I/T unit resignations, obtained from SCC the services of a skilled Interim CIO to take over management of the unit. The Interim CIO rebuilt the broken relationship with the unit's user community and re-organized/re-staffed the I/T team after several resignations. The introduction of a new major chip design initiative, requiring significantly more capacity, prompted SCC's Interim CIO to recommend and initiate significant changes to the infrastructure including the complete redesign and reconstruction of the central computer facility to house 250 more servers, and the expansion of the telecom network to support additional labs. After identifying an appropriate Executive Search firm, the Interim CIO assisted in the selection of the new permanent CIO, and then stayed on for several months to oversee an in-progress mission-critical project.

What started as an I/T unit in considerable turmoil with extraordinarily poor user relationships was turned around in a relatively brief period of time. Employee turnover dropped to almost zero and morale vastly improved. The transition to the permanent CIO was well handled and the department entered a new period of stability and corporate respect.

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This report was prepared by the Systems Consulting Consortium, Inc. (SCC) as a service to our past, present, and future clients. SCC provides Interim I/T Management services of the kind described herein. The case studies are based on our firm's recent experience. For more information about SCC, please visit our website at [www.scc.cc](http://www.scc.cc) or contact us directly at:



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