

The 2023 survey of Rheintal Interim
Managers performed by



In collaboration with the
International Network of Interim
Manager Associations



INIMA

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Executive Summary

The first INIMA survey of European interim managers coincided with the beginning of the COVID pandemic and the market in crisis. The following year 2021 showed positive signs of market recovery and the majority of interim managers predicted that the recovery would continue in 2022.

This year's survey measured the response of Interims on the state of the profession in 2022, it included the demographics of the **managers**, the profile of IM **clients** and lastly the nature of the **assignments**. In terms of responses, the reply rate dropped by 40%.

Overall, there was an increase in interim managers utilization (+28% in average), the assignment duration concentrated more between 5 and 18 months, but also reported a slight decrease of average day rate (-41 €). However, all of the interim managers expect neutral or positive market development in 2023.

The demographic of a typical interim **manager** remained male, over 55, C-level or project-based with over 5 years of experience. The demographic has not changed significantly since the start of the INIMA surveys. Regrettably there was no female IM participating in the survey.

The top sectors of IM **clients** were industry (30%) and automotive (20%), lower ranked Equipment Manufacturing & Mechanical Engineering, Financial Services and IT, Retail as well as Transport & Logistics.

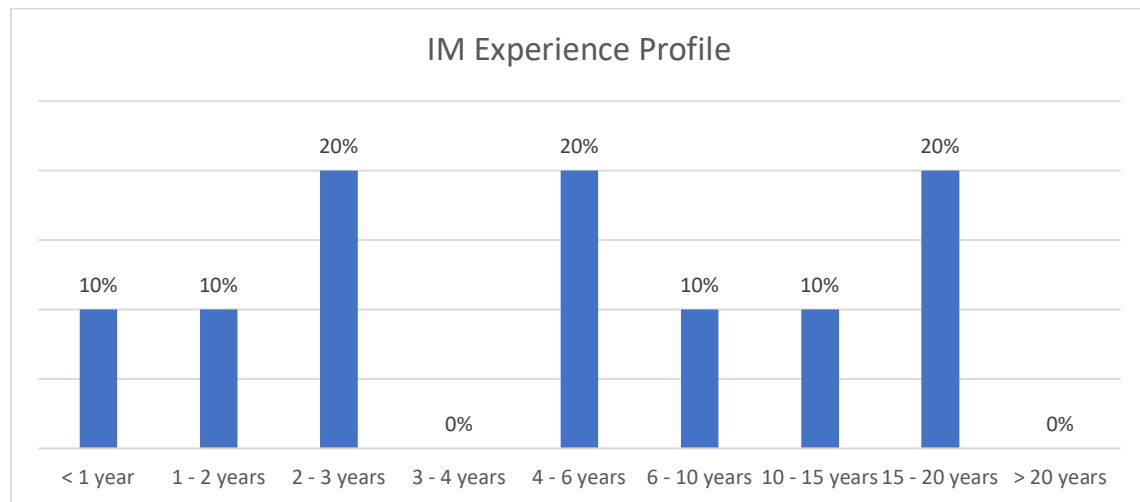
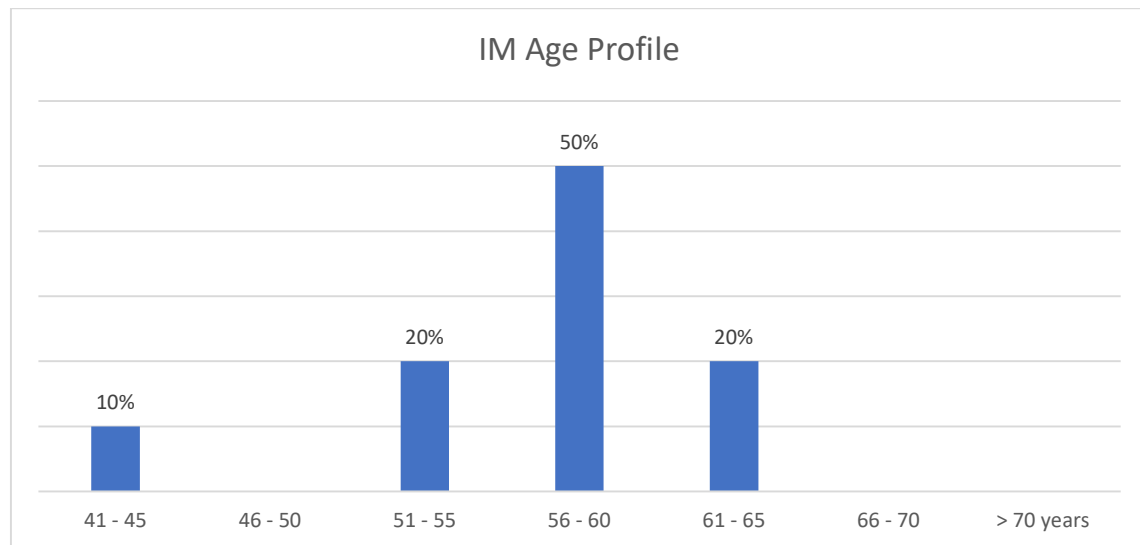
In 2022, due to above-mentioned utilization increase and the catch-up after weaker years there was an increase in full-time interim management, indeed 66% of current **assignments** are full-time and the development of Interim Management Market tended from a variety ranging from "very positive" to a strong "very negative" towards a strong positive view with no "very negative" at all in the 2023 survey.

IM Providers took over the majority (50%) as the preferred sales channel for gaining assignments, followed by personal network (40%) and business consultants (10%).

The members of VRIM expressed a positive view on market development in the next 6 months (60%), with neutral to low pressure on day rate.

Demographics

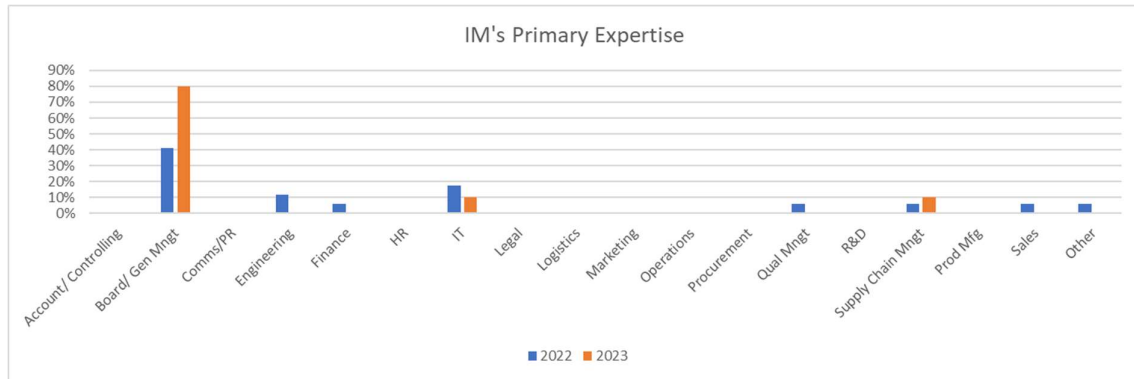
The typical Interim manager in Lake Constance area as per our survey was male, over 55 and with more than five, in average 7.3, years of experience as an interim professional. This can be explained by the fact that IM is most attractive for both professionals and customer with the managers providing long track records and business experience.



The experience profile shows a balanced level between newcomers and those being around for long. In terms of business role, 40% of the interim managers target a C-level function, the same amount aims for project management. As a negative highlight, there was no female IM participating at the survey in 2023, whereas in 2022 it was 13%.

Functional Specialities

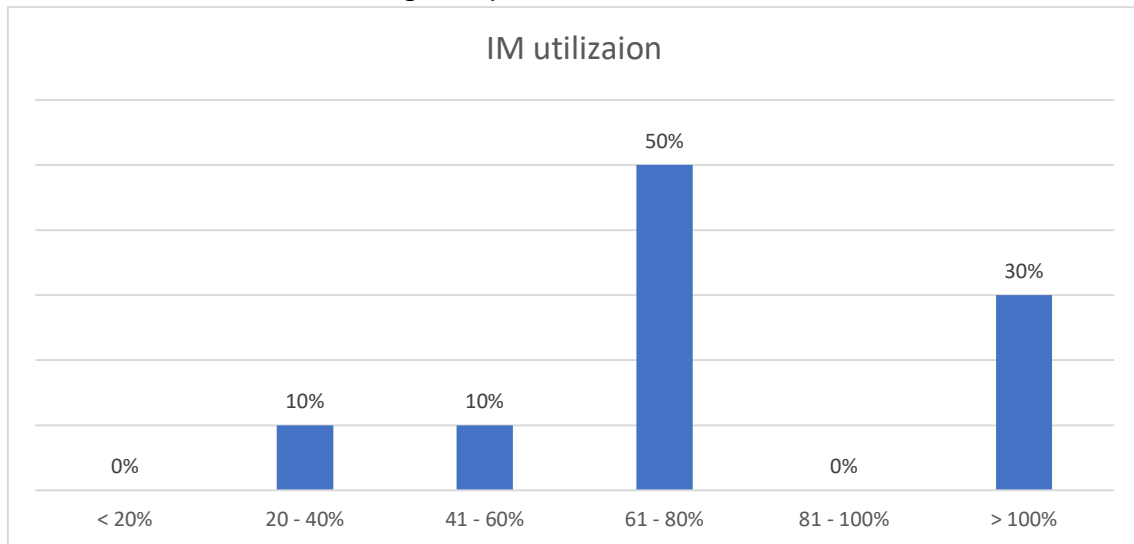
With 80%, General Management is at an outstanding position in primary function among the interim managers, followed by IT on a decreasing level and a small increase in Supply Chain Management, both on a 10% level.



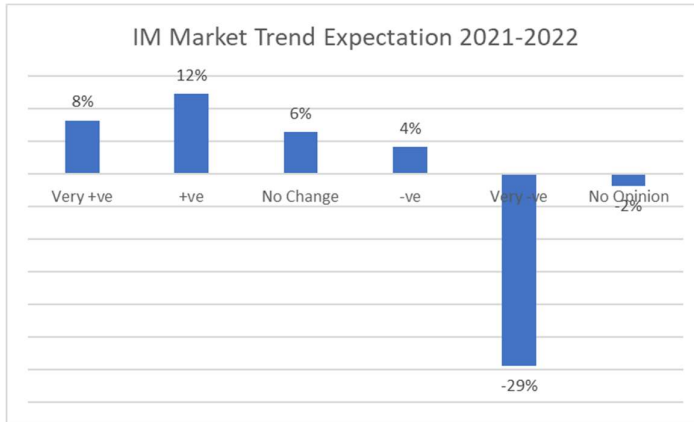
Interim Managers complemented their primary specialities with one or more secondary competences. The leading competency is related to operations and manufacturing, followed by Sales, IT and Finance. Especially in IT there is a shift from primary to secondary functional specialty, which might be related to the group of participants. Those complimented their primary speciality with an average of 2.5 secondary competencies.

Interim Manager Utilization

The Interim Managers were asked to report the proportion of billed days to total number of working days in 2022, this was the "utilization".



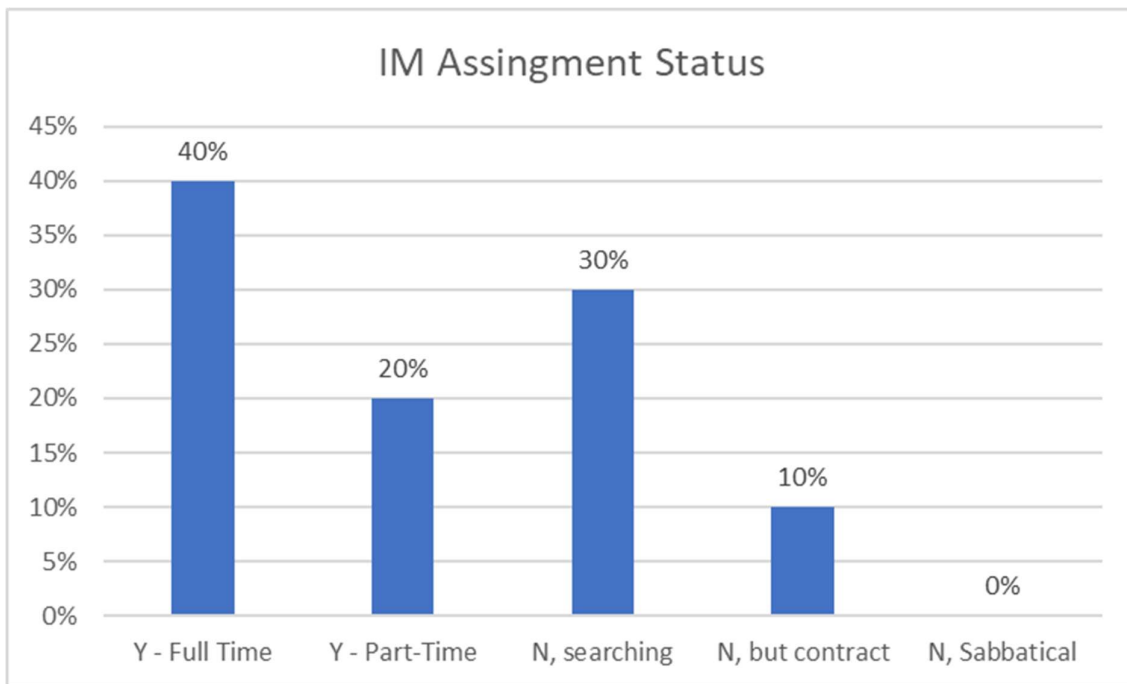
On average it was estimated that respondents were utilized for 76% of the billable days, compared to an almost 60% level in previous year this can be seen as a very positive development, which also reflects the market development from an IM’s perspective showing 80% of neutral to very positive trend. The comparison from previous to actual year also shows a drastic shift from below 40% to above 60% level, whereas utilizations below 20% completely disappeared. This trend tends to stay when asking the colleagues for their near-time expectations.



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Current Status of Interim Managers

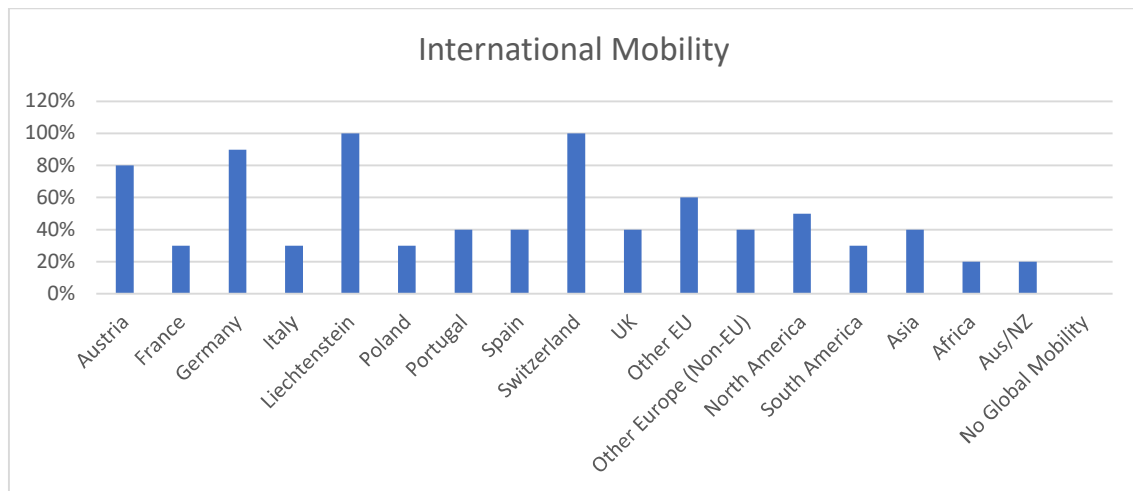
Surprisingly the survey reported (as of January 2023) that 60% of interim were on assignment and 40% were searching, waiting to start a contract or on a sabbatical. This is a decrease in engagement to 2022 by 5%.



Combining this information with the trend report, the ones searching should be in position to reach engagement in near future.

International Mobility

80% of interim managers are currently engaged in their respective living countries or nearby, stating an availability for assignments mainly in the Lake Constance surrounding countries, an average level in INIMA partner countries and a declining share towards the Americas, Asia/Pacific and Africa.

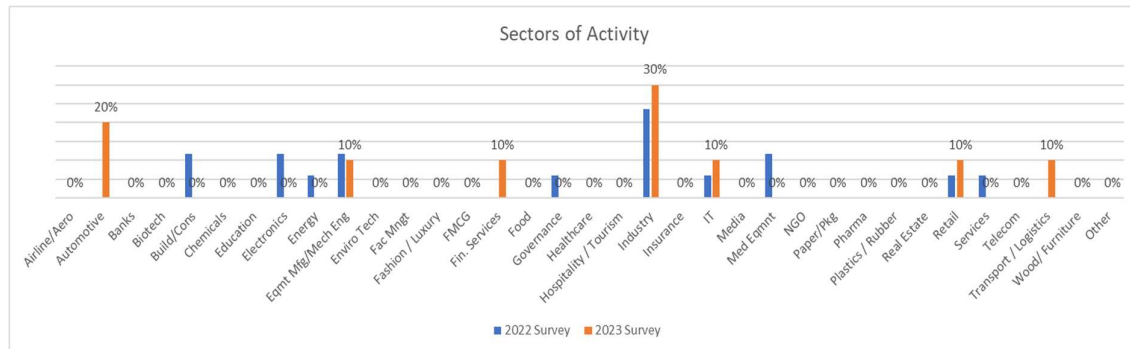


The Clients

To give an insight into the 2022 IM market the Interim Managers were asked to report details of their last assignment.

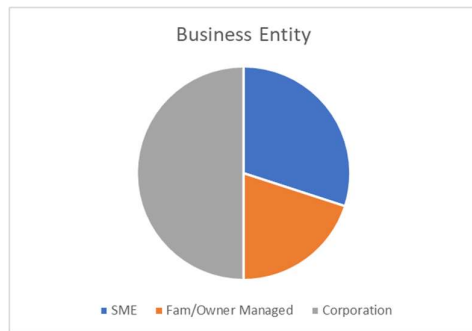
Sectors of Activity

The coverage showed two focus areas, industrial (30%) and automotive (20%). On the lower levels the main representatives are Equipment Manufacturing/Mechanical Engineering, Financial Services and the IT Sector.

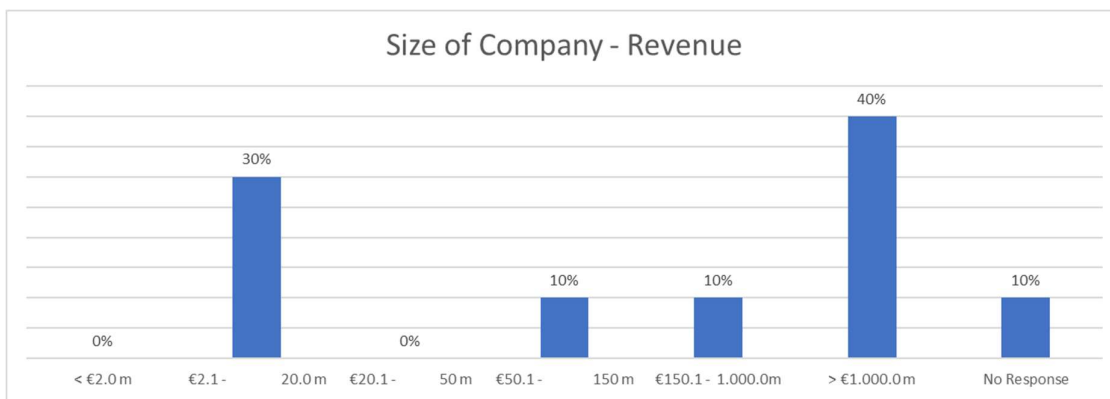
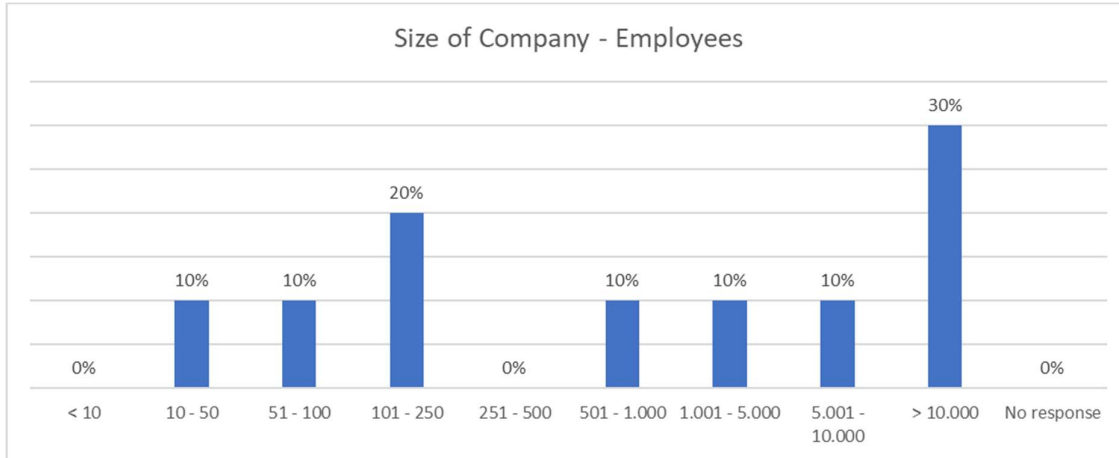


Size of company and industrial sector

Half of the Interim Managers assignments were related to corporations, the other half were in SME's and family-owned companies, there was no current engagement in PPP or non-profit organisations.



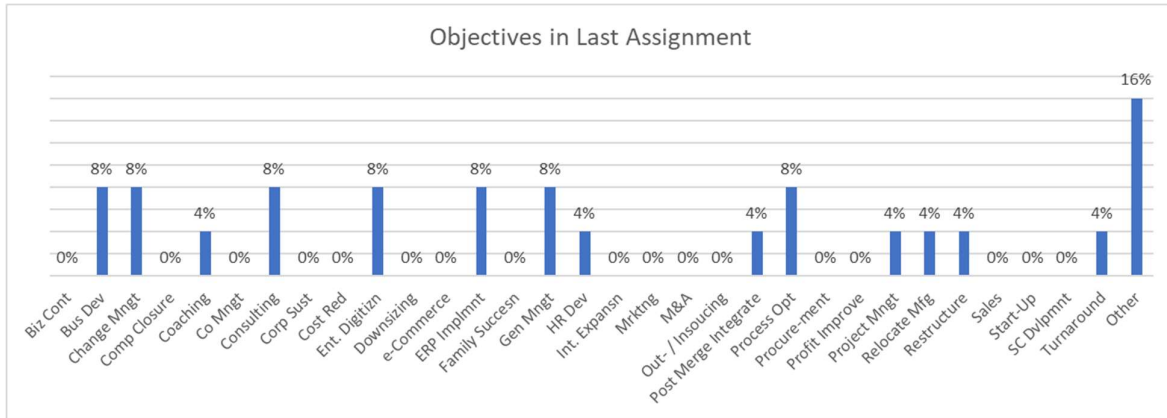
Thus it is not surprising that 30% of the companies have more than 10.000 employees, reaching a 50% level at above 1.000 people.



The Assignments

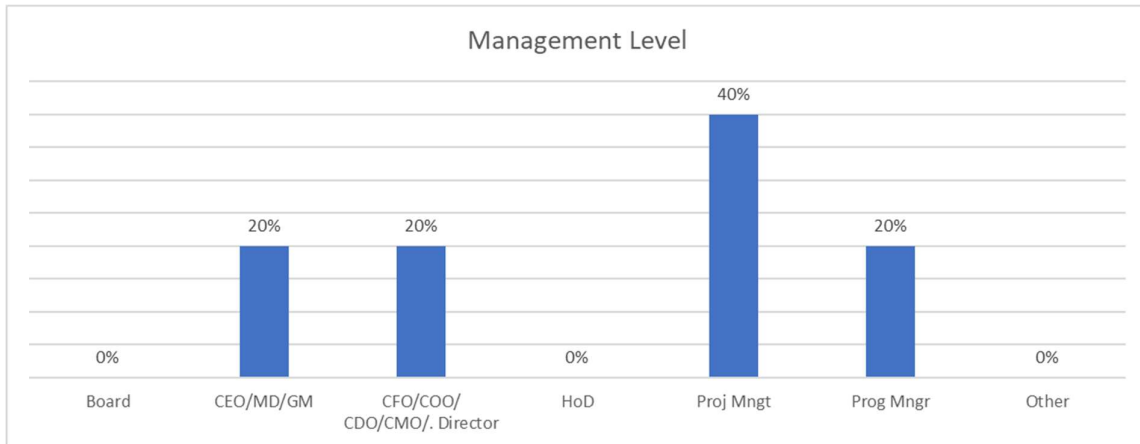
Types of Projects and Key Issues

Interim Managers’ assignments were widely balanced, but cover the main industrial focus areas and trends in business.



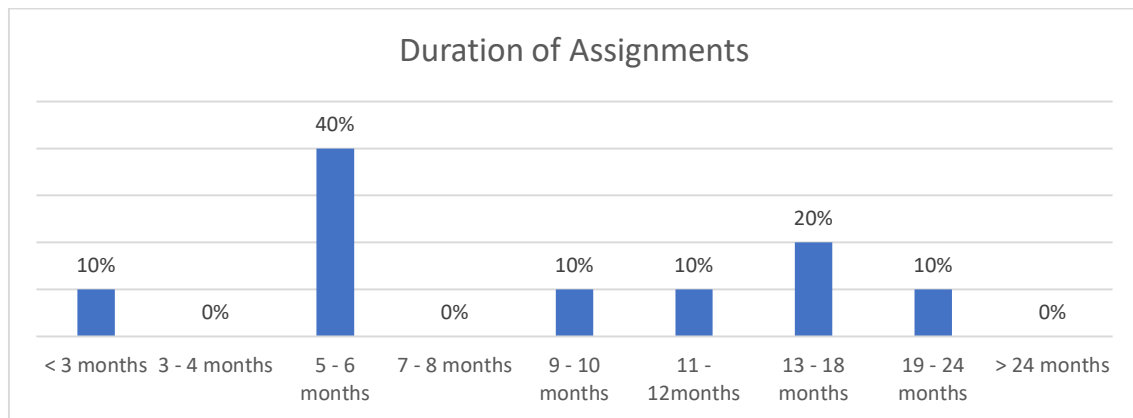
Management Level

For their last assignments, the interim managers were mainly engaged in project management, with the same level of total C-level assignments, which had an increase compared to the previous year.



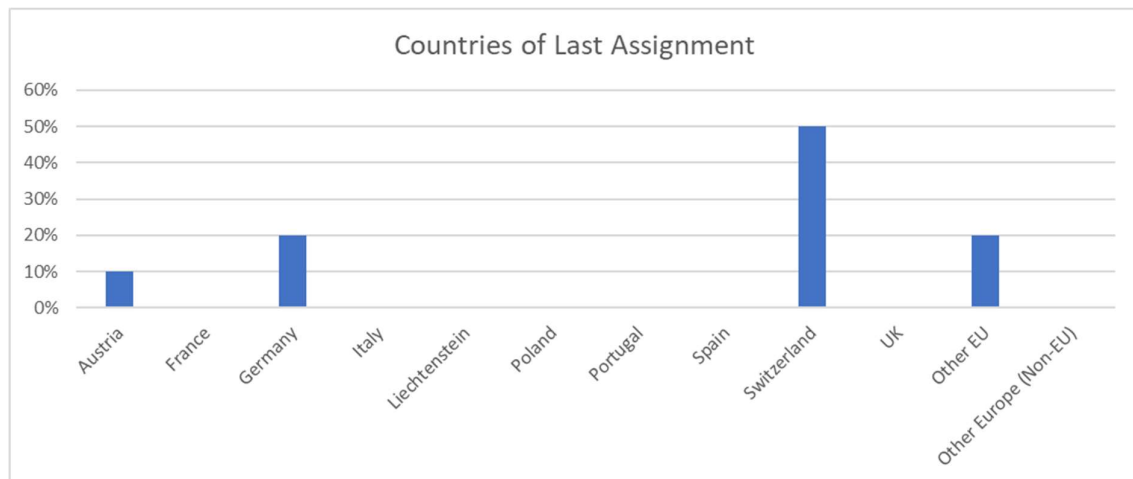
Duration

The majority of assignments had a duration between 5 and six months, whereas half of the assignments are up to 6, the other half from 6 to 24 months, only a slight shift towards shorter assignments from the previous years.



Countries

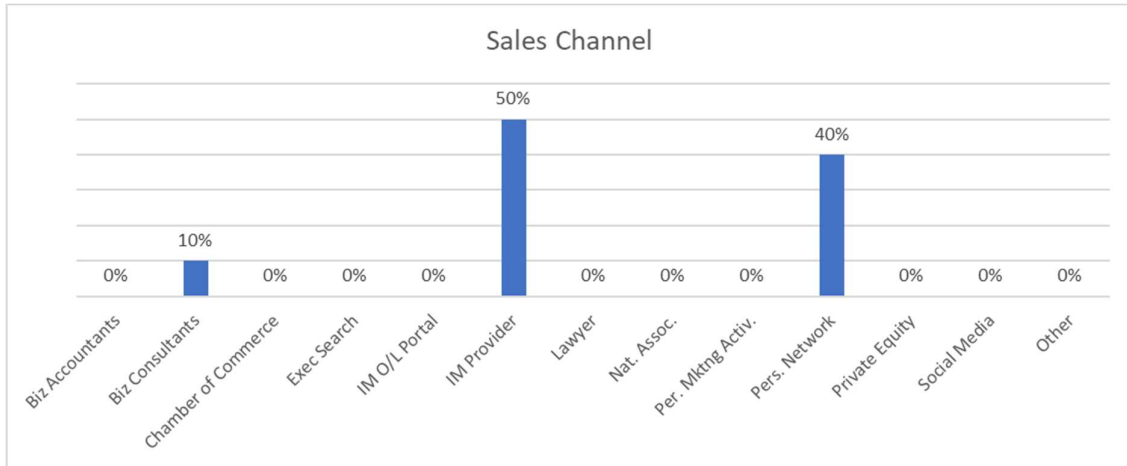
As expected most of the Interim Managers in our survey worked in countries around Lake Constance (80%), the balance went for projects in other EU regions.



Sales channel

The largest sales channel was with Interim Service Providers (50%), followed by the personal network of the Interim Manager (40%) and

business consultants (10%), whereas national associations and personal marketing activities disappeared from previous to actual survey result.



Day Rates

Managers were asked to provide the day rate that they billed on their last assignment (the net price, excluding expenses and VAT). This response was preferred as it was more objective than a yearly average or other formats.



The range of the day rates was extremely large, from € 400 to € 1.800, which showed the diversity of services provided by the Interim Managers in our association. The estimated average daily rate of Interim Managers was € 1.250, but this number had limited meaning because there was no “average interim”. Compared to previous year and mainly driven by the lowest rate at € 400 (prev. year € 800), there was a slight decline in average dayrate.

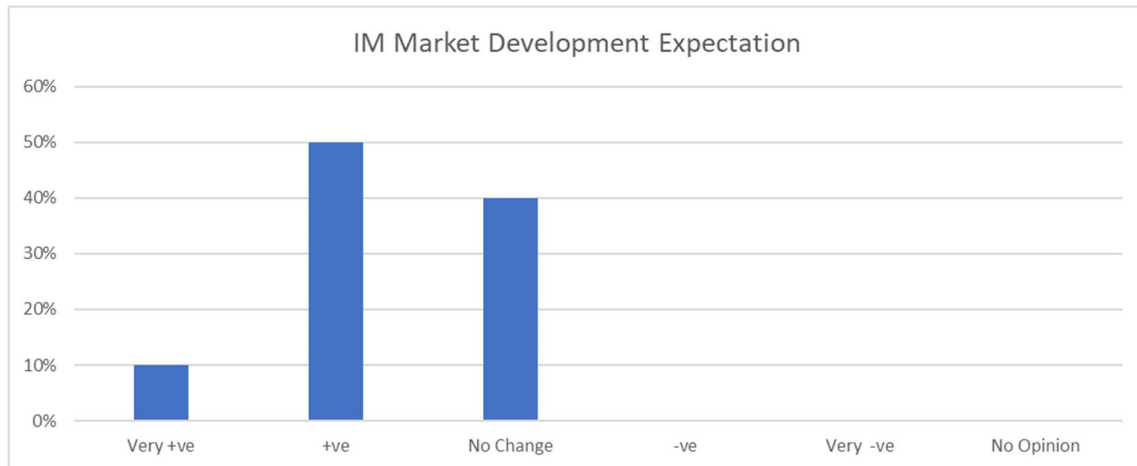
Pressure on Pricing

In the last six months 90% of managers reported felt neutral in terms of pressure on pricing during negotiation with the client, only 10% stated an increase in pressure.

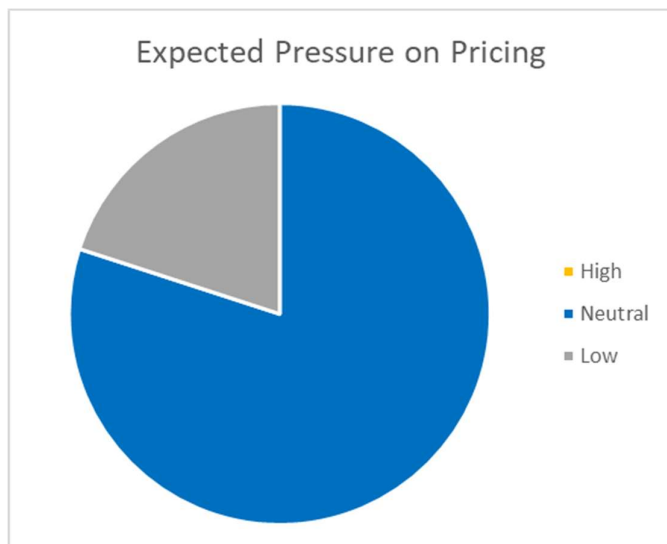
Future Trends

Market Development

In our survey, 70% of managers judged positively the development of the market in 2023, 100% do not evaluate the future development as negative.



There is a similarly optimism towards the pressure on pricing, which is seen neutral (80%) to low (20%).



Future View and key issues facing Interim Managers

In the survey, there was an open question, “What are the 3 biggest challenges for you as an Interim Manager in the next business year?”.

Despite the positive future expectations on market and pricing, project acquisition and to get a follow-up contract are the main topic among the interim managers in Lake Constance area, followed by the desire to increase dayrate and improve on the work-life-balance. Vocational education came up as a newly stated challenge, networking also gained importance compared to the previous year, where Corona and cost pressure, as well as homeoffice, quality of service and acquisition were reported as the main challenges for IM professionals.

In terms of ranking, the 2023 challenges are:

- project acquisition / get a follow-up contract
- increase in dayrate
- improve work-life-balance
- vocational education & training
- networking
- acquisition of new customers
- development into new professional roles
- sustainability
- diversification
- development of new business strategies

Background of the Survey

The survey was performed in January 2023 and restricted to practising interims who were members of the national association. A survey open to respondents outside of our association would have increased the sample size but at the expense of the sample reliability.



INIMA

INIMA is the International Network of Interim Manager Associations, a “non-profit organization” that supports cross border collaboration to advance the Interim Management profession.



Verband Rheintaler Interim Manager (VRIM) was founded in Liechtenstein in 2013 and is a non-national association of Interim Managers around Lake Constance, representing people from the surrounding countries Liechtenstein, Switzerland, Austria and Germany. VRIM is a founding member of INIMA and celebrates its 10 years anniversary in 2023. For more details, feel free to visit us at www.rheintal-interim.org.

The Author

Steffen Steckbauer represents Liechtenstein in the INIMA survey group and is board member of VRIM.

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