



DETAIL

BILL'S ADVICE TO CLIENTS LOOKING FOR AN INTERIM MANAGER

- 1** STATE CLEARLY THE OBJECTIVES AND TERMS OF ENGAGEMENT OF THE ASSIGNMENT.
- 2** MAKE THE DESIRED GOALS CLEAR TO THE INTERIM MANAGER.
- 3** GIVE HIM OR HER THE AUTHORITY TO GET ON WITH THE JOB "DON'T MICRO-MANAGE".

EQUALLY, FOR INTERIM MANAGERS, HIS MESSAGE IS

- 1** IDENTIFY THE KEY MANAGERS YOU WISH TO KEEP IN THE BUSINESS.
- 2** WORK WITH THEM TO BUILD A PLAN OF ACTION TO ADDRESS THE CRITICAL ISSUES.
- 3** ACT FAST.

by over-elaborate software programming and frequent specification changes. The business was unable to keep up with these so he gave a high priority to agreeing new yardsticks with its clients. His team could now start on a revised programme of software design that aligned client needs and Datel Rail Systems business objectives.

However, there were other problems to be tackled. Costs needed to be reduced and that inevitably meant redundancies as well as a physical move from a prestigious London office to something much more affordable. The cost reduction target was achieved within three months but Reeves admits that it was, at times a painful process, which involved downsizing the workforce from 180 to 80 people. "It wasn't just a question of handling the redundancies," he says. "We also had to win over those we wanted to stay."

He has found that however painful the process, handled openly and with a full ex-

planation of the business reasons, people will accept sacrifices, provided that something positive is being done about the problems that have caused them. "Communication is vital at every stage of a turnaround," he stresses. "Some people are going to get hurt, you can't avoid it, but

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fairness and honesty do limit the damage.”

He felt that it would take about six months to put the company back on its feet, but this required a huge effort by the technical staff to design the software. Reeves won their support by leading through example. The design of the software was a

seven day a week, 12 hours a day job over a three-month period. He shared the burden of management support with technical manager Anthony Williams, so that there was always a member of the top team on hand. "It's not just a question of doing the work. At a time of obvious change and upheaval people are worried about losing their jobs. Someone has to be around when the rumours start flying."

The company was on its way back on its feet after four months, when the first key customer deliverable target was met, but it wasn't a sudden process. Built into the recovery plan were numerous short-term wins so that the staff could see progress being made. Finally, in April 2000, the business was in good enough shape to be sold to Amey. It is now No 1 UK market leader in customer information systems. *Godfrey Golzen was the founding editor of Human Resources. He was a visiting fellow at Cranfield School of Management*

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THE PROBLEM

IN LATE 1999 DATEL RAIL SYSTEMS WAS SUFFERING. TURNOVER HAD DROPPED FROM £25M TO £16M AND DESPITE THE FACT THAT THE COMPANY WAS GROSSLY OVERSTAFFED, IT WAS SERIOUSLY BEHIND IN A NUMBER OF KEY CONTRACTS. THE OVERHEAD COSTS WERE OUT OF PROPORTION TO THE SIZE OF THE ORGANISATION.

THE INTERIM MANAGER

BILL REEVES IS A SENIOR EXECUTIVE WITH AN ENGINEERING BACKGROUND WHO HAD WORKED FOR SOME OF THE BEST KNOWN FIRMS IN THE COUNTRY BEFORE DECIDING TO TAKE UP INTERIM MANAGEMENT. ALTHOUGH NOT A SOFTWARE ENGINEER, HE WAS AN EXPERIENCED INTERIM MANAGER AS WELL AS A HIGHLY EXPERIENCED MANAGER.

THE SOLUTION

REDUCE COST BASE AND PREPARE THE BUSINESS FOR SALE. SEVEN FIGURE SAVINGS WERE MADE IN THREE MONTHS TO BOTH COST BASE AND WORK IN PRODUCTION COSTS. THE COMPANY WAS DOWNSIZED FROM 180 TO 80. IN APRIL 2000, SIX MONTHS AFTER BILL REEVES ARRIVED, THE BUSINESS WAS SOLD TO AMEY. IT IS NOW NO1 UK MARKET LEADER IN CUSTOMER INFORMATION SYSTEMS.