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Employers Tap Executives for Temporary Jobs

Workers Gain Flexibility While Firms Fill Gaps;

'A Member of the Team'

By SARAH E. NEEDLEMAN

Over the past five years, John Delaney has worked at four hospitals across the U.S. But the human-resources executive isn't a job hopper -- at least not in the traditional sense. Rather, Mr. Delaney is among a small but growing number of executives who are lending their expertise to employers in need of temporary, highly experienced talent.

While some professions -- like nursing and accounting -- have workers who are commonly tapped by employers for limited stints, in recent years companies have begun recruiting interim help at the executive level. Now as work-force demographics and economic conditions shift, more employers are warming up to the practice.

Temporary executive jobs differ from consulting positions in that they require more than just strategic input. "These are situations where companies need someone who knows how to execute and operate and not just analyze," says Jody Miller, co-founder of Business Talent Group, a Los Angeles-based firm that specializes in temporary executive placements.

Interim executives also typically work closely with a company's top managers and their reports, just like a full-time employee would. "You're viewed as a member of the team," says Sharon Slade, who is in the midst of a five-month stint at a global pharmaceutical company helping to redesign its packaging process.

Firms that help find executive temps say that while demand for these hired guns is strongest in health care, private-equity firms are also heavily tapping high-level interim support to manage their portfolio companies. Financial-services firms, banks and insurance companies are also increasingly looking for temps in the executive suite.

Temping at the Top

Ready to ditch the permanent work life and become a temporary executive? You'll need to plan ahead as you would for any other kind of job search.

- **Contact recruiters.** Start by introducing yourself to recruiters at executive-search firms that specialize in temp work. Also contact traditional search firms and let them know you're interested in short-term assignments. They may assume you're only willing to take on permanent positions.
- **Spread the word.** Michael Cheney, an Atlanta-based executive, says most of the leads he's gotten for temporary assignments came from former colleagues and suppliers he'd work with at Coca-Cola Co. He was laid off from the beverage company in 2003 and has since completed seven interim assignments ranging in length from a few months up to a year.
- **Revamp your résumé.** Show specific examples of work you've executed, advises Linda Stewart, president and chief executive officer of Epoch, a firm that specializes in recruiting interim executives. "It's the ability to execute that makes you valuable," she says. "It's not just about what you've done but how you've done it."
- **Prepare references.** Be ready to offer referrals from past employers and bosses as well as their contact information. Employers looking for temps will ask for this information just as they do for prospective permanent hires.

Recruiters say these days there is less of a stigma attached to candidates with interim experience on their résumés. "People are doing it more proactively versus reactively," says Linda Stewart, president and chief executive officer of Epoch, a Boston-based firm that recruits interim executives. "People are feeling a lot less loyal to any one company." In Europe, employers have long accepted the practice partly because terminating an employee is expensive and difficult, making "the cost of getting a full-time employee wrong is way too high," says Ms. Stewart.

Nielsen Healthcare Group placed 150 interim executives at health-care organizations last year, a 30% increase from 2006, reports Bruce Nielsen, president of the St. Louis-based recruiter. And CMF Associates LLC, a financial-services consulting company in Philadelphia, has seen searches for temporary chief financial officers grow to about a dozen or more a month from 10 or less a year ago, says Tom Bonney, managing director.

Demand is growing at such a brisk pace that at least two firms recently launched to recruit temporary executive talent in a range of industries. Eighteen-month-old Business Talent Group has 35 corporate and nonprofit clients and about 500 executives on tap for temporary assignments. And 16-month-old Epoch is working with 12 employers and roughly 600 executives. Both firms charge clients fees that include the salaries for the candidates they place. By contrast, traditional executive-search firms generally recruit senior talent for permanent positions and don't facilitate the payment process for hired candidates. However, a growing number of these firms say they are increasingly taking on searches for temporary assignments.

Some companies are hiring interim executive talent to fill gaps created by retiring baby boomers while they search for permanent replacements. Others are turning to temporary help to sustain a business following a sudden departure. And, they say, the strategy has become particularly valuable in recent months because faraway recruits are taking longer to relocate due to the depressed housing market.

A day after ISA Consulting's chief financial officer departed in December 2007, the Blue Bell, Pa., firm brought a temporary replacement on board found by CMF Associates. The company had just a few weeks' notice to fill the gap, and its auditor recommended the strategy. Finding an ideal permanent recruit would likely have taken several months, says Lou Polisano, chief executive officer of the consulting firm, which specializes in financial reporting and analytics. This "bought me time."

By recruiting interim executive help, employers may also be able to avoid an unnecessary, high-cost investment. Case in point: In 2007, Minneapolis-based Thrivent Financial hired a marketing executive for six months to help test a new business idea targeting a previously untapped demographic.

"It wouldn't have made economic sense to bring someone on full time with her experience and expertise," says Bill McKinney, vice president, member and market development for the nonprofit financial-services group. "We had no idea if this thing would work anyway." Indeed, the idea didn't materialize as anticipated.

Executives say working on a temporary basis means they have more control over their schedules. Consider Carolyn Hunt's preference for working only between January and June. "I like the ability to have my time off," says Ms. Hunt, 64, a Florida resident who is working in Victorville, Calif., as a chief nursing officer at Victor Valley Community Hospital. "It refreshes me."

Another upside: Some interim stints don't require executives to work a full week or entirely on site. For her current assignment, Ms. Slade, 49, works two to three days a week from home. She says she became a free agent in February to spend more time with her family. "This morning I had a meeting with my son's math teacher," she says. "That wouldn't have been possible" when she was global vice president of marketing and strategy at St. Regis Resorts & Hotels.

When it comes to compensation, short-term jobs generally lack benefits like medical coverage and stock options. But they do commonly pay base salaries commensurate with their full-time counterparts, and many employers cover housing expenses for executives stationed far from home. "At the end of the day, it comes out to be quite similar," says Carol Vahey, a retiree who is working in Dalian, China, on a two-year project for a former employer, an international investment firm based in Dalian. Ms. Vahey is assembling a business plan, recruiting up to 300 employees and guiding senior-level managers, she says. Once she's done, a permanent placement will take over to serve as chief operating officer and she'll take a few months off before her next assignment.

Some executive temps, like CB Bowman of North Plainfield, N.J., say securing a permanent job is their true goal and that short-term stints offer a way for them -- and employers -- to get a sense of fit. "This allows me to look at the culture of the company and see if I'm interested in a long-time engagement," says Ms. Bowman, a former executive coach who's currently doing organizational-development work on a temporary basis for a financial-services firm.

Indeed, some temporary jobs do convert into permanent positions. For example, approximately 25% of Business Talent Group's placements make this transition, says Ms. Miller.

For some executives, a downside to temp work can be moving on a regular basis to faraway places. "You're away from family for long periods of time," says Mr. Delaney, who lives with his wife in Tampa, Fla. That can lead executive-suite nomads to give up the wandering life. Mr. Delaney, for one, recently accepted a permanent senior vice president job at Workforce Prescriptions Inc., a human-resources consulting firm in Hudson, Fla. "It's just an opportunity to spend more time here and less time traveling," he says.

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