



## Top 3 Reasons to Hire Statement-of-Work (SOW) Talent

In manufacturing, there is no shortage of special projects. Whether it's an improvement initiative, operating role, or lean transformation, getting the job done often requires specialized expertise. See how Statement-of-Work talent fits the bill.

### Is an SOW leader the right person for the job?

The demand for interim talent at the leadership level is growing, especially among the manufacturing sector. According to Senior Management Worldwide, over half of interim employees are hired to provide top-level expertise in roles such as the CEO, CFO, GM, or VP, followed by non-executive director and line managers. It reveals that manufacturing is one of the top four sectors driving this trend.

One reason why manufacturers are keen on interim talent is because it offers the ideal solution for jumpstarting all manner of improvement projects. According to Ipsos, a global market research and consulting firm, special projects accounted for 35% of interim talent assignments in 2012. Statement-of-Work (SOW), or project-

based employees, who provide specialized talent on as-needed basis, are the perfect fit for those roles.

If your organization is looking to keep operations running during a planned or unplanned vacancy, launch a new project, or drive operational improvements, an interim SOW leader may be the ideal candidate to lead the charge. Here are the top reasons why more and more manufacturers are turning to SOW leadership talent to round out their personnel plans.

## **1. SOW employees are proven entities.**

If your operation is looking to accomplish something specific, such as a process change or the implementation of a new daily management system, an SOW leader can bring project-specific experience to the table. SOW talent is known for its specialized expertise, giving you the opportunity to put someone at the helm of an initiative who has successfully navigated similar territory before, with a track record of success.

Because these leaders are used to working within specific timelines, they are typically quite adept at getting projects started quickly and delivering measurable results in short order. They fully understand the expectations of their high-profile jobs, and they know they will be measured on success. What's more, SOW talent isn't encumbered by any staff issues or office politics, so these leaders can move quickly and always keep the end-goal top of mind.

## **2. SOW hires are temporary. But their impact is long-lasting.**

The nature of SOW arrangements is short-term. But when SOW leaders do their jobs effectively, the changes they make and the processes they initiate will benefit your organization for years to come. In many cases, SOW project managers implement process improvement that can run themselves long after the leader exits.

Additionally, SOW workers often have a permanent effect on the employees they lead. They know how to create a culture of operational excellence by effectively transferring knowledge and training your internal teams to pick up where they leave off, enabling your full-time staff to continue driving ongoing improvements in

processes and operations.

### **3. SOW talent makes financial sense.**

An SOW arrangement allows companies to engage project-based labor, bill based on fixed-price deliverables, and better control project costs. It's basically the ideal what to get what you pay for: you hire a leader to accomplish specific, pre-defined, objectives, and you agree in advance on the price for that work.

Beyond budgeting advantages, SOW talent can help you avoid the costs associated with hiring a full-time leader (think health benefits, bonuses, retirement packages, and paid vacations.) It can also protect your business from the ultra-high cost of making a poor hiring decision. Studies indicate a 50% chance that a new executive will quit or be fired within the first three years. The cost of replacing that executive could be anywhere from 3-5 times the position's salary. Add in the damage done to employee morale and customer relationships, and the financial impact of a bad hire becomes even more significant.

## **Get More Talent Solutions**

Within the growing contingent workforce landscape, SOW project-based employees play a big part and will continue to do so. Studies show that companies currently using interim workers will likely hire more highly-skilled and SOW talent in the future.

But special projects aren't the only area where interim leadership makes sense. Human Capital Institute reports that 25% of interim workers are hired to fill suddenly vacant positions.

## **Consider Interim Talent for Your Operational Staffing Needs**

TBM Leadership Solutions, LLC maintains a talent pool that offers pre-identified, fully-vetted contingent labor resources. Read our recent infographic, [Interim Talent: Your Solution to Operational Leadership Gaps](#), to see how interim talent can help provide

the answer to all your operational leaderships gaps.



**Shannon Gabriel, Managing Director, Leadership Solutions Practice**

Shannon Gabriel is Managing Director of TBM's Leadership Solutions practice where she leads the organization's comprehensive approach to operational leadership and change management by assessing current leadership capabilities, gaps, or risks.