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AGENCY MANAGEMENT



# So much admin, so little time

Falling staff morale and increasingly high client demands are breeding an unhappy PR workforce. **Robert Gray** examines what can be done to improve the situation

**O**verworked staff, over-serviced clients and inefficient administrative practices form an undesirable trio of issues that are often found hand-in-hand at poorly managed PR consultancies. Collectively these shortcomings are damaging to both workforce morale and business profit margins, yet they remain widespread.

A recent study by Aurum Data Systems (see panel opposite) suggests many consultancies are failing to take the bull by the horns and address problems that are undermining business performance. Although unreasonable

client expectations is one cause of staff dissatisfaction, volume of administration and repetition of tasks also impact negatively upon job enjoyment. Clearly agencies with systems to streamline working practices, and keep client work within agreed parameters, are more likely to be successful businesses.

'It is the joint responsibility of agency leaders and the client to ensure service delivery is focused where most value is added,' says Publicis executive chairman Carl Courtney. 'If an agency is having to stretch resources to fulfill a brief, it's not clever buying by the client.'

Courtney goes so far as to argue that agency leaders have a 'duty of care' to their staff to broach over-servicing with their clients. Never-ending to-do lists from clients do not create an environment conducive to delivering dazzling results. And, he adds, if you over-service by more than 20 per cent, you will lose your entire margin.

Shockingly, the Aurum study suggests 10 per cent of agency staff believe they over-service their clients by 100 per cent or more.

The average over-servicing level to which PRCA member agencies admit

SARA OGILVY ILLUSTRATION

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#### THE AURUM REPORT 2008

Research from Aurum Data Systems paints a dispiriting picture of an industry under enormous pressure, in which demotivated and overworked consultancy staff make inefficient use of their time.

Client over-servicing is rife and in some places verges on the commercially reckless: 10 per cent of respondents believe they usually over-serve by 100 per

cent or more. Three times as many, 30 per cent, think they over-serve by a still worrying 75 to 100 per cent; while 35 per cent said they over-serve by 50 to 75 per cent. With 20 per cent giving clients an extra 25 to 50 per cent free of charge, and only five per cent over-servicing by less than 25 per cent, it is clear that an enormous number of hours are being clocked up with

no financial return for the agency business.

Coupled with long working hours – the average working week comes in at a tiring 50.5 hours, with senior managers clocking up 59 hours – it comes as no surprise that job dissatisfaction is high. For example, fewer than one in five consultants at account executive level describe themselves as

highly motivated, with more than a quarter saying they are unhappy.

In addition to long working hours, other major causes of job dissatisfaction are repetition of the same tasks, volume of administration and unreasonable client demands. However, dissatisfaction relating to working environment, level of benefits and welfare packages offered by employers is

comparatively low.

Aurum CEO Peter Smith says despite the widespread use of technologies to support smarter working practices, the PR industry remains over-reliant on manual processes and huge amounts of unfulfilling repetitive work. Addressing these problems, he argues, would help lift employee morale and improve motivation.

Working hours per week		Causes of job dissatisfaction – %		How many hours does it take to...?		How much do you over-serve clients?	
Senior managers	59	Repetition of the same tasks	47	Build media lists	2	100% or more	10
Middle management	52	Length of working hours	44	Distribute a press release	4	75-100%	30
Executives	48	Volume of administration	31	Produce a media coverage report	4	50%-75%	35
Finance	43	Unreasonable client demands	26	Write a monthly progress report	6	25-50%	20
		Working environment	15	Build a clippings book	4	Less than 25%	5
		Lack of benefits/welfare programme	7				

Research carried out in the last quarter of 2007 and the first two months of 2008. It involved 93 PR and IR agencies ranging in size from 15 employees to multinationals. Total sample was 269

is 24 per cent, but this is still too high, the body argues.

'PR is a buoyant industry at the moment but we need to look after our staff if we are to maintain healthy growth and margins,' says PRCA director general Francis Ingham. 'This means being more confident with clients about the value we add.'

Caroline Johnson, senior consultant at Results International, a specialist M&A and business adviser to agencies, says in her line of work she sees three types of PR agency stereotypes. The 'do this for me' agency is very client-led. The more evolved 'help me think' agency is more customer-centric. Finally, the 'think for me' model applies to a valued partner. The latter is by far the smallest group but also the most profitable, able to charge for outcomes instead of just inputs, and able to command net margins of around 35 per cent.

Johnson says these agencies have automated much of what they do in order to focus on the big picture. They tend to run a tight ship, often using management information systems such as Partrika or Access.

'There is no doubt many agencies

still work on a largely manual basis, as they have done for years,' says Vocus Europe managing director Andrew Muir, whose firm supplies PR software. 'However, forward-thinking agencies increasingly are using technology to automate the tedious, repetitive administrative parts of their business.'

Property PR specialist Blue Ice Communications has, says MD Elizabeth Tagge, eliminated low-level admin jobs using support software: 'We no longer require much photocopying or time spent on report preparation. Junior team members are therefore able to devote themselves to writing, researching and contacting journalists, which is far more useful for the company and more interesting for them.'

Intriguingly, late last year tech specialist Text 100 took a different

approach, launching a Global Resource Optimisation service based in Mumbai, India. In essence it is offshoring time-intensive activities. Sister agency Lexis has (as yet) no plans to follow suit, but did recently start using media database Gorkana, to allow staff to exchange information more easily.

Firefly Communications head of consumer Brandon Stockwell believes there is scope for efficiency improvements to be made when it comes to cuttings: 'The challenge for the cuttings agencies is to provide a service that really meets the agency's needs and the client's needs rather than a plain vanilla service where everyone has to like it or lump it,' he explains.

Although the majority of cuttings are now provided in a digital form, many agencies and clients still like to

receive paper versions to display in office receptions. Stockwell thinks there is an opportunity to develop a flatscreen digital cuttings display system for reception areas, thus cutting the 'paper trail' even further.

'It is important team members record activities in detail so directors can establish whether the problem lies with staff training or with the client side,' says Kinross+Render CEO Sara Render. 'Where the issue is training, the agencies need to re-allocate hours to internal training. If the problem lies with the client then a full and frank discussion on how they might reduce costs is a good idea.'

No one, on either side of the client/agency fence, wants to see admin snowball. Red Consultancy CEO Mike Morgan says that a pie chart showing the proportion of time spent on admin usually brings everyone to their senses, while Lewis PR UK general manager Kath Pooley says she knows of one client who discovered that 60 per cent of PR activity was admin-based and put a financial cost on it. 'The shock of seeing the impact in financial terms brought a swift change in focus,' she says. ■



**'Agency leaders have a duty of care to staff. And if you over-serve by more than 20 per cent, you lose your margins'**

Carl Courtney, Publicistix, executive chairman