



THE TRUTH ABOUT TALENT

Brutally honest
insight into how the
top 1% of advertising
talent is feeling

THE TRUTH ABOUT TALENT

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Introduction / Gareth Moss, Founder, The Blueprint

A provocation we use often with clients at The Blueprint is that the talent the agency has is no longer the talent their clients need. It's a sharp reminder about change, a constant in the industry, and the risks associated with not being prepared and equipped to embrace the future.

With so much changing, so rapidly, it led me to think it would be valuable to shine a spotlight on the truth about agency talent and to foster new understanding on what the top 1% really feel about working in the industry.

So many talent reports simply regurgitate received industry wisdom, which offers little, if any, insight into the real issues.

At The Blueprint, we wanted to find out how people are really feeling and invited a select number of top UK & US senior leaders to have a one-on-one private conversation with an independent industry experienced interviewer.

We agreed that all the conversations would be conducted "blind" (neither party was aware of the other's identity) and anonymised in order to encourage candour and to uncover what people really think.

The outcome is a unique report, The Truth about Talent, that analyses and reveals the conversation themes and insights as to how today's talent view working within the industry and the issues, opportunities, and challenges they face.

It's a frank report with some brutal insights, one we are immensely proud to have brought about.

We felt it important to provide recommendations as to how to respond to each of the truths we have highlighted.

We believe the issues are so important that we are now committed to make The Truth About Talent an annual report, so we may continue to uncover and reveal what is important to understand and address.

We could not of course have done this without the brilliant co-operation of the leaders we interviewed. I would like to thank them for the time they invested with us and in particular, for their remarkable honesty.

I hope you will agree.



WARNING: **CONTAINS LARGE DOSES OF HONESTY**

This report is the result of candid (and sometimes quite swearsy) conversations with the top 1% of advertising talent across the UK and US. We spoke to some of the most visionary people in the industry to understand what keeps them up at night and what gets them out of bed in the morning. They told us what motivates them and what frustrates them; what empowers them to perform at their best and what stifles their potential.

We've distilled these conversations into five tough truths. There's no bullshit and no buzzwords – just an honest download of what the marketing industry's top talent is thinking. We've coupled that with five Blueprint recommendations about what to do next: how to make the most of the talent you have and how to attract and retain the talent you need to future-proof your business.

5 TRUTHS

01

A BROKEN BUSINESS MODEL IS BREAKING TALENT

Agencies are responding to disruption through cost-cutting rather than business transformation. Instead of working smarter, everyone's working longer.

- ／ The agency business model is broken and nobody seems to have the courage to fix it.
- ／ As one top agency executive told us, the industry is stuck “in a vicious cycle where everyone talks about change but no-one is prepared to actually change.”
- ／ Rather than focus on business transformation, agencies are chasing short-term targets. Constant cost-cutting for margin management, means people are working longer hours with fewer resources.

A RACE TO THE BOTTOM

A broken business model is breaking talent. Agencies have commoditised themselves and there's an oversupply of undifferentiated capability, meaning everyone has to work harder for less.

As one interviewee put it, “We create our own problem with the business model because people launch new agencies, or agencies struggle, and then they start undercutting each other. So it ends up being a race to the bottom.”



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“The talent and energy we have in our agency is extraordinary. But we’ve got a business model where everyone’s working fifteen, sixteen hours a day, and at weekends. We’ve got the business model wrong – we give away so much of what is valuable. That’s my number one frustration – the waste of talent and energy.”

“There’s the mismanagement of time. Because we sell time we often take too much time to do things.”

“It’s a very fast-paced environment. There’s always a level of toxic stress in the air. People have left the agency because it’s too hardcore. There’s a ‘keep up or quit’ mentality.”

“We shouldn’t have these levels of stress when it’s such an amazing, creative, awesome energy industry in itself. What I get to do every day, compared to my friends, is amazing. We should all be so much happier in our work. But instead we’re not, we’re all carrying quite a lot of pressure.”

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BARRIERS TO BRILLIANCE

Your top talent is feeling suffocated and stymied by antiquated business processes.

Agencies need more than great individuals – they need a structure that empowers talent rather than stifles it. There's little point recruiting the best and brightest if you're not going to give them the tools and opportunities to produce great work.



“There are a lot of structural impediments that stop things getting done. We need business processes that allow innovation to happen.”

“Agencies need to be rethinking the structure in which talent works. You need to think about ‘what’s the process and the way people need to work’. And then you need to think about the right people to fit that structure. If we’re not clear on how we’re going to create different output, I don’t think we can look for the right talent.”

“Forty to fifty percent of my time, which should be spent on clients and the business, is spent on financial reporting, HR, admin. It’s spent on trying to get us operating in the place that the holding company needs us to be right now, rather than the place that is right for longer-term sustained growth.”

“I work in a really big company and you’re put into very specific lanes. There’s not a lot of opportunity to evolve your scope. If you’re good at something, that’s what you’re supposed to be doing, cogs in a wheel. It’s hard, for people that work for me and a lot of people, to think out of the box. On one hand, it’s contradictory because people are told ‘we want you to be innovative and think about big ideas’ and yet the system and the structure’s not really conducive to doing that. It’s easier if you don’t fight the system and you just do what is expected of you versus trying to do things out of the box or profit lanes or going into someone else’s P&L. It’s not really an easy transition to make.”



02

CONFORMITY, NOT CREATIVITY

Where has the creativity gone?
It feels as if the lifeblood of the industry
is slowly being drained out.

- ／ Advertising is supposed to be a creative, fun business. Increasingly, however, it feels like creativity is no longer as valued. Rather than rewarding innovators and mavericks, conformists are rising to the top.
- ／ As one interviewee told us, “Advertising isn’t full of people with big personalities and big opinions any more. We’re not hiring enough people with an original point of view.”

COWED, NOT CREATIVE

The industry is facing turbulent times. Uncertainty can catalyse creativity or kill it – in the case of the advertising industry, it seems to be doing the latter. The climate of fear also risks killing people’s spirits. As one C-Suite executive stressed, “There needs to be a collective effort to come up with stuff and start getting more excited, because, my God, this is depressing as shit. We’ll just talk ourselves out of an industry, we will.”



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“There is a lot of fear at the moment. The rhetoric and the narrative of the industry is incredibly doom and gloom. I fear that is permeating into everyone not listening to their instincts or intellect. Fear means you act out of paranoia and desperation – those are not ... the attributes that create a culture where creativity can flourish, and we can be adventurous.”

“We lost our boldness and our risk-taking capabilities, and creativity is getting washed out. We are just not taking the same risks as we used to. We’re not being as experimental.”

“My frustration is that I don’t think that, as an industry, we are impacting business to the extent that we can from a value creation standpoint because there is no courage between the marketing and communications team when it comes to doing things differently. Put your fucking neck on the line. Sign up to deliver something. Make a mistake, but for God’s sake, go down trying.”

“The industry has literally stripped out most of the innovation. Most of the people at an ad agency, they don’t make anything anymore. There’s no making, it’s just sitting around, coming up with concepts, and then talking about it. There’s not as many doers as one would imagine in the big agencies. A lot of meetings, a lot of covering-your-arse kind of stuff.”

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CREATIVITY IS BEING MANAGED OUT

Management seems to have forgotten there's a business case for creativity – they certainly don't seem keen on rewarding bravery.

“The thinking and the talent that get rewarded are the people that are status quo and make the leader look good,” one interviewee noted. “Not the people challenging convention or coming up with bold ideas. That's a fundamental challenge in the industry.”

Another interviewee said, “Our P&Ls are stifling innovation, integration, creativity, and collaboration. They are stifling the best work. They are for the holding companies and they are arbitrary internal competitive barriers.”



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“Because of the pressure on money, and short-termism, the conversation becomes more about money than creative work. So there’s a dilution of the work. What frustrates me is there seems to be a lack of belief in the power of creativity as one of the core tenets for growth.”

“I left the agency world because of the glaring hypocrisy. People would regularly criticise clients for being overly conservative – “you need to be brave, you need to buy controversial ideas and advertising”, – and then when it comes to the agency itself and changing services and offerings, ... agencies were terrible. They didn’t really catch on to digital. They were overly conservative.”

“As an industry, we reward conservatism. It’s because we are built on old school account management and are very conservative. But we need to reward bravery.”

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03

MADNESS, NOT MISSION

From their overall strategic direction, to the type of talent they're looking for, agencies are plagued by a lack of clarity.

- ／ Rather than being guided by a clear purpose, many agencies are running around in circles, trying to figure out who they are, and what they're doing.
- ／ That means roles are constantly changing, as is strategic direction. People get fancy job titles and big salaries, but aren't given the tools or institutional support to do their job. They're not empowered, and often not held accountable, for what they've been employed to do.

WHAT DID I SIGN UP FOR?

A strong mission provides strategic direction. The lack of clarity that plagues a lot of agencies means people end up in roles vastly different to what they signed up for.

“Agencies need to have a strong sense of who they are, what they stand for and the values that they stand for,” one interviewee stressed. “If you have clarity about that, you know what’s expected of you.”

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“A lot of agencies have no clear mission and no clear set of roles. There are a number of Chief Innovation Officer roles, but no one has any idea what those roles actually are, it’s just because all the agencies are doing it. A lot of those roles are coming and going.”

“My job now is very different from what I was told I was signing up for. We live in a very fast-paced, fast-moving industry, and I think organisations now need to be more nimble and agile to have people’s roles adapt quickly, but at the same time provide some clarity around that as well. So the system needs to keep up with the agility of the market.”

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WITHOUT PURPOSE, IT'S JUST A PAY CHEQUE

Money's important, but so is feeling like you're part of something.

As one interviewee put it, "It's important that there's clarity of mission. An understanding of what the focus is beyond financial. If people only care about a pay cheque then it's mercenary – people only go to the place with the highest bidder. That's a commodity and that's where we have landed right now."



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“Agencies need to have a strong sense of who they are, what they stand for, and the values that they stand for. If you have clarity about that, it’s like a club that you join, you know what’s expected of you.”

“It’s important that there’s clarity of mission. ... If my agency made changes tomorrow that would make a lot of people happier they’d be: clarity around future development opportunities; clarity around corporate strategy; clarity around the company’s succession planning and where I fit in.”

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COMPETITORS, NOT COLLABORATORS

Short-termism and the lack of shared mission means that there's often an 'every-person-for-themselves' mentality. Instead of encouraging collaboration, agencies pit people against each other.

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“I’ve worked in tech and there was a commonality of purpose: get this product out, launch this effort, drive this initiative forward. There was a very clear group mission that was articulated and that was very entrepreneurial. So everyone knows what they have to do and everyone takes ownership to some degree. As opposed to the ad industry, where there’s a mentality of ‘well, that’s not my problem’.

“We’re very profit margin- and result-focused which is good, but it’s very ‘every man for himself’. So, when you need to collaborate, it can be very challenging to get everyone to work in sync and to work towards a common goal. That’s a big challenge. Many people are very focused on what’s important to them, not the greater good or the company overall. That makes things challenging.”

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04

HIRING ISN'T A TALENT STRATEGY

Our industry is built on people, yet many agencies don't have a meaningful talent strategy.

／ We work in a people business, but we don't talk about people enough. As one C-suite executive put it, "Talent strategy needs to be something leadership teams discuss on an ongoing basis. Hiring for vacancies is not a talent strategy. I genuinely cannot remember, in the last few years, sitting down and having a conversation at a very senior level about our talent strategy."

WE'RE TOO FOCUSED ON THE PAST, RATHER THAN POTENTIAL

Instead of thinking about the skills they need for the future, a lot of agencies seem overly guided by people's pasts. Focusing on past experience rather than potential, narrows talent pools and prevents diversity.



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“Our industry isn’t always good at giving people opportunities and at trusting people. We need to be empowering people for their potential, not their past. We need to bring together different kinds of people to produce different kinds of work. My agency is currently addressing that in terms of how we’re recruiting. So we’re recruiting for people’s vision and for what they think our industry needs to do, and we’re recruiting people who want to go on a steep learning curve.”

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INCENTIVISING DISLOYALTY

Agencies don't do a great job of rewarding their top-performing talent. "I've known so many people go freelance because they weren't getting the right levels of compensation and flexibility," one interviewee noted.

Another executive pointed out that the compensation structure dictated by a lot of big holding companies "is incentivising job-hopping. [Compensation] isn't based on performance, there's a set increase every year. So, if you're really talented, you're still only going to get a maximum increase of about three percent per year."



“I’ve never worked for a company that has had a good [performance management and rewards system]. I also understand how difficult it is to set something in place, but having said that, I don’t think that the agency industry has kept up with perhaps more modern approaches to profit-sharing, to partnership models, to everything in-between. I think it’s still doing what it was doing when I started in this industry a very long time ago, which isn’t a hell of a lot.”

“Compensation should be about what motivates you and it should be made more specific to the person. Some people are motivated by money. Some people might be motivated by more flexible working. If someone really senior and valuable doesn’t want to keep moving upwards but is doing well and delivering value, they should be allowed to define what compensation looks like to them.”

“I think we need to do a better job of the more spontaneous value exchange. Whether that’s a spontaneous ‘take a day off’, ‘look after yourself’, more ‘here’s a week’s training’, I think there’s so much we could be giving that goes beyond salaries.”

“I think people are looking for more interesting and variable compensation, and a compensation model that looks at how you personally added value and rewards [you] as an individual. It can be demoralising when you put in 100 hours a week, win lots of awards and you don’t get a bonus.”



CALCIFICATION OF TALENT

There was a frustration amongst everyone we talked to that advertising isn't a genuine meritocracy.

Too many people are failing upwards and “we're fishing from the same talent pools”, rather than looking for fresh new talent from other industries. We're also not making it an imperative for managers to grow and develop their talent.

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“We have an incredible number of average people that fail upwards. Which blows my mind. If they’re not very good, move them out. Perhaps it’s a class thing but certain people keep moving upwards as opposed to sideways or out.”

“Some people are in a position of leadership because they’ve been there long enough, not because they’ve earned it or they’ve demonstrated any great vision or capability.”

“I would make ability to develop and grow their talent, a key metric for any manager.”

“Some people who are currently in positions of power are not fit for purpose. If they had to interview for the job they have today, they wouldn’t be qualified. They would never get the job today. They have the job because they just have staying power and they have been around and they are not going anywhere. The antiquated nature of talent and the calcification of talent is a huge frustration.”

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PERKS VS CULTURE

Agencies spend a lot of time talking about why they're great places to work, but not enough time actually turning themselves into great places to work.

As one interviewee noted, "There's a big difference between office perks and office culture. A lot of agencies tend to cover up the culture with perks. 'I know things are tough but hey, look, we have a football table!'"



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“Talent strategy needs to be something leadership teams discuss on an ongoing basis. We are fuck all without talent and it isn't anywhere on the agenda, expect in a knee-jerk way. [It's] 'look at that person, they are shining, let's grab them'. What we are not doing as organisations is creating environments where talent can flourish, and that attract talent. That's hugely fucking frustrating. It is like saying you want to win the World Cup, but you can't be bothered to get the right players.”

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05

ADVERTISING DOESN'T CARE ABOUT OLD PEOPLE

Or brown people... or black people...
or women... or, well, you get the picture.

- ／ Despite lots of talk about diversity, agencies are still having a hard time walking the walk, although things are getting better. One of the newer issues coming up is age. In both advertising and beyond, ageism is an increasingly urgent issue.

WHERE HAS THE WISDOM GONE?

Thanks to industry consolidation there are fewer C-suite positions up for grabs. Once you reach a certain point in your career, you start running out of options.

“I sometimes look around and wonder where all my peers went,” one interviewee lamented.

“All that incredible wisdom’s gone,” said another executive.

“We’re failing ourselves by seeing people who are older as being expensive and not valuable. We’re not keeping great people.”

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“One of the things that keeps many of us up at night is what happens when we’re sixty-five. It seems less likely that you’ll still be in this industry at fifty-five, sixty-five than it was ten years ago. At some point I feel like I would have to transition into something a little less transient to have some security when I’m older. It’s certainly something that sits at the back of my mind.”

“We wouldn’t put David Hockney on the shelf because he’s in his eighties, nor Martin Scorsese nor Steven Spielberg. There is a reverence to wisdom and experience. There is an incredibly shallow leaning in this industry [that] youth is the answer to everything. Which is ridiculous, of course – you know you don’t die when you’re thirty.”

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ENGAGING WITH EVERYONE

How do you engage with mothers, families, minorities, with everyone?

Don't know? Ask them.
In fact, hire them.

Increasing the range of life experiences in your company can only improve your creativity and your knowledge of what people relate to and why they buy.



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“If your agency improves the way it treats returning mothers then it actually ends up being a win for the agency. It makes it easier to recruit and retain top talent. There is a return on investment. But a lot of people don’t see it that way yet.”

“I think the other part of that is that women and minorities are less likely to have had the sort of experience some jobs require, but they display huge amounts of untapped potential, partly because of being forced into a position of needing to try harder. So recruiting for potential is an approach that we’re really interested in because it helps us to make sure that we are bringing together the best talent.”

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5 THE BLUEPRINT'S TRANSFORMATIVE CHANGES



1 / CHANGE YOUR BUSINESS MODEL

2 / INDIVIDUALISE INCENTIVES

3 / FOCUS ON CREATIVITY

4 / CHANGE YOUR TALENT POOL

5 / HIRE FOR ATTITUDE AND APTITUDE

01

CHANGE YOUR BUSINESS MODEL

- ／ The industry's business model is under significant pressure to change.
An over-supply of undifferentiated services based on lowest price is unlikely to last. Agencies should move to value-based pricing and seek to create services that brands are now clearly signalling they require.
- ／ An important place to start is by thinking about the new roles and new types of talent that a new business model requires. There's a need for agencies to be led by different kinds of disciplines and talents, recruited from talent pools outside the agency world.
- ／ Think about creating new roles, for example, a Chief Commercial Officer, someone who is responsible for diversifying revenue streams and can help facilitate relationships between new partners.

02

INDIVIDUALISE INCENTIVES

- ／ Advertising is supposed to be a creative industry and creatives aren't usually known for being conformists. They think differently, they work differently, and many of them want to be rewarded differently.
- ／ Recruit and retain talent by rewarding them as individuals. That might mean more flexibility rather than more pay, or spot or performance-related bonuses rather than incremental pay increases. It could mean giving them a sabbatical, or more autonomy around their career path. Incentivising people as individuals shows that you recognise that they are individuals – unique talent versus generic employees.

03

FOCUS ON CREATIVITY



- ／ To recruit and retain the most creative talent, we need to keep proving that creativity sells – and reminding our clients of that. That means rethinking KPIs and reiterating that creativity is a key measure of growth.
- ／ Putting creativity at the heart of your agency culture helps provide a sense of mission and moves the focus beyond the financial.

. CHANGE YOUR TALENT POOL .

044

CHANGE YOUR TALENT POOL



- ✓ You can't future-proof your business by fishing from the same old talent pool. Agencies must think more creatively about how to recruit from different industries. Publishers, platforms, and entertainment companies are all examples of talent pools brimming with people with transferable skills and fresh thinking.
- ✓ Don't make the mistake of just hiring a few exciting people from parallel industries. Remember: hiring isn't a talent strategy. Assess the sorts of skills and thinking you need for the long-term. Devise ways you can ensure these transferable skills aren't lost in translation.
- ✓ Critically, before you hire anyone, ensure that you've created a structure that will empower their fresh thinking rather than stifle it. Hiring one person from a tech startup isn't going to transform your business; creating tools and processes that will let that person thrive, will.

05

HIRE FOR ATTITUDE AND APTITUDE

- ／ The talent you have isn't the talent you will need. To future-proof your business, make sure you're not just weighing up a person's past, but assessing their potential.
- ／ Adopt a new leadership model that will navigate and implement the changes required.

Identify the types of personas you need, and then hire people who fit those personas:

- Inclusive Change Agents
- Actionable Visionaries
- Commercial Creatives
- Beautiful Business Designers
- Creative Commercials

FINALLY: BE THE CHANGE YOU WANT TO SEE IN THE WORLD

We hope you've enjoyed this insight into what advertising's top talent is feeling.

We also hope you don't just stick it in a drawer and continue with business as usual.

Let it serve as a reminder that, despite "digital disruption", we work in an industry powered by people.

Frankly, your top asset is still talent.

More importantly, let it serve as a call to action – the beginning of a blueprint for 2019.

