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DESIGN INDUSTRY VOICES SURVEY OF UK DESIGN AND DIGITAL AGENCY EMPLOYEES REVEALS 56% INTEND TO CHANGE JOB WITHIN A YEAR

(London - 8 December 2010) Design Industry Voices 2010, the second report on what people in the UK design and digital industry really think and feel about the agency they work for, has been released by Fairley & Associates, Gabriele Skelton and On Pointe Marketing. Research for the report was carried out online between 15-25 October 2010.

Over half of respondents intend to change job within a year

The report reveals that more than half of respondents (56%) intend to change job within a year, compared to 38% in 2009. In 2009, 95% of respondents were in permanent employment, 5% freelancing and 0.4% out of work, while this year 69% of respondents are permanent employees, 26% freelancing and 5% currently not working.

Stef Brown, Marketing Consultant at On Pointe Marketing, says: *“With over half of respondents considering a move, it has never been more important for agency management to engage all staff to build reputation, retain talent and protect client relationships. The increase in freelancers means more people are regularly working at different agencies and these people can create or break agency reputations through word of mouth, potentially impacting on future recruitment.”*

Staff discriminate more about what they expect from their agency than last year

In the survey, respondents were presented with a series of attributes listed as statements. They were first asked how important each attribute is to them personally.

This year there is a 43% difference between the highest ranked, most important, attribute (82% for ‘values ideas and opinions’) and the lowest ranked, least important, attribute (39% for ‘helps employees manage stress’). In 2009 the difference between the highest and lowest ranked attribute was only 11%, with the highest ranking at 100% for ‘has a management team that demonstrates strong leadership skills’ and the lowest ranking at 89% for ‘focuses on farming existing clients’ (not included in the 2010 survey).

Rachel Fairley, MD of Fairley & Associates, says: *“Last year everything was considered important. This year respondents seem more realistic and discriminating, with a focus on being able to make a contribution to stimulating work in a team environment, where there is a strong leadership that rewards people for going the extra mile.”*

Perceived delivery gap widens in the past year

Respondents were also asked how well they feel their agency is currently performing against each attribute. An agency delivery gap is defined as the difference between the perceived importance compared to perception of how well an agency currently performs.

Perceived agency performance is poor. At best, just over one third (36%) and at worst, only one in ten (10%), rate their agency as performing ‘very well’ for any single attribute.

This year there is a wide range between the attribute with the smallest perceived delivery gap and the highest gap: -15% for ‘a brand that is compatible with my own values’ to -56% for ‘rewards people for going the extra mile.’ The most important attribute (‘values ideas and opinions’) has a large delivery gap of -46%, while the lowest delivery gap of -15% is for one of the least important attributes (‘a brand that is compatible with my own values’).

In 2009, the lowest and highest delivery gaps were also for ‘a brand that is compatible with my own values’ (-6%) and ‘rewards people to go the extra mile’ (-39%).

Finally, the number of employees writing their thoughts about work online has increased from 19% in 2009 to 27% in 2010.

Rachel Fairley continues: *“While respondents may be more realistic about what is important to them in an agency, their perception of how their agency actually performs has got worse and is generally poor. Rewarding people for going the extra mile remains the biggest concern. Agency bosses should take heed that their employees feel their ideas and opinions are not valued, with a high delivery gap of -44%. It’s also worth noting that being new to an agency, or a freelancer, doesn’t mean the person will have a different point of view of how well the agency is performing compared to long-term staff. This matters all the more because more people than ever are sharing their thoughts about work online, shaping agency reputations.”*

Age has impact on what’s important and how actual performance is perceived

Age affects importance ratings by respondents in four specific areas:

- Importance of doing ‘work that is stimulating’ decreases with age.
- Under 30s rate ‘supporting professional development and growth’ as more important than other age groups.
- Importance of ‘clear strategic goals’ increases with age.
- Over 50s perceive ‘holding people accountable for the quality of the work they produce’ to be of higher importance than other age groups.

Age also affects respondents’ perception of actual agency performance in seven of the fifteen attributes.

Karina Beasley, MD of Gabriele Skelton, says: *“We think there is likely to be a link between seniority and age. Perhaps it’s not surprising that certain areas such as supporting professional development and growth becomes less important as people grow older because they will have more years of experience. What is more surprising is that the importance of doing work that is stimulating decreases with age. In a sector often cited for retaining employees because of their love for creativity, agency management may need to reconsider how staff motivations have changed.”*

Owners and executive teams disagree that their agency ‘has good pay and benefits package’

Owners and executive teams perceive a difference in their agency performance in relation to ‘has good pay and benefits package’. The average ranking is 18%, while owners’ ranking is 22% and executives’ is 13%. Not only this, but owners perceive performance to be better than the average for seven of the fifteen attributes and executive teams do so for five of those seven.

Rachel Fairley concludes: *“Agency leaders believe performance to be better than the rest of staff for almost half of the attributes. There appears to be a disconnect between senior staff and the rest of the workforce. Despite this difference of opinion, performance for all attributes remains poor. But perception is reality, and leaders need to share their vision for the business so that all staff may have a common view.”*

Further information about the report are available on www.designindustryvoices.com.

ENDS.

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Selected quotes from respondents:

"A lot of company owners are under the delusion that their employees want nothing more than to work late nights and weekends 'for the cause'. The majority of people that I know in the design industry work ridiculous hours and have no work/life balance. Friends I know suffer stress and exhaustion, all under the belief they should be enjoying themselves because they have a vocational job. Also, for some reason which I've never figured out, design is the only industry where nobody ever says 'no' to the client. If you said to a plumber 'I want this finished by the morning', he'd probably laugh his head off. But in design, account handlers simply say 'Yes, yes, yes'. I made the decision to become self-employed six years ago and I've never looked back. Despite still loving the work I do, I sincerely hope never to have to work full-time in the design industry again."

Male freelance designer, aged between 30-39.

"...agencies seem to be continuing to reduce in size, the days of the large agency seems to be numbered. This means that the role of the 'good' freelancer is ever more important. Across the industry there seems to be a lack of really good freelancers who have a wide range of experience."

Male agency owner and designer, aged between 40-49, who has worked for his agency for less than a year and sometimes writes his thoughts on social networking sites.

"I am based in the US. After working in the UK for the past year, I have noticed several key differences, at least in London. 1) Women are still undervalued and often poorly treated in the workplace. 2) Pay in the UK is far below what one would expect in the US. 3) Personal space as not valued. 4) Alcoholism is institutionalized in the workplace."

Male freelance designer, aged between 40-49, who has worked for his current agency for less than a year.

"It is difficult for female designers after having had children to get into the work market again, to be on the same or higher level than what she was on before she had children, as it seems to be too much extra complications for the employer. Design agencies would rather choose a designer without a young family. Despite the facts that the female designer has a very good education and work experience, being a mother puts her at the back of the line... It was a set back to choose to stay at home, but working would not be a practical option, since the working hours (9am -6pm) would not allow me to pick my children up in time, and the wage would only go to paying off the child care bills."

Female designer, aged between 30-39, who worked for previous agency for five years and is now a stay at home mother.

"I'm a freelancer and all the agencies I've worked for in the last 18 months seem to be responding to the economic downturn by promising clients work with unrealistic budgets and improbable deadlines. But it's a false economy as stress and anxiety levels go through the roof and the staff suffer as does the quality of work delivered. The phrase 'digital sweatshop' comes to mind and the attitude of the management tier seems to be 'suck it up and take it'."

Male freelancer, aged between 30-39.

"Creative skills - intuition, a broad knowledge base, discerning thought process - used to be something of value. More recently it's becoming no more than a commodity, driven by clients and even some creative managers with the attitude of 'we can all do this, what's so special about you?' If we ourselves don't place enough emphasis on quality of thought and a sense of craft (and that goes for strategic as well as creative output) then what hope is there of educating clients? To put it simply, it's not much fun anymore...."

Male designer on the executive team, aged between 40-49, who has been with his agency on permanent contract for over five

years.

“Too much emphasis on agencies hiring ‘bright’, which is a euphemism for ‘young’. As an older worker in internet, have been working in the industry for 15 years, and now it’s difficult to get work as most shops are focused on having a young, bright, ambitious team.”

Male production manager, aged between 40-49, on a permanent contract with current agency for less than two years.

“I find it disturbing that people who have only worked for themselves think their way is the only way to do things! I think there’s a mix of arrogance and naivety with some people at the top. They’ve no idea of the reality at the coal face!”

Female account management member of the executive team, aged between 40-49, who has been with her current agency in a permanent role for less than four years.

Methodology:

We asked people who work within design or digital agencies to anonymously share their views on how it feels to work within their agencies right now.

The research was carried out online between 5-15 October 2010 by Rachel Fairley of Fairley & Associates, Professor Stephen Platt of University of Edinburgh and Dr Claudia Martin of Scottish Centre for Social Research, working in collaboration with Gabriele Skelton and On Pointe Marketing.

893 of a possible 11,352 people invited to participate did so (7.9%), all of whom are either clients or candidates of Gabriele Skelton. The sample size is larger than for 2009.

The majority of questions were statements where respondents were asked for their point of view on how important an attribute was to them personally (very important, quite important, not important, not sure) and how well the agency they work for currently or most recently was performing in relation to each of the attributes (very well, quite well, not well, not sure).

About the participants:

Management function: 18.4% are owners, 5.9% are on the executive team, 17% are director level, 22.6% are managers, 36% are in non-management role.

Role: 57.7% are designers, 7.4% strategists, 13.8% work in account management, 6.8% in production, 4.1% new business/marketing, 1.8% human resources, with 8.4% classing their roles as being in other parts of their organisation.

Employment status: 69.4% of respondents are permanent employees; 26% are freelancers and 4.6% currently not working.

Length of service: 25.9% of participants have been with their employers for more than five years; 7.7% less than five years; 9.1% less than four years; 12.6% less than three years; 13.9% less than two years; 30.8% for less than a year.

Location: 94.2% are UK based; 5.8% work outside the UK. For the purposes of analysis we used only the responses of those based in the UK.

Age: the majority of respondents were aged 30-50 (43.7% aged 30-39 and 31.2% 40-49), 0.1% are under 18, 14.1% are 18-29 years old, 9.9% 50-59, 1.0% over 60.

Gender: three-fifths of the sample were male (59.8.5%) and two-fifths female (40.2%).

About us:

Fairley & Associates works with companies and agencies to effect change, solve immediate business challenges and build long-term capabilities in brand, marketing and engagement. Our clients report greater traction within their organisations and in the marketplace. <http://www.fairleyassociates.com>

Gabriele Skelton is a specialist design and digital recruitment agency. We're matchmakers; we connect the right candidate with the right client to create something new. We love working with creatives, account handlers, consultants and thinkers, techies and developers. It's about making the right connections to get the right reaction - unusual combinations that make the magic happen - that's what we mean by chemistry. <http://www.gabrieleskelton.com>

On Pointe Marketing works with agencies to build external and internal reputation to drive the business development pipeline and retain and attract talent. We create business and brand-led marketing plans and ongoing implementation consultancy. In a world where agencies sometimes wear the worst shorn shoes, On Pointe Marketing is the cobbler. <http://www.onpointemarketing.com>