

EVOLVING TALKING DOG

# THE ROAD TO CONVERGENCE



The University of Georgia

*GRADY COLLEGE OF JOURNALISM & MASS COMMUNICATIONS*

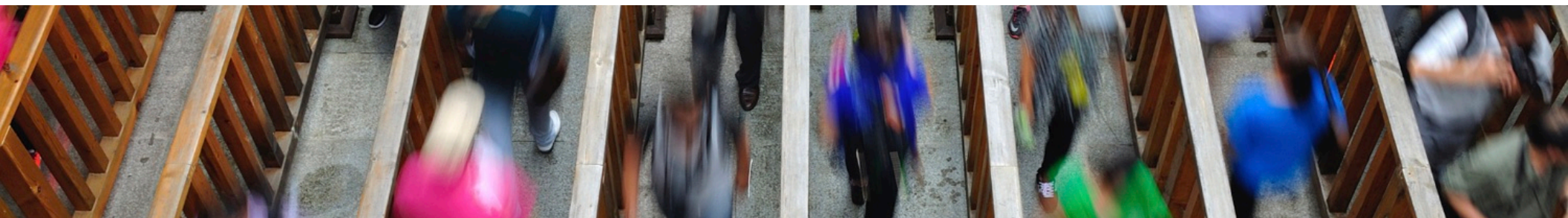


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*“A colleague has said, ‘If you don’t like change, you’re going to like irrelevance a lot less...’ Burning platforms make a big difference. You have to create an understanding of how challenging the situation really is.”*

– Tony Weisman, CMO, Dunkin’ Donuts

Our world is changing faster than at any time in history. Marketing and communications leaders tell us the speed at which change is moving is unique and differentiating as compared to past decades. “We had a leadership meeting six years ago,” said Steve Behm, President, Edelman, Southeast Region, “and we talked about a ‘culture of change’ for the year ahead. We had to think differently about how we did our business. We’ve adapted that over the years, knowing we’re in an ongoing state of change that we have to embrace.”

What has been most striking to Behm, however, is the disquieting reality that we’re far less clear about the destination point we’re evolving *toward*. Today, we see through the glass darkly.

By 2020, we’re told more than 21 billion information devices will be installed globally. Changes coming out of Silicon Valley are fundamentally transforming our institutional, social, political and cultural norms and practices. Airbnb, Twitter, Facebook, Uber, Apple and countless other new technologies have put the world at our fingertips and help us coordinate activities at previously unimaginable speeds and scale. Myriad on-demand platforms are enabling new levels of convenience and flexibility; at the same time, they’re undermining well-established notions of work and employment.

Change is permanent, accelerating and an existential element in all business models and corporate cultures.

“I think there’s such an assault on everybody’s senses,” said Jane Ostrander, Vice President, Global Communications, of Lake Forest, Ill.-based Tenneco, Inc. “There’s so much information out there, and so many mediums – social media and everything. I find business people who are not in communications throwing out, ‘Communications! We have to communicate more!’ Or ‘Where’s our marketing!’ I

was at our executive team offsite last week and we were trying to identify the key things we would work on. I was laughing and said, ‘OK, people, it’s not *all* about communications!’”

“You can never take your foot off the gas,” said Jon Harris, Chief Communications Officer at Chicago-headquartered Conagra Brands. Where corporate and agency marketing and communications leaders once had the luxury of looking out over weeks or even months to measure and prove the value of their function, C-Suite executives today are demanding real, immediate results.

“We introduced a new Slim Jim product on the Today show,” Harris said, “and by the afternoon, people were asking, ‘How much product have we sold?’ I couldn’t tell you, but our people want to know *now*.”

Where are we going? What does it mean for academic leaders, students and professionals? To answer these questions, we turn to two of the most respected thought leaders of our time in their spheres of influence.

Jon Iwata is former Chief Brand Officer and CCO at IBM Corp. who now serves as executive-in-residence at Yale University. As he considers the future of communications, his expectations of academic leaders are heightened: “The degree to which academic institutions start to create models – what is the function going to look like in the years ahead? How will the function be organized? What roles and skills will be needed? What measurements will be needed in the new profession? This would be of great value to the profession. I don’t see enough of that coming out of the academy.”

Tom Friedman, *The New York Times* agenda-setting columnist, has put into perspective the new world order in demanding times. “Today,” he writes, “average is officially over. Being average won't earn you what it used to. It can't when so many more employers have so much more [above average] cheap foreign labor, cheap robotics, cheap software, cheap automation, and cheap genius. Therefore, everyone needs to find their *extra* – their unique value contribution that makes them stand out.”

Creating a world-class, student-led agency at the Grady College of Journalism and Mass Communication at the University of Georgia is all about finding and applying the *extra*.





## Chapter 1

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# Scope of work

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In 2017, the Grady College established a goal to create a truly distinctive, integrated student agency in its Department of Advertising and Public Relations. To ensure the long-range success of the new firm, a number of steps are being taken that will help refine the agency model, build ownership and commitment among key audiences, and create a strong foundation that will attract donors, prospective clients, faculty and top students.



This study will help put into greater perspective how the world is changing for advertising, marketing and public relations leaders, and actions the Grady College can take to adapt these learnings in advancing its integrated student agency.

Included in this work are the following:

In-depth Interviews with Grady College faculty in Advertising and Public Relations and students who directed the student agency, Talking Dog, in 2017-18 to capture thoughts and input on issues related to advertising, marketing and public relations; programs they lead; and the work of the student agency. Interviews were conducted with

- Dr. Jennifer Barnhart, Senior Lecturer, Advertising; The Grady College of Journalism and Mass Communication, University of Georgia.
- Kim Landrum, Senior Lecturer, Advertising; The Grady College of Journalism and Mass Communication, University of Georgia.
- Kristen Smith, Senior Lecturer, Public Relations; The Grady College of Journalism and Mass Communication, University of Georgia.
- Dr. Karen Whitehall King, Jim Kennedy New Media Professor; The Grady College of Journalism and Mass Communication, University of Georgia.

- Dr. Kirsten Strausbaugh-Hutchinson, Senior Lecturer, Advertising; The Grady College of Journalism and Mass Communication, University of Georgia.
- Reilly McGee, Student and Director, Talking Dog; The Grady College of Journalism and Mass Communication, University of Georgia.
- Victoria Zacari, Student and Director, Talking Dog; The Grady College of Journalism and Mass Communication, University of Georgia.

In-depth interviews with faculty advisors associated with select college and university student agencies to gain insight on how their programs operate, where they've enjoyed success and experienced setbacks, how clients compensate the agencies, how students are credited for their work, how they staff their teams, how they train their students, and how they win clients and build programs and innovative services. Interviews were conducted with

- Anthony D'Angelo, Professor of Practice & Director, Communications Management, The S.I. Newhouse School of Public Communications, Syracuse University, Syracuse, N.Y.
- Michael Meath, Assistant Teaching Professor – Public Relations, The S.I. Newhouse School of Public Communications, Syracuse University, Syracuse, N.Y.



- Teri Henley, Instructor – Advertising and Public Relations, College of Communications and Information Sciences, University of Alabama, Tuscaloosa, Ala.
- Dr. Christopher Wilson, Assistant Professor – Public Relations, Communications Department, Brigham Young University, Provo, Utah.

In-depth interviews with senior executives who lead integrated agencies regarding their perspectives on how the new convergent model is evolving; strengths and deficiencies in how they serve clients today; how staffing models and team dynamics are changing to meet new client demands; and what their teams need to be effective. Interviews were conducted with

- Sir Alan Parker, Chairman, Brunswick Group, London, United Kingdom.
- Bob Pearson, Vice Chair & Chief Innovation Officer, W2O Group, Austin, Texas.
- Steve Behm, President, Southeast Region, Edelman Worldwide, Atlanta, Ga.

In-depth interviews with Chief Communications Officers (CCOs) who serve as trustees of the Institute for Public Relations and members of the Arthur W. Page Society, regarding their views on what they need from their agencies; how these needs drive their selection and retention of agency partners; and their views on the

effects of convergence on their internal teams. Interviews were conducted with

- Tony Cervone, Senior Vice President, Global Communications, General Motors, Detroit, Mich.
- Jon Harris, Senior Vice President & Chief Communications Officer, ConAgra Foods, Chicago, Ill.
- Joanne Bischmann\*, Vice President, Communications, Harley-Davidson, Milwaukee, Wisc.
- Bob Jimenez, Senior Vice President, Corporate Communications & Administrative Services, Cox Enterprises, Atlanta, Ga.
- Jane Ostrander, Vice President, Global Communications, Tenneco Inc., Lake Forest, Ill.

In-depth interviews with select Chief Marketing Officers (CMOs) regarding their views on how convergence is evolving in marketing services and communications; what they need from their teams and agencies; and how these needs affect their organizations, their teams and drive their selection and retention of agency partners. Interviews were conducted with

- Jon Iwata, (Retired) Chief Brand Officer and Senior Vice President, IBM Corp., Armonk, N.Y.



- Tony Weisman, Chief Marketing Officer, Dunkin' Donuts North America, Canton, Mass.

In addition to the interviews, our work also included a review of 26 entries from *PRWeek's* Boutique and Small “Agency of the Year” categories to identify how these firms have adopted best-in-class practices for staffing, training, creating new programs, building their cultures, winning new clients and innovating their services and products. We’ve looked at how the work of these firms in building their cultures, creating great programs and services, and celebrating their people, can be applied to the integrated student firm.

The following firms were included:

#### *Boutique*

- Paragon Public Relations
- AGW Group
- BRG Communications
- MULTIPLY
- Clyde Group
- Curley Company
- Deveney
- Elasticity
- Evolve MKD
- GreenRoom

- Harvest PR & Marketing
- Hiebing
- Jones PR
- CodedPR
- Manifest New York
- Rebel Cause/Irwin Gail Communications
- RED PR
- Rsquared Communication
- Vested

#### *Small*

- Bliss Integrated Communication
- C+C
- rbb Communications
- Praytell
- Singer Associates
- The Door Marketing Group
- LDWWgroup

Based on the listening research and our review of best-in-class agencies, we’ve synthesized our findings into this white paper that can be used to educate faculty, alums, donors, Grady College Executive Council members, students, agency partners and, ultimately, to build visibility and excitement for the leadership role UGA will play in evolving Talking Dog.

## Chapter 2

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# The Seven Truths

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# Truth 1: Average is officially dead

Bob Pearson is known for driving “pragmatic disruption” in the world of social marketing. He’s widely recognized as a digital marketer, investor and communicator who has served global organizations like Dell, Novartis and W2O Group, the latter an integrated firm where he’s Vice Chair & Chief Innovation Officer. Pearson is authoring a new manifesto for W2O Group’s 600 employees on the agency of the future – one that will be divergent, data-driven and bold.

“We’re educating our people to use analytics and new account management strategies as opposed to old models,” he said. “If you’re coming to clients with data-driven, fresh thinking, you’re a real competitor. If you’re coming in with old models – in that case, if a client wants them, take them. We don’t want to have anything to do with them. That is the separation that is occurring in our business.”

For Dunkin’ Donuts’ North America Chief Marketing Officer Tony Weisman, if you’re average, you’re dead.

“When you’re satisfied with a 20-percent acceptance rate, just remember that five years ago nobody at GM’s board meeting

was talking about Uber or Lyft.,” said Weisman. “Things happen fast and come out of nowhere fast. Walmart feel asleep while Amazon stalked them. They’ve rallied but were moments away from death.”

Weisman, a longtime agency leader, arrived at Dunkin’ Donuts’ headquarters in Canton, Mass., in December 2017, to find an in-house team that had grown complacent and resistant to change. “I’m working in a place in suburban Boston that was a very convenient and desirable place to work for a long time. When I asked why things were done in certain ways, I was told, ‘This is the way we’ve always done it.’ It’s a group of people that are just not in the world enough.”

To drive change, he’s marshaled his team and C-Suite leaders to experience the shifting landscape by sending them out into the world of franchisees, customers and thought leaders who shape and influence technology, culture, society and politics.

If they could, Weisman and Dunkin’ Donuts’ leaders would opt for the dramatic step taken by McDonalds, ConAgra Foods, General Electric, Beam Suntory and others to relocate their

corporate headquarters to an urban environment, where reservoirs of Millennial talent, energy and creativity run deep. “You’re in a suburban location nowhere near public transportation. You can’t get young people to work there. They have no interest in that. Millennials are not as cash- and compensation-driven as Boomers, and they will not do whatever they have to do for the money. Educated, somewhat affluent young adults have lots of choices today.”

Just being average, by the way, is not one of those choices.

Harley-Davidson, Milwaukee, Wisc., has rarely known average. For 115 years, it has been one of America’s most iconic brands. Yet the company took quite a punishment early in 2018 as its stock plunged nearly 30 percent based on several worries, including, but not limited to, tariff wars, rising costs, softening demand and execution issues. It also was punished heavily by investors as a result of revenue declines for the last five years.

Joanne Bischmann, Vice President, Communications, at Harley-Davidson said it’s much harder to rise above the pack and “win” in an industry that’s not winning. “How do you demonstrate you’re making progress? How do you make people feel like there’s wins in all of this? And then you get all these distractions [from political, economic, social and cultural influences]. Telling the story is getting more complicated, which makes it harder to break out and establish leadership.”

Dr. Kirsten Strausbaugh-Hutchinson is a Senior Lecturer in Advertising at Grady College. For several years she worked for the The Walt Disney Company and has watched Madison Avenue and its storied advertising brands bundle and unbundle their services as they undergo a metamorphosis to address client demands – and in hopes of eclipsing their competitors.

“I’ve watched McCann own every floor at 666 Third Avenue. Every floor is full and then – boom, it’s emptied back out. The words [today] are ‘nimble, scrappy.’ Momentum [The Interpublic Group’s brand experience agency] has its own space. Everybody is back out because they want to be reactive and the big agencies are not. They’re all bogged down with layers and process and that costs clients’ money. They’re all the same.”

“All the same” means being average – and average is officially dead.



## Truth 2: Speed of disruption is unique, differentiating

Nowhere is business disruption more pervasive than China, where Jabil, Inc., of St. Petersburg, Fla., one of the world's most technologically advanced manufacturing companies, sees competitors wax and wane in Asia-Pacific locations like Shanghai, Huangpu, Tianjin and Taipei, Taiwan. "Some weeks, we have two new market entrants," said one of Jabil's country managers. "The next week, a competitor goes out of business. Things move fast. It's hard to keep score."

Often, it's about responding boldly before it's too late. As Netflix CEO Reed Hastings has said, "Companies rarely die from moving too fast, and they frequently die from moving too slowly."

What does speed really mean today?

The speed of disruption has changed the way we think about deadlines. "It's devalued the process we use," said Grady College's Kim Landrum, a Senior Lecturer in Advertising. "Clients think it's so much faster and I can do this so much more quickly. But that doesn't change design and messaging, look and feel. It still takes time." And by the time we've educated our clients, Landrum said, the technology will morph and change again.

Fifty-three years on, Moore's Law still pushes tech to double down. While reaping the benefits, we also feel the sting of change.

In our "always on" culture, organizations serving customers are constantly dealing with perceptions, real or imagined, that pervade the marketplace. For Tenneco's Ostrander, the world's largest manufacturer of ride performance and clean air products, auto and truck makers must sort out the noise that surrounds "shiny objects." She uses the rise of autonomous vehicles to illustrate her point:

"We're finding it very difficult to get the investors off [the story of the autonomous vehicle], even though we can produce and present statistics and data showing the internal combustible engine is alive and well. Our customers are investing in it, it's not going away, and there are still growth opportunities for traditional technologies. But given content out there and the constant drumbeat, people think we're all going to be riding around in pods, looking at our computer or tablet instead of driving."

At an earlier point in her career with the iconic marker of motorcycles, Bischmann also directed marketing before assuming responsibility for Harley-Davidson's corporate communications. Her greatest challenge in the age of information overload is creating a narrative that is digestible for people. "It's extremely difficult because you can be so easily distracted," Bischmann said. "And we do get distracted. It's trying to stay on the steady path of keeping your eyes here. Just stay with me! I would imagine that is exactly what my marketing team is trying to do as well."

The speed of disruption also has changed the way consumers access information. Edelman's Behm said the speed at which information is changing between mobile and different platforms, the ability to go peer-to-peer direct as well as brand-to-consumer direct, is "incredibly disruptive to the traditional architecture of the agency world and our approach to the marketplace."

Even in recruiting, Tenneco's Ostrander said things are changing fast. "It's very hard to keep up. I'm seeing a little bit of a resource stretch for communications. You're always fighting against the next wave, but I think there's a greater recognition of that – even though most executives don't have a clue of what they're asking for."

Tony D'Angelo, Professor of Practice & Director, Communications Management, The S.I. Newhouse School of Public Communications, Syracuse University, Syracuse, N.Y., sees the

concept of change management as redundant. "If you're managing," he said, "you're managing change. If you label something a change management program, you're probably not focusing on the right things. Organizations that are truly effective in dealing with the speed of disruption bring a change management perspective to everything they do."

D'Angelo in 2017 commissioned research to identify actions Syracuse must take to equip graduate students for an executive position. "This firm came back to me and said, 'We've studied a lot of professional disciplines in a lot of fields. We're not sure we've ever assessed one that is changing faster than your field.'"

And convergence in our profession was at the center of their findings.



# Truth 3: Corporate and agency models are broken

While serving as Chief Brand Officer at IBM, Jon Iwata remembers one of his weekly conversations with Sir Martin Sorrell, founder and former CEO of WPP, the world's largest advertising and marketing company. The day of reckoning had arrived for the big holding companies with semi-independent brands, and Sorrell was hammering home the point that client organizations no longer value being tethered to a family of disparate and disconnected agencies. The old model is broken, and integration is the only way forward, Sorrell asserted. Within days, he pulled the trigger on the merger of two of WPP's biggest PR brands, Burson-Marsteller and Cohn & Wolfe.

"What the client wants today is more integration," Iwata said. "The model of agencies in a holding company brings massive redundancies and no economies of scale or efficiencies. On the profit side it's killing those guys. They never actually integrated anything and don't share anything. Back offices aren't shared. Technologies are seldom shared. Clients are seldom shared. The economic structure can't sustain that."

General Motors spends billions of dollars annually with partner agencies on communications and marketing services. In GM's

offices in Detroit and suburban Birmingham, Mich., teams from the Chevrolet brand are working with WeberShandwick, The Commonwealth Agency and McCann Worldgroup to understand what outcomes can be realized from the integrated agency model. Tony Cervone is Senior Vice President, Global Communications, at GM, and he's helped drive the process.

"[GM's agency partners] always sat in the same building. They just never talked to each other," Cervone said. While the agency partners once claimed they were interacting and having conversations about shared work, Cervone believes they weren't engaging for strategic business purposes; only as a box-ticking exercise to satisfy their senior leaders.

That's all changed as the new model for integration has taken hold. Today, the agencies are working together more closely – and with greater effectiveness. "We have all of the Chevrolet social, marketing, advertising and communications under one roof, and the support is also under one roof," Cervone said. "To be candid, that's largely the result of the internal team driving that model, asking the right questions, getting to the right conversations and leading the right ways."

When massive tectonic plates move deep below ground, the earth undulates, triggering earthquakes, eruptions and imperiling everything in their wake. When change collides with people and corporate functions like metaphorical tectonic plates, we can be swept up in a tsunami of chaos and confusion.

Over the past three decades, corporate restructuring has had a profound effect on internal teams and their agency partners. One CCO of a global energy company remembers McKinsey & Company, the management consulting firm, being retained for a comprehensive review of departments and functions. McKinsey recommended a new structure and staffing model for the communications function that eliminated 53 positions without careful deliberation and socialization of the changes. “It was hard to complain,” the CCO said, “because everybody in our organization felt some pain. It forced us to change our function overnight.”

Restructuring efforts have led increasing numbers of companies like Cox Enterprises in Atlanta to bring their advertising, ad buying, marketing, public relations, digital and social media, creative and even research needs inside as they build in-house agencies staffed by integrated teams. “Our old model wasn’t producing the results we wanted,” said Bob Jimenez, Senior Vice President, Corporate Communications & Administrative Services at Cox. “We’re making a big bet that this is how organizations will

want to reach their intended audiences through this integrated platform.”

Rarely today are major account reviews conducted without the involvement of procurement teams that force more strident guidelines, policies and financial terms upon winning agencies. “Procurement has made a huge difference in the way [agency teams] operate,” said Dr. Karen Whitehall King, Jim Kennedy New Media Professor at Grady College. “Agencies are getting squeezed and squeezed,” forcing many to tighten budgets, freeze compensation levels and hold firm or reduce starting salaries, which King said ultimately affects the diversity of their workforce.

“They want more diversity in their workforce,” said King, “and as long as their starting salaries stink, they’re going to have problems getting a diverse workforce. I’ve been telling agency presidents this for several years and they say, ‘Yeah, but our clients won’t pay any more...’ So, the clients want a diverse workforce, but agency leaders don’t want to pay for it.”

“And there are no training programs now,” said King. “Your internship is your training program.”

Agencies are laser focused on their financial performance. Many have been forced to delay or reduce training and continuing education, as well as their support for staff members involved in professional organizations and external programs important to their corporate cultures. In the current environment, if agency



teams aren't equipping their people with critical skill-sets, knowledge needed to formulate strategies for programs and training in management processes, how can they be truly effective?

Sir Alan Parker co-founded Brunswick Group in London three decades ago. Since that time, the firm has become one of the world's leading critical issues consultancies, working across The Americas, Europe and Asia and delivering select integrated services. As Chairman, Parker has been thinking deeply about training and the development of people, and why these areas are not more advanced in the communications profession.

"Advertising has put huge effort into redefining that before," Parker said. "WPP Scholars are very well-trained people. The wider communications areas have not done that, and it is a very interesting issue. We're now looking seriously at training and education in a different way inside the firm and with our clients. It's a very different kind of challenge. The content doesn't exist in a way. If you and I sat down and started a law firm, we could do that. The content isn't there and there's no system to develop it."

What do clients want from their agency partners today? And are they getting it?

For companies at a critical juncture in the change process, they want partners who can drive a relevant, incisive point of view that will help navigate the here-and-now. "An agency like that isn't

thinking about annual programs and budgets," said D'Angelo. "Those are almost quaint notions anymore. It's almost like – 'We're going to get through this thing and then we're going to run like hell to get through the next thing...'"

Michael Meath is a former agency executive who is now Assistant Teaching Professor – Public Relations at Syracuse University's Newhouse School. He also advises Hill Comms, Syracuse's student agency. Meath believes agency professionals are "scratching their heads trying to figure out what clients want."

"Clients don't want big agencies of record any more. They want prescriptive [support]: Help us with this area where your expertise is." And while the pendulum has swung from specialization back to the age of the generalist, Meath said agencies must know where they excel. "The faster they can say we're not expert at one thing, but we can help on something more specific," he said, "the more trusted they're going to become."

Weisman echoed Meath's comments on agencies of record being a broken model and decried the rise of the "bespoke agencies" like Team Ford or Team Blue (IBM) that "sounded sexy and were integrated for the clients, but the reality is the best talent doesn't want to work on it. Nobody who is good wants to work on one thing. You'll never get another job, and it's not how your brain works."

Weisman said agencies need “a stable of race horses,” with strong leadership inside to coordinate it. “But you have to naturally want to collaborate,” he said. “You need an overdose of the collaboration gene.”

Unlike the age of unbundling and specialization, King said a real fear and expectation today is that professionals will be pigeon-holed. “They don't see themselves as being capable of being generalists and able to do all things – their job and somebody else's job. That's not the kind of student we need to be preparing today.”

Reilly McGee is a UGA graduate and a past Director of Talking Dog. As she worked through internships in the advertising field, she learned that “people are becoming less specialized and you have to be good at so many things. You have to translate your vision to so many different mediums; innovate with brand new things. Being specialized would actually hurt you today.”

And agency professionals today are trending younger, said Grady College's Barnhart. “People are very young. It's very much a youth market. It didn't used to be a youth market. You're not going to be able to stay in agencies forever. Since things evolve, and you move and it's quick and it's facilitated by technology, you age out of it. You age out or price out.”

King also believes the growing salary gap between the “haves and have-nots” in agencies has been detrimental to the talent

pool. “People at the top are making so much more money than they ever made,” she said. “Ten times what they used to make. Yet they're still squeezing people at the entry levels and even at the middle levels. Sometimes, in an agency, the last thing you want is to get too high because then you're the first one cut because they can save more money.”

Weisman was President of DigitasLBI North America before assuming his role at Dunkin' Donuts. He believes agencies are suffering today because there's no bench of seasoned professionals. “So, the client leaves, you lose your job,” he said. “We grew up in a world where you could stick around for a while until something came in the door. These big holding companies are run so lean, with so much margin pressure, that it's very unstable. It tends to be last one in, first one out. Young people tend to suffer when the client gets a cold.”

Tony D'Angelo believes clients need communicators and programs squarely pointed at organizational outcomes. “The media are always going to change. There are certain fundamentals and philosophies that won't change,” he said. “Harold Burson recently said public relations people are great at giving increasingly sophisticated answers to irrelevant questions. That really stuck with me,” D'Angelo said. “We can debate the billions of tactics and delivery systems but if they're not pointed at organizational outcomes integrated with what we're doing to support an organization, then I think we're sort of making noise.”



Finally, Conagra's Harris, a veteran CCO who has served in Consumer Packaged Goods (CPG) companies for many years, worries about the diminished role of the corporate communications function as CMOs take on greater oversight for all marketing services and communications.

"We owned content at one time," Harris said. "Then when the advertising function declined, everybody wanted to do what we do. We owned the brand and reputation, but we've relinquished it over time, too. It's going to continue to be a challenge. We're spending more of our time creating loyalty for our work. We have to partner with marketing or we'll miss the boat."

"We're playing in a much different sand box," Harris quipped.

And with the entry of consulting firms in the communications field, that sand box is becoming even smaller.

# Truth 4: Space between creative firms, consultancies has converged

Imagine, for a moment, you're leading an agency team into a big pitch. On most days, you prepare to compete against your brethren in public relations or advertising, but today is different. Very different: Your team is competing against a new division of a major newspaper whose declining revenues forced the company into brand journalism content generation.

Tony D'Angelo heard this tale from the agency leader who competed in that "bake-off," and it caused him to stop and consider the implications of the new field of competitors in marketing services and communications.

"This makes some of our journalism professors' heads want to explode, but that's where the economics is driving these non-traditional firms," he said. "How would you like to go into a pitch and you could be up against a major newspaper or a Hollywood producer? A lot of the walls are coming down, and I think it's very exciting and very challenging at the same time."

A 2017 *Ad Age* article\* provides context for the rise of the new, non-traditional players:

*"These consultancies are rising fast by gaining a foothold in marketing departments and wooing chief marketing officers with their vast array of strategic and data analytics solutions to big business problems that traditional advertising can no longer solve alone. And in some cases, they are layering on creative services and content marketing, putting them solidly on the same turf as traditional shops."*

Iwata said the trend of non-traditional firms like McKinsey, Deloitte Digital, Accenture Interactive, PwC Digital Services, IBM iX and others moving into the agency space will surely accelerate as these firms leverage existing clients and exploit C-Suite relationships where they've historically supplied accounting and consulting services.

"McKinsey is moving toward culture change," Iwata said. "What's inside, however, looks an awful lot like employee engagement or employee communication. The media companies are wading in out of survival. They have to monetize their

*\*The Race is On!! How IBM, Accenture, PwC and Deloitte Are Shaking Up the Marketing Industry; May 2017*

capabilities, and they're very impressive, in some cases. *The New York Times*, *The Atlantic*, *Wired* – all pretty sophisticated because they not only bring you storytelling and production capability on a very high end; they also bring to you the syndication of platforms and distribution. The traditional PR shop doesn't have that."

On the other hand, Iwata believes the new competitors look at everything from the vantage point of "just content, just stories; they lack strategy, they lack the perspective of stakeholder management. Incumbent agencies still have very strong advantages, but they must modernize."

Grady College's Strausbaugh-Hutchinson sees consultancies seizing what were historically agency roles. "PwC used to be thought of for accounting services and now they're doing business consulting in our space," she said. "Deloitte's another one. They helped design Animal Kingdom in Disney. They think they're leaving money on the table."

Behm said most of the pitches in which Edelman competes tend to be a mixed breed. "Consultant change agency. Pure play creative shop. Integrated agency. Sometimes the scale will vary – big global firm, local boutique, the arm of a consulting enterprise," he said.

Brunswick Group's Parker loves being "on the pitch," so to speak, and has led teams globally as they match up against these

new competitors. He's more sanguine about the true abilities of consultancies when a client's reputation is at stake.

"Communications is really our 'tap root,'" Parker said. "It's a live business. Strategy and consulting are not live. Markets are live, and media are live. McKinsey can't stop the clock for 90 days to come back with a 300-page deck to tell you what you need to do. We get the call and might have 90 minutes to prepare what we need to say. That means you have to store and mobilize knowledge in a different way, and present and play it in a different way."

Another challenge for the consultancies, Parker said, is that communicators aren't working with fixed solutions, like an engineer with a process or a template that can be applied to a problem. "This is not about using an algorithm or a formula for a difficult thing. So, it is complicated for them to move into it because it's faster moving than it used to be. And the solution has moved, too."

What is perceived as a threat for some, however, may be an opportunity for others – particularly the next generation of men and women entering a brave new work world. "The good news for people entering the profession is, you can fight from a number of different angles," said Weisman. "You can go to work at Facebook or Google. You could go straight to clients. Or you could go to a social media shop like VaynerMedia, where they write their own code and buy their own technology. Or IBM,



Accenture or Deloitte. Or Hearts & Science, the most successful agency in the last five years because it's run by data guys. The other choice is to be a pure play creative shop.”

In the end, however, Weisman said that regardless of whether you're Deloitte or Accenture, the digital operation is still “the tail on the consulting dog.”

“The business model [of these consultancies] is clear: it's to vertically integrate, and every assignment they get is on the tail of having done a consulting assignment,” he said. “They bring the digital guys along for the last 90 days. That's their sales model and it's a good one. But the world's greatest creative talent doesn't work there yet. They resent that tail on the consulting dog thing.”

He believes agencies still win historically on culture and leading with creativity. “[The consultancies] do tend to do similar work. We're all vying for the same assignments. But the cultures are different. The thing we can never lose sight of is that culture is the difference. Young people need to think about a culture that suits them and where they'll thrive.”

## Truth 5: Accountability critical to our credibility, success

It was a momentous time in January 2018 when Alex Taylor, great-grandson of Cox Enterprises founder James Cox, was introduced as new CEO. In the days that followed, Taylor, 43, began moving on his new agenda, and Bob Jimenez was at the center of activity as Taylor sought guidance on a range of issues.

At Cox, as in other major companies, executive leaders often sit in a bubble; they don't necessarily have the benefit of hearing all that is going on inside an organization or externally. Jimenez said his leaders expect the communications team to provide insights, lines-of-sight on what might occur, counsel when something erupts that no one is expecting, and to have an informed point of view on the possible implications an issue may have on the business, employees and customers.

“There’s a huge expectation that we not only provide them insights and intelligence from a whole host of sources, but that we also lay over that our expertise and our strategic thinking around this line-of-sight to give some information as to what might occur,” he said.

“Above all, they expect us to be accountable,” Jimenez said.

Tony Weisman said the CMO’s biggest job is accountability. “You can’t go a day without a question from the CEO or the board saying, ‘Prove to me that it worked.’ We grew up in an industry where we could say, ‘Fifty percent of advertising doesn’t work...I just wish I knew which 50 percent!’ You can't say that anymore. Today, that’s not good enough. You do know. If you don't, your competitors have the answer.”

Weisman added, “At the end of the day, it’s ‘Love the ads, Tony. Is it driving performance?’ You can’t just say, ‘We think so.’ This has been seismic change in CPG where they’re used to 12- to 18-month lag times on Nielsen reports. And Keith Weed [Unilever’s Chief Marketing and Communications Officer] and others are spending billions on real-time marketing. That’s where the next decade will be fought.”

Jon Harris echoed Weisman’s comments and said leaders are “looking for us to move the needle every day.”

“You have to understand the business intimately,” Harris said. “You have to create a new structure that centralizes everything. Others are better at measuring results than we are. With greater

power comes greater responsibilities and a need for accountability.”

Tenneco in April announced a \$5.4-billion acquisition of Federal Mogul and is creating two separate publicly traded companies – one focused on replacement auto parts and the other on powertrain technology. New boards of directors and management teams are now being selected, and work leading into formalizing the new structures has been intense.

Jane Ostrander said the demands on her team are increasing. “We have to become more strategic in our planning – not only in the planning around our work but also indicating to our internal customers: ‘This is what we’re going to do for you, and this is what we’re not going to do for you.’ It’s requiring more education. It starts with me, with our top leaders, so that my people are not being pulled into things that are not value-add. It’s planning the work, working the plan and making sure that people internally, right up to [our CEO], understand what we’re going to focus on.”

For Ostrander, being more strategic means being more accountable to internal customers and her team.

In Milwaukee, Bischmann said that while her Harley-Davidson leadership team understands the myriad challenges that vex marketers and communicators in the new world order, they press for accountability nonetheless.

“They’re looking for the ‘silver bullet,’” she said. “That’s why it feels more like my marketing days than ever before. In marketing, it was, ‘What have you done for me lately? This doesn't seem to be working, so let’s try something else.’ Marketing was always that. ‘So, if this isn't working, what's your next ad campaign or promotion? What are you going to do next? What have you got in the bag?’ There isn’t a silver bullet...”

Advertising and public relations people live in a world of words, images and ideas. C-Suite leaders live in a world of numbers, processes and performance indicators. More must be done to connect both worlds.

Over the past three decades, CEOs have remade companies as lean, mean machines that put shareholder value above all else. To do that, they’ve insisted on greater accountability for performance.

And the key to accountability is using data analytics.



## Truth 6: Data is at the core of everything we do

When he arrived at Dunkin' Donuts on Day One, Tony Weisman made his way over to see a former DigitasLBI client-turned-colleague, the Chief Technology Officer (CTO). "I found him and said, "Dude, you and I are joined at the hip. I won't present without you.' We're working very hard to be one unit."

Modern marketing has become a "mash-up" between the CMO and the CTO: Those ascending the ranks through strict technology offerings tend to be data scientists, computer scientists, architects or engineers who don't behave like marketers. On the flip side, CMOs are suddenly being asked to justify major capital expenditures for data management platforms, software and ad tech that boards of directors were unaccustomed to approving. "You've got this overlap," said Weisman. "What's the CTO's role and what's the CMO's role? "

"I'm fortunate that I come to the role with a light-level of knowledge of [data]. Everybody out there in the professional world is trying to do this," he said. "IBM, Deloitte, Accenture are all buying digital agencies. You've got Adobe, Salesforce.com and Cognizant saying, 'Look at these digital agencies we've bought!' You've got RGA and others getting into coding."

For marketers, Jon Iwata likens data to instrumentation. "It's not trying to approximate results or findings. It's not asking for peoples' opinion. It's capturing and understanding what's happening – right now."

Communicators historically have sought answers through focus groups, surveys and by asking for opinions. "That's fine because what alternatives existed?" Iwata said. Today, with the rise of digital, marketers and communicators can actually understand, in real time, what people are saying, doing, looking for, what they like and dislike. "That's phenomenally valuable data. It's real-time data that we can act upon, and I don't think we're using enough of it to understand stakeholders," Iwata said.

To understand consumer preferences, GM's Tony Cervone said marketing services professionals must know "who that consumer is, how that consumer gets information, what that consumer's predisposition is and what you're trying to move it to. Where you're trying to move it to is directly proportionate to their opinion of the brand."

GM is gaining greater effectiveness as its measurement models improve. It spent decades trying to convince people of the connection between the brands and learned “there simply isn’t enough money, will or need to do that,” Cervone said. “We’re largely walking away from that [objective] and going to audiences different from the consumer. We find that if we attack the greatest ROI audiences when it comes to the GM brand, that specificity helps those who are following it have a better opinion of the GM brand and our reputation so that it doesn't distract from a purchase decision. “

Steve Behm said real-time data has enabled the team at Edelman to move more nimbly, quickly and to adapt. “In the old advertising model, you do your monthly or quarterly buys and you’re set,” he said. “Now, we’re switching our buys on a minute-by-minute basis based on what we’re seeing in social. The ability to pivot quickly with messages that are targeted to consumers has increased the efficacy of our work.”

# Truth 7: Convergence is the new ROI

The boundaries between traditional marketing and communications are disappearing. Companies like IBM, Conagra, Tenneco and Cox Enterprises have undergone radical shifts in their business portfolios through mergers, acquisitions and spinoffs; or perhaps they've entered more complex markets, requiring new corporate positioning for reputation management. Senior executives realize they need a cohesive, disciplined approach for marketing and communications to effectively reach stakeholders through the explosion of media channels now available.

Ready or not, convergence is speeding ahead: CEOs are mandating it. The return on integration (ROI) is higher because real-time content and messages can be created in a consistent voice across all channels of communication. Resources and budgets can be better leveraged on more efficient programs and tactics. Better career paths will emerge for people seeking growth opportunities. And organizations can create more original content and drive brand journalism.

W2O Group's Bob Pearson sees that CCO's world quickly converging with that of the CMO. "The ad business has become

more distinctive than what we do in public relations," Pearson said. "We need to focus on audience architecture for our clients. Everything today is driven around insights from data and defining who our audience is. And it's all about real-time content and aligning messaging to effectively reach stakeholders with consistent messaging."

At IBM, Iwata championed original content development, the adoption of new platforms and channels, the use of data analytics and the building of expertise within disciplines. "We sometimes hear about these in pieces, but more advanced organizations think about these three things as integrated," he said. "Modern workforces like ours at IBM use mobile, they use social, they consume content in all the modern ways. Inside – outside, the same kind of mechanisms are needed."

With the continuing explosion of growth at Cox, Jimenez recognizes the benefits of convergence: "We've integrated our communications team into one team with one leader. We've created this very robust content-development and channels team that is producing content that can be used across multiple channels and multiple audiences. They are a machine. It's a



beautiful thing. We have this stable of writers now. And this is where we're heading."

What type of professional is needed in the convergent world?

Sir Alan Parker is snaking his way up Park Avenue in Midtown Manhattan. A cacophony of honking horns, the jack-hammering of construction equipment and people talking and laughing blend together in the background like a potent "noise smoothie." If noise is a drug, they say New York is full of addicts who may complain about it but feed off it. Against this backdrop, Parker is contemplating the convergence of advertising, marketing and communications and the type of professionals who will succeed in the new world order:

"There are some people who are born as natural general counselors," he said. "But you've probably come up through the firm as a specialist. The great difference today is that a specialist has to see themselves as bringing the whole of the firm to the client, and the whole of the client to the firm."

Like choreographing a symphony, Parker believes we should carefully select men and women to drive convergence. "Where do you get a conductor from? Because if you choose first violin, you're likely to get an orchestra that skews toward violin or strings. Literally, there isn't space to be playing out of tune nowadays. If you're in it, you're in it. More and more companies

are asking for that connectivity either in the advisory piece and/or the execution piece."

What are the challenges to becoming convergent?

One challenge is turf wars in the C-Suite. Inside big companies, the tension around "convergence" is the convergence of PR and marketing. On the agency side, the discussion centers on the convergence of traditional advertising, traditional PR, and now, digital.

While *PRWeek* Editor-in-Chief Steve Barrett has scoffed at the idea and said CCOs would never agree to it, the threat of collapsing the public relations function under marketing is a reality, and it strikes fear and loathing among many. "For some reason," said Michael Meath of Syracuse, "people in the public relations business are scared to death to be connected with anything other than being in the public relations business."

Conagra's Jon Harris is more direct: "Our industry is at the mercy of marketing. Actually, at some point I see brand communication moving over to marketing. Marketing has bigger budgets. The CMO and Chief Growth Officer (CGO) have more influence than we have."

The biggest challenge to convergence, however, may come from the academy, where educators are digging in to protect the advertising and public relations disciplines and the silos they've created.

Meath, remembers being invited to meet a donor who wanted to make a large gift to Syracuse for a cross-disciplinary program “without even realizing the convergent future before us.” He was joined by a faculty counterpart who directs the school’s student-run advertising agency, The NewHouse. Shockingly, that was the first time Meath realized Syracuse had a student-run advertising agency. He probed a little deeper after the meeting and found out the last time the two student agencies had collaborated was five years earlier.

“I can't tell you how many times – even with our own faculty – I get into this discussion and people are saying, ‘Well, that’s just advertising, and we have to define ourselves and stand up for our identity here.’ If our faculty have this attitude, we’re not going to be able to do anything with our students to help them view the world in a broader sense,” Meath said.

And there are other questions:

How do we create “expertise within disciplines”? Mark Harris, former Vice President - Communications for IBM Global Business Services, has said, “I don’t think anybody really wants to call a marketing guru to manage a reputation crisis; I know for sure that nobody wants to call a PR pro to manage conversion rates or the signings pipeline.”

Should we be producing converged content development? The answer is yes, and organizations like Cox Enterprises are on that

path of closer collaboration regardless of formal reporting and budgeting structures.

And how do we merge and converge while still maintaining excellence and expertise within discrete disciplines, for the good of the business and career paths? “There are going to be people who know how to prepare an executive to go on TV and do a great job announcing a new product,” said Harris, “and there are going to be people who are skilled at dealing with distributors and fulfillment. Those skills are not even close to one another.”



## Chapter 3

# Bridging the gap between the academy and the profession

John W. Gardner was an eloquent voice for citizen participation who founded the Common Cause lobby, championed campaign finance reform and introduced Medicare as Secretary of Health, Education and Welfare in the heyday of President Lyndon B. Johnson's Great Society.

He believed in “tough-minded optimism.”

“The future,” Gardner wrote, “is not shaped by people who don't really believe in the future. Rather, it is created by highly motivated people, by enthusiasts, by men and women who want something very much or believe very much.”





For GM's Tony Cervone, the future is a lens through which he considers a critical question: "When will I need somebody more visionary [to succeed me] who's going to have a longer runway so that they're owning some of these changes?"

When he considers the work of academic leaders in preparing that next generation of leaders, the future appears less certain. "The academics' inability to keep up with the changes is frustrating," Cervone said. "It's not a problem today necessarily, but it's going to be a problem as the rate of change increases. That's not historically a strength for academic institutions."

Tony D'Angelo currently presides over the 30,000-member Public Relations Society of America (PRSA) comprised of communications professionals spanning every industry sector nationwide and college and university students who encompass the Public Relations Student Society of America (PRSSA). His appointment at Syracuse followed more than 25 years of service in the corporate and agency sectors, including communications leadership roles for ITT Corp. and United Technologies. While not an alarmist, D'Angelo is concerned about professional education changing as fast as the field when it comes to convergence.

"We know that our graduates are going to be challenged to produce video, to be content generators in all kinds of media, to be conversant in advertising production and all those kinds of things," D'Angelo said. "If you go along traditional lines or silos,

they may not get exposed to those kinds of things. We have to be open to those sorts of changes."

D'Angelo remembers being involved last spring in a conversation that was like a scene from the theatre of the absurd: "A colleague was arguing their point of view about whether we should make it 'communication' or 'communications' with an 's.' There were people who had a truly passionate opinion. I was ready to just put a gun in my mouth..."

D'Angelo also has participated actively with practitioners as a member of the Commission on Public Relations Education, which has sought to develop curriculum models that are more relevant to professional needs. "I remember [Ketchum Chairman Rob Flaherty] showing the course titles I think would be relevant that are unlike any course titles you've ever heard: Content Management. Brand Journalism. Video for Storytelling. As a member of the task force that wrote one of the titles for that study, it's vitally important work and it's moving much too slowly. That was the spring of 2015 and they're just now talking about publishing the final report."

At Syracuse's Newhouse School, he said silos have created impediments to growth. "It comes down to departmental budgets and leadership. It's important that we make a real outreach to the 'I' school, or Informational Sciences, where they're doing great things with Library Sciences and the Intranet."

Michael Meath, D'Angelo's colleague, is more direct about the bureaucracies he believes have built up in colleges and universities. "I don't think they get it," Meath said. "Takes too long to make change in curriculum, structural changes, etc. Meanwhile, some of the best professionals in the world are trying to live through the quarter."

Harley-Davidson's Bischmann was puzzled by a disconnect she's felt with educators. While judging the Arthur W. Page Society Business Case competition, she and a business professor in her group could never agree on the best case study. "Inevitably, the ones I rated as really high, they rated as low," she said. "And vice versa. I was fascinated by how I could be so far off in how I looked at these case studies. They were always looking at what would be engaging to teach; that the students would understand." Bischmann, in turn, was evaluating the case studies from the perspective of strategic insights, execution and results that could be applied in the profession.

"We're sometimes on different wave lengths," she concluded.

How do we close the gap between the academy and the profession?

*By providing opportunities for educators to gain more professional experience.* Over the past eight years, the Plank Center for Leadership in Public Relations has placed 70 educators in the world's best global corporations and public relations firms. This

two-week summer fellowship was developed specifically for public relations educators for the purpose of immersing the professors in the current day-to-day operations of the public relations function and helping create an exchange of information and ideas that will enhance the professional development of both the educators and their host organizations. The 4A's has led a similar program in the past for the advertising profession. More work must be done in this area with convergence as the center of focus for fellowship opportunities.

*By redefining course offerings and building on the still-unfinished work of the Commission on Public Relations Education.* On that topic, UGA grad Reilly McGee said, "We have to continue redefining what our classes are called because the jobs the classes are training us for have changed dramatically. It's about technology. It's about people learning what structures work." Requiring more courses on research, statistical analysis, information technology and yes, even how to write software code, could also prove important in the evolving profession.

*By challenging students to broaden their education beyond a major in communications.* "You need a major in communications or marketing and a minor opposite to that – a minor in business, psychology of consumers, something like that tied to where you're trying to create your expertise," Cervone said. "At GM, we want the cream of the crop that will get stuff done. You need to force the cream of the crop to say there's a baseline here for you

to even be considered. There should be some level of academic acumen that isn't reserved for the major you're in."

MeGee, by the way, minored in the sociology of leadership, which should serve her well in her career. "It's the classes you take within your major to understand context about the industry," she said, "but it's also the sociology of leadership that teaches you about team management."

Having a background in anthropology, psychology, sociology, ethics, law, finance or government has proven invaluable to many top communicators. And the need for behavioral sciences is rising as business leaders seek men and women with greater emotional intelligence.

The Institute for Public Relations (IPR) has established a Behavioral Insights Research Center (BIRC) to conduct research on the factors that influence attitude and behavioral change to enable effective communication. IPR is developing research to understand the interconnections between public relations and communications with the growing body of behavioral insights research in the fields of business, cognitive behavior, psychology and neuroscience and neurolinguistics. Given the rise of social, cause-related programs and strategic philanthropy, companies must be skilled in attracting men and women from more diverse backgrounds who have emotional intelligence and who understand the new climate in which we operate.

*By diving into the larger world and engaging with others at forums and events that will raise the profile of the school's reputation, create opportunities for students and educators, and drive donor contributions. Grady College's popular month-long Cannes Lions Festival Study Abroad in France is one such program that is paying huge dividends for advertising students and UGA.*

The Bateman Case Study Competition, PRSSA's premier national case study awards, and the Case Study Competition in Corporate Communications, sponsored jointly by the Arthur W. Page Society and IPR, are two additional programs that provide opportunities for students and educators to engage with the professional community.

DePaul University's annual Future Leaders ePortfolio Showcase, staged by the award-winning MA in Public Relations and Advertising (PRAD) program, allows graduating students to showcase their professional work portfolios, while connecting them to faculty, program alumni, and more than 150 top advertising, marketing communications and PR professionals in Chicago.

And there are many more examples of distinctive programs like these in advertising and marketing.

*By developing a greater commitment to research and data analytics, and how they are driving the convergent model in our profession. Victoria Zacari is a Grady College student and*

Director of Talking Dog. While the school has developed a course offering in this area, she believes more must be done to prepare students to use research.

“Last year, I feel like we were throwing them into an abyss. A lot of these people didn't have the research background that they probably should,” Zacari said. “That would be my only critique agency wise. You don't want to force research down people's throats, but you may want to go a little bit more in-depth so that people can understand.”

*By bringing the outside in and cultivating closer relationships with the professional community.* UGA's Grady College established an Executive Advisory Council comprised of leading agency and corporate professionals to provide counsel and guidance for its Advertising and Public Relations (AdPR) programs. These men and women, along with many of those who participated in the research leading to this white paper, can be more closely utilized and tapped for mentoring students and educators.

Zacari said she would benefit greatly from having a mentor in the professional world. “It could be an executive-in-residence or guests who come to Grady College on a rotating basis. That would be phenomenal.” McGee echoed these comments: “Mentors are amazing, and we could definitely benefit from industry professional mentors and speakers, and people critiquing our work.”





## Chapter 5

# Perceptions of the next generation of leaders: Our students

Our interviews with key leaders and educators yielded considerable feedback on today's students. The picture that emerged is a tapestry of strengths, needs for the future and opportunities to excel with the right guidance, development and mentoring.

As a part of the feedback gathered, we heard the following perspectives:

- *“They're incredible. They made me feel like I should retire!”*
- *“These are good kids; they're talented kids. We have to figure out how to get them [into the new convergent world of marketing and communications]. It's not to say that what we've done is wrong or bad. But can higher education evolve as quickly as it needs to?”*
- *“The core skills of critical thinking and writing and interpersonal communication are not great. You can blame it on the Twitter generation. But that's what they do on their time. That's not why we send our kids to great academic institutions. Especially if they want to major in any kind of communications, marketing and the public relations field. I do think the fundamental skills, particularly critical thinking and writing, are continuing to decline.”*
- *“Their ability to write – that's what concerns me. Our students are not good writers, and we all know that's true. There are some who are [good writers], but they are exceptions rather than the rule. We teach them so many great skills here and there are so many things they can be involved in. But I do worry about sending them out into the world, writing the way they do...”*
- *“They're such consumers of 'electronic noise' that they don't read. In Chicago, the best creatives we meet – I know they read books, I know they pay attention to what's happening in culture.”*
- *“They've changed over the years. What these students want – 'Show me how to get a job!' That's what they want to know. I wish I knew how to open their mindset up. It's not just about getting a job; it's about teaching yourself how to think, how to imagine and a way to engage yourself culturally and with literature.”*
- *“We need basic blocking and tackling, mechanics of storytelling, great writing and being able to do it in a compelling way. These are critical skills that will never go away, that we need to make sure will not get lost. There's a rush to do the technology, platform and channels side of our business and we forget to do the very basic things. These are still key.”*
- *“What do we need for students entering the world? They have to be able to see the big picture and be collaborative. We have to remind them that, 'Your client is not in business to do PR. Your client is in business to do business.' You can't be 10 steps behind.”*
- *“What do students need today? One, business acumen. They don't have to have a degree in finance or supply chain or human resources, but they better have business acumen. Two, they had better understand the context and objectives of the work they'll be asked to do. I probably get more frustrated with the*

*professional who says, 'Just tell me what the story is and I'll go write it' rather than asking for greater insight on the objectives. Third, to move from being an order-taker to becoming an integrator. That's what we need to teach these kids how to do."*

- *"The world is changing around us. Students have to know how to work differently together. All the client cares about is that you reach their objective. They don't care whose idea it was. They may not remember whose idea it was."*
- *"One thing both [advertising and public relations students] need is to be better with research and pulling out insights. People in industry tell me the same thing."*
- *"It all comes back to writing. We do more writing here than anything else. And self-initiative. To be able to step up. To fill in the gap. You do something without being told. You think two steps ahead. Not just doing what I was told is the assignment. When we interview, those are the questions we ask. 'What was your thought process around that?' 'What options did you consider?'"*
- *"I was mentoring a graduate student at Northwestern and I told her, 'Don't worry so much about your first job. Get your foot in the door; you'll get some experience and start to learn what floats your boat and what you prefer not to do.' You need experience in all areas. That doesn't mean you're going to be the master of all areas. That's more important than ever before."*

- *"Millennials – I don't think they're any more prepared [for the future] than we were. They sometimes think they are because they're on social media."*



## Chapter 6

# Best-in-class practices

*What we learned from PRWeek's finalists for Boutique, Small Agencies of the Year*

We reviewed 26 detailed award entries from PRWeek's Boutique and Small "Agency of the Year" categories to identify how these firms have adopted best-in-class practices for staffing, training, creating new programs, building their cultures, winning new clients and innovating their services and products. The Boutique firms averaged 18 employees, with the smallest numbering four employees and the largest 83. The Small agencies averaged 42 employees, with the smallest numbering 17 employees and the largest 60.





Following are major themes and agency commentaries relevant to the building of the Talking Dog student-led agency:

**1. Firms are adapting the integrated model and promoting convergence through their mission vision and values, their capabilities, their talent decisions and the caliber of clients they've won**

– Integration has helped these firms better align with an ever-changing and increasingly complex media environment. It has brought greater satisfaction for their people and more innovation. These firms also reported increases in revenues, client growth and retention, and staffing levels.

- *“With an integrated communications strategy, we capitalize on our clients’ strengths to position them as industry leaders through frequent and high-quality media placement, industrywide thought leadership pieces, innovative marketing initiatives and industry award recognition.”*
- *“The agency rebranded during a stellar 2016 to better reflect its position operating at the intersection of earned, social, paid and data, and the multiplying effect this hybrid media model has had on its work and clients’ communications is a game-changer.”*
- *“In June 2016, Deveney changed its way about how we approach marketing by rebranding as a full service engagement agency. With the rebrand came the formalization of a research-based process by which we will use to*

*implement any and all projects and campaigns moving forward.”*

- *“We are wholly integrated in our approach and develop ideas that integrate all marketing disciplines. Integration is not an option; it’s the only way to deliver optimum impact and we have developed the perfect integrated communications approach for the purpose economy.”*

**2. Culture and creativity remain a winning combination**

– Tony Weisman’s point of view that “agencies win on culture and by leading with creativity” came through loud and clear in our review as attributes that separate leading Boutique and Small agencies from their competition. Integration is not without its challenges, however. Small- to mid-sized agencies need people who understand marketing, communications and digital who can coordinate efforts and work across disciplines. As a learning, more can be done at the collegiate level to expose students to the full array of marketing services and educate them to lead the convergent model more confidently for the benefit of colleagues and clients.

- *“Our transparency around communication, inclusiveness of opinions in decision-making and encouragement to take on new responsibilities is uncommon. Coupling these factors with strong mentoring, especially in areas like business development that require more hands-on experience, has led to a low turnover rate.”*

- *“Our strongest innovation lies in our people. Invariably, our greatest successes have involved our entire firm pooling their collective creative knowledge to encourage clients to think about solutions to their challenges from never-before considered angles.”*
  - *“Deveney’s culture is a direct reflection of our motto – do exceptional work and have a great time doing it. We’re fortunate enough to have senior and executive staff that care as much about the culture and overall happiness of Deveney employees as they do about producing exceptional work. With that, Deveney has instituted a Culture Club, which includes a number of special in-office events and outings to encourage team bonding and show appreciation to team members.”*
  - *“Elasticity is an agency built around culture - where the team and its ideas, not the management team, drives our success and growth. Thus, from the big ideas we deliver to clients to the tools we use to communicate with one another to - it's driven by our team.”*
3. **In the end, strategy is what a firm chooses *not* to do** – In leading firms like the agency award finalists we reviewed, growth and higher performance is based on delivering against real, identified business needs of their clients rather than what the agencies hope to sell from a larger portfolio of services.
- *“The growth of the business - all of which has come from a combination of retained clients and new business - is a result of a commitment to delivering what the client actually needs, not what the agency is looking to sell. That underlying philosophy has supported greater than 50% sales growth in each of the past three years, more than 90% of which resulted from new clients.”*
  - *“Always abreast of the latest in integrated marketing strategy, Bliss’ capabilities include content development; digital and social media strategy; marketing strategy and execution; public relations strategy and execution; and research. Teams are structured around clients’ business needs and are laser-focused on achieving their unique goals. From pursuing traditional public relations strategies to developing and executing creative content marketing campaigns, Bliss tailors each marketing program to our clients' respective challenges and opportunities.”*
  - *“In the last year rbb evolved from rbb Public Relations to rbb Communications. The change was more than semantics. It was an outcome of a strategic plan to better align with customer needs as evidenced by PR Council data saying that digital and creative services are growth must-haves.”*

## Chapter 7

# The growing world of student-led agencies

More than 150 student-run communications agencies of varying size and sophistication are active in colleges and universities throughout the United States. Among these, 21 are affiliated with PRSSA. It's believed only a dozen are fully integrated.



Dr. Doug Swanson., APR, is professor of communications at California State University-Fullerton (CSUF), where in 2011 he founded the student firm, PRactical ADvantage Communications. In describing student firms, he's written the following: "These agencies operate as a business in the academic environment to give undergraduate students real-world experience in advertising, marketing, public relations, social media management or related fields as they serve corporations, closely held businesses and not-for-profit organizations."

Student agencies have been around since the Seventies, and they're increasing in number every year as universities like Syracuse, Boston University, Grand Valley State University, CSUF, Brigham Young University, University of Alabama, UGA and many others discover these high-impact programs are a learning laboratory for students.

At Syracuse, students in 2001 founded Campus Hill Public Relations as a subset of the PRSSA chapter to gain real world public relations experience. Known today as Hill Communications (Hill Comms), its work is based on the core principles taught in the Newhouse School. Hill Comms operates independently of The NewHouse, the student-led advertising agency.

Hill Comms advisor Michael Meath directs the agency with three objectives: "I want our kids to feel proud of who they are and what they're doing but not entitled or cocky because they're at Syracuse. Second, we create opportunities so that they're

learning more than worrying about making money; doing real-world work with a low threshold of risk because they're students with a high threshold of learning and ability to contribute. Third, we want to equip our students for employability – taking things from the classroom and Hill Comms to the next place they will work..."

In 2017, Hill Comms interviewed 110 students to select 50 for agency positions. The only credit they receive for their work is tied to PRSSA's Bateman Case Study Competition.

"We're living in a converged world and our agencies work independent of one another. When I heard UGA is creating an integrated firm, I was jealous. We have to prepare our students for the new world," said Meath.

"In the Capstone Agency, we do a lot of teaching," said Teri Henley, Instructor – Advertising and Public Relations, College of Communications and Information Sciences, University of Alabama, Tuscaloosa, Ala. Capstone integrated the advertising and public relations discipline in 2013 to create a stronger model. Each year, it has 150 applicants for about 40 agency positions.

Students selected to serve in Capstone are expected to complete a three-hour on-boarding process. Guidelines are in place to provide governance for the agency, and a terminology booklet is available as a resource for staffers. "CreateAthons," 24-hour



marathons to develop campaigns for nonprofit organizations, help drive agency and client programs.

Capstone Agency employees earn three credit hours for an “experiential learning” practicum course offered to juniors. Agency achievements are recognized through 35 research, planning and implementation awards given annually. Staffers are permitted to move into other areas of work through department “swaps” during their time at Capstone.

Aside from a few pro bono partners, most of the agency's clients have worked with the firm for several years and compensate Capstone for its work (\$1,000 a year, and the cost of print materials), which it invests back into the agency. "We really look for clients that will let us work with them on the whole process of a campaign, from research and building strategy to developing a campaign," Henley said.

Before deciding on UGA's Grady College for her education, MeGee paid visits to Syracuse, New York University, BU, University of South Carolina, University of Florida, Virginia Commonwealth University, Florida State and Miami. Florida, BU and VCU are recognized for cutting-edge, award winning programs, and Florida's agency is led by a team of paid professionals who manage the student firm.

MeGee said, “I came here because of Talking Dog. I did intensive research. As soon as I set foot in Grady College, I knew! Which

sounds a little cliché. It was the scholarship and the School, but the student-run agency made the difference in my decision.”

As it will, no doubt, for many more who make their way to UGA in the future.

A background image showing a group of students in a meeting or study session. They are sitting around a table, looking at papers and holding pens. The image is split into two vertical panels. The left panel is darker and contains text, while the right panel is lighter and shows more detail of the students' hands and papers.

## Chapter 8

# Bringing it all together

*Establishing Talking Dog as an elite, student-led agency*

In 2017, the Grady College merged its long-standing student public relations agency, Creative Consultants, with its advertising counterpart, Talking Dog. The agency is student-led. Two faculty advisors provide guidance to the directors, who are chosen by their peers and the advisors. Staff size is approximately 80 students. The students are volunteers and receive no credit hours for their work.

Following are faculty and student perspectives on Talking Dog as Year One of its merged operations were concluding:

- *“I like that we’ve merged with PR. I think it makes sense. That’s where we are in the world.”*
- *“I’m very positive about it. I think it’s the right move. I previously advised Creative Consultants, and to think this merger already has injected so much excitement and creativity into the PR agency that wasn’t there. The growing pains are okay. I’m astounded with how much they’ve done over the summer. We kind of let them go over the spring.”*
- *“I definitely think it happened because we need to follow what’s going on in industry. In the industry the line is blurred between advertising and public relations. They are not as separate as they once were. Even though they both have their own differences, they’re working together more closely than ever before. I think that’s why they merged the two and it’s a great idea. We want to prepare our students as much as possible for the real world.”*
- *“I think it’s brilliant putting together these two mindsets. The two majors think very differently. Combining both strengths and learning from one another has been and will continue to be invaluable. It was silly to split two skill sets into two agencies.”*
- *“For some reason our [Talking Dog] leadership hasn’t involved the [faculty] advisors as much as they should have. They’ve been a little too independent on some things. The PR end has suffered, and I would like to see that become more equitable.”*
- *“There’s been some conflict with how to manage them. Do they need permission from me or my counterpart? They can’t be expected to know which things they need permission for unless they’re told. These are some of the growing pains from having the new entity.”*
- *“Eventually, they’ll get over the shock of the difference in the disciplines and personalities drawn to the disciplines. That’s a growing pain that can be overcome easily. They have to recognize the integrated role they play – with the exceptions of crisis or IR, etc.”*
- *“It’s always been a concern of mine that students are not employees. We’re training and teaching them, but they’re not employees. I would feel pressure at times to charge more, have it become a revenue-generating thing. And I would say, ‘Who’s going to be left holding the bag?’ They’re volunteers; they’re not getting class credit.”*
- *“I’ve been opposed to the notion of a paid agency for several reasons – one of which is dissipating. I’m advising this, and you’re talking about a paid model and I don’t have time to do this? I had a fear, too: I don’t trust them to do this work and to stay on task. Then I would be accountable.”*

- *“They’re amazing people but they’re not professionals. They need somebody to say you can’t put the UGA dog on a t-shirt and sell it...”*
- *“They picked the clients without discussing it. They rebranded over the summer without telling us.”*
- *“For me, one of the big struggles is going to be paying clients. Sometimes your teams are gangbusters; sometimes you have to end up backfilling because you can’t let the work go out the door. There has to be some mechanism for that because if they’re actually paying for the work, we can’t have that. That’s why we haven’t pursued getting paid in a bigger way.”*

In the fall of 2018, Talking Dog will enter its second year as an integrated agency. Expectations for growth will be higher. In terms of planning, what will Talking Dog need to become an elite student-run agency?

1. **Adopt a new governance model** – While Grady College’s two faculty advisors have provided caring and capable leadership for the student directors and staff, they can’t devote the hours and energy required for overseeing the expanded agency while maintaining their teaching, counseling and research loads. The time has come to recruit and hire a new leader – a seasoned, experienced communications professional with deep agency background and contacts – who will become the full-time advisor to Talking Dog.

The agency needs guiding principles for how it will operate, including a new mission, vision and values and a philosophy. Grady College must also determine how it will credit students for their work; how clients will compensate the agency for its services; and accountabilities students will have, as unpaid employees, for delivering against service levels pledged to clients.

2. **Address infrastructure needs** – Talking Dog needs a permanent “home,” a dedicated space in Grady College from which the agency will operate. It must have the “look and feel” of the agency culture that student leaders will aspire to create. It must be fully furnished, linked with technology and staffed like the open agency workspaces in which students may ultimately find themselves. It also must have space for client meetings.

“I want the agency to have a dedicated space,” said former director McGee. “Having that space to inspire and collaborate is so key. Having that space that you own would go a long way toward building an agency culture.” The agency will also need

- Updated job descriptions for those serving in the various roles that have been defined, as well as for new jobs that will be created to support the integrated model;
- Human resource, recruiting and staffing guidelines;
- An orientation/induction program for new staffers;



- A terminology guide to help orient new staffers to the language of the agency;
- Training programs to support agency and client activities, including modules examining industry issues and developments like the eight trends emerging from the research leading to this report; and
- A digital repository and physical storage to house client work, new business proposals, client contracts, marketing materials and templates for everything from client correspondence to news releases to new business proposals.

Most importantly, it will need financial gifts and commitments from UGA alumni, donors and the professional community who will want to pilot and advance new strategies and concepts in a collegiate setting; utilize agency services like Fetch for Generation Z strategy and research; and identify the best and brightest students for future recruitment.

3. **“What’s the brand strategy?”** – Just as we found in reviewing *PRWeek’s* Small and Boutique Agency finalists, the most successful agencies break away from the pack when they differentiate their brands. Talking Dog needs a unified, convergent brand strategy that will help define what the agency stands for, its brand promise and the personality it will convey to key stakeholders.

4. **Redefining services and product offerings** – While Talking Dog will continue offering traditional services and products, new services will be added based on the brand positioning. Fetch, for example, holds great promise as a differentiated service.

“While the University of Florida’s agency looks at Millennials, Fetch looks at Generation Z,” said Zacari. “That’s the audience that we know and can most contribute to as the new generation gains consumer buying power.

“Our hope is one day soon, we can reach out to agencies in Atlanta and New York and ask what they need in this area,” she said. “We have a whole college campus of kids to ask and we can go further than that, maybe working with other colleges. That’s brilliant.”

Tony Cervone’s advice for Talking Dog is to “start small and to figure out what area they want to become expert in.”

“My very firm advice would be to pay a lot of attention to that. If they could become expert at digital marketing/communications, for example, they can quickly learn the earned versus bought and the ramifications of effectively managing between those two. That would be distinctive.”

5. **Real faculty involvement** – If she could make one change in her program, UA’s Teri Henley would more actively weave faculty members into the Capstone Agency. “I would pull the faculty into the agency more and integrate them with the work so that they could see how their teaching influences the students’ work in the agency.”

Kim Landrum believes Grady College must engage faculty members in a more compelling conversation about how they can support Talking Dog.

“We have a lot of faculty members who have never worked in the industry, and so they don't know how much they may have to contribute,” Landrum said. “They may not understand what we’re doing with the student agency and how they should be involved. I don't see it being any different than if we’re being introduced to a new technology. We have to embrace it or be left behind.”

6. **Mentoring from the professional community** – Talking Dog needs mentors from the advertising, marketing and public relations professions who can provide guidance and counsel to the agency’s directors and its staff.

It’s a need voiced by educators on other campuses, like Syracuse: “There’s a need for a professional connection and an advisory function from the industry to us,” said D’Angelo. “It’s always been important. It’s increasingly critical.”

“[Faculty] can talk about budgets and how to run an agency,” said Grady College’s Strausbaugh-Hutchinson, “but it would be helpful to have professionals come in and talk with them about it because we just don't have access to the numbers. To show them how it works, how these pieces fit together.”

In the course of conducting the research leading to this report, many of the agency and corporate professionals interviewed expressed a desire to be involved on a continuing, more formal basis with Grady College – its faculty, its students and the Talking Dog agency. Steps will be taken to maximize these relationships.

7. **Agency partnerships and sponsorships** – While “investing angels” – alumni and professionals who may pledge financial gifts, time and other resources – will be important to helping answer immediate needs, the ideal longer-term partner for Talking Dog would be an agency holding company. Organizations like Publicis, The Interpublic Group of Companies (IPG), WPP or Omnicom have the resources to provide

- A multi-year financial gift to help support agency operations;
- Access to Atlanta-based teams and Southeast regional offices in close proximity to Athens;

- Professionals who could mentor and guide the agency’s staff;
- A range of operating and training resources that could be shared; and
- Opportunities to team up in support of client needs (like Generation Z marketing).

Landrum said Grady College needs to develop more corporate partnerships for the benefit of the program. “It’s good for the students and on the corporate side; good to see the students grow and for the companies to have a chance to cultivate the students,” she said.

“The connections of the agencies are amazing,” said McGee. “I think the key is getting the network of those big agencies and their clients and the prestige of that while still maintaining the tangible results of local clients that we can provide.”

Several of Grady College’s Executive Council members have served with units of these holding companies and can provide access to key contacts and support in engaging them in discussions about a more formal, ongoing relationship.

**8. Visibility and engagement in the right forums, events and organizations** – Given the growing interest in student agencies among professional organizations and publications like *PRWeek*, *PRSA’s Strategies & Tactics*, *Public Relations Tactics*

and others, there will be no shortage of opportunities for Talking Dog to profile its new model and find unique forums where students can engage thought leaders important to their future careers.

“You’ve got to get out there,” said Dunkin’ Donuts’ Weisman. “You’ve got to go to SXSW, TED Conferences or CES. There’s no replacement for getting key stakeholders to communities or events. Once you swim in these events, you’re forever changed. These young people really do live, think and breathe differently.”

And that difference must play an even larger role in opening up new opportunities for more diverse high school students to learn about career opportunities in the communications field.

“I would like to see us reach out to high school guidance counselors,” said McGee. “That’s why I came here, and then I just Googled student agencies. I think that if we could contact the top high schools, charter schools, inner city schools – that would go a long way to drawing more diverse, talented kids here.”

And what student, she said, doesn't want to run their own agency?

Like Talking Dog?