

TONIC

FUTURE  POSITIVE

THE NEW STANDARDS FOR AGENCY SUCCESS

**INSPIRING AND MANAGING TALENT
AN ESSENTIAL GUIDE**

THE FUTURE IS NOT WHAT IT USED TO BE

Success in the past does not guarantee your future.

The world has changed significantly and agencies need to change with it.

The challenges of recent months have been a catalyst for real change in the agency sector that's long overdue and should not be underestimated.

At Tonic, we have relevant experience as a business consultancy helping agencies navigate this kind of change. And now more than ever we want to bring a level of clarity, colour and confidence to all founders and leaders looking to lead the way.

So, we've developed a series of Future Positive guides to support you.

This edition focuses on how to inspire and manage your talent to achieve success.

The guide draws together our frontline client experience, extensive research into changing expectations, and a range of expert perspectives from an industry going through and seeking positive change.

We share insight and practical advice across a range of areas, including purpose and values, roles and capabilities, working culture, and development and wellbeing.

We'd like to thank everyone who has contributed to this guide and encourage everyone to take a Future Positive approach to this new era of work.

~~NEW NORMAL.~~ NEW WORLD.

There's no escaping talk of the new normal. On one level the term feels apocalyptic and on the other completely unremarkable.

But the reality is that many aspects of how we live, work and behave – as businesses and communities – have needed an overhaul for some time.

This is especially true for agencies, with very few taking the initiative and action pre-Covid to adapt to changing client expectations and find faster, smarter and better ways to do and deliver.

The majority of agencies have become too elaborate, rigid and predictable, and new competitors have emerged with an edge.

If you've yet to act or change, you'll need to think more radically to compete in the future. And if you're looking for any kind of normal, you will be disappointed.

Now is the time to start as you mean to go on and commit to an approach that's more effective, more inclusive and more rewarding for everyone involved.

Expectations and attitudes are different across the board. Whether you're looking at better returns for clients, greater flexibility for employees or higher profitability for your business, things will need to be different and standards much higher.

You may not be in a position to change things quickly, but having a clearer and more positive view of the future will mean that every decision and action will be a step in the right direction.

Don't start by just looking for incremental improvements, otherwise you'll never engage with the bigger picture.

You'll need to look beyond the obvious and conventional and take the opportunity to raise your game.

FUTURE  POSITIVE

TALENT

Inspiring and managing
your talent in the new era



TALENT

Attitudes and expectations towards work were already changing at pace before the pandemic.

The demand for greater choice, flexibility and meaning was challenging traditional approaches and putting pressure on leaders to do things in different ways.

Recent experiences have only served to deepen these desires and be a catalyst for real change in how agencies work, behave and operate as businesses and communities of people.

So, what's changed or moved higher up the priority list when it comes talent – the make or break factor of agency success?

81%

Of agency leaders are concerned about retaining culture whilst working remotely.

BIMA — STATE OF THE DIGITAL INDUSTRY, 2020

Firstly, discard any assumptions that talented people will stick where they are because of uncertainty.

The fight to retain and attract exceptional people – permanent or freelance – will intensify as competition increases.

Talented people want even more now and have their eyes open to new possibilities in how they work and who they work for.

Agencies also want more – to build on momentum and see the returns from a more productive and happier workforce.

NEW EXPECTATIONS

- Shared beliefs, values and success in the agencies they work with and for
- Strong belief in their leaders and absolute confidence in their ability
- The space and remit to raise the game and make a real difference
- Greater flexibility and choice in how and where to work
- Access to continuous learning and support to grow and advance

NEW STANDARDS

These demands may seem like a reasonable wish list but traditionally agencies have fallen short in delivering across any version of these expectations.

The future will be less forgiving and sets a higher standard to achieve a genuine win-win.

- A purpose-led culture based on shared values and constantly linked to action
- Clear roles and a strong, empowering and trusted leadership
- Flexible working structures that promote initiative and unlock brilliance
- A proactive and progressive approach to learning, development and wellbeing

The future is not what it used to be for talent and that's a positive thing.

This isn't a return to work or the culture of old, it's a transition to a new era. An era in which leadership will rely on empowerment instead of power.

Where 'remote' working will be a redundant term because we will be more connected than ever.

Where agencies will build the muscle they need to solve problems, rather than disguise the excess they don't know what to do with.

In this era, we'll all learn more and care more than we did before.

Let's look at how to achieve these new standards in practice.



“Teamwork has never been tested so much – and never more important.”

GALLUP WORKPLACE, 2020

SPOTLIGHT ON

Businesses who lead with purpose will attract the best talent and the ideal clients and investors...



PURPOSE
+ VALUES

The right structure, roles and capabilities to support future growth is a balance of results and resilience...



ROLES +
CAPABILITIES

Creating a sustainable working culture that supports how businesses need to work and how individuals want to work...



WORKING
CULTURE

Agencies who continue to lead with empathy and strengthen employee capacity and confidence to adapt will advance...



DEVELOPMENT
+ WELLBEING

Businesses with a strong sense of purpose and values have fared well in this recent fight – drawing on them to frame response and guide action.

Moving forward we will see a renewed focus on how businesses lead by example and follow through.

We'll move beyond being 'in it together', to being 'in it for the right reasons' and agencies who preach less and do more will retain and attract the best talent and the ideal clients and investors.

LEAD WITH PURPOSE

Leaders shouldn't expect their culture to return to what it was. Take this moment in time to create a new vision for the future.

Relaunch your business with a renewed sense of purpose that everyone can share from the start and focus people on what's most important. Keep it real to what you're in business to improve and evidence it constantly through your actions so it's meaningful and measurable.

That way, your community will be in no doubt that you mean it and can understand the decisions you make – big and small. Agencies should be in business to make profit but how you get there is important from a talent perspective.

42%

Purposeful companies outperform the market by 42%.

EY LEADERSHIP SERIES

MAKE VALUES COUNT

Saying and doing the same things will actually count in real terms when it comes to trust, productivity and retention of the best people.

Resist the urge to revert or hang on to old behaviours that have no place now. Consider where you need to reframe or dial up existing values too, and especially how you reward values-led behaviour that betters the business.

Recruit only those who share what you believe in and work with clients who will help you honour them. This kind of stewardship, conviction and integrity is a big draw, not only to potential employees, but also to potential investors and acquirers looking for a strong prospect.

“I was drawn by the quality of leadership and their invitation to craft the next era. Through their actions I believed they meant it.”

STRATEGIST — INDEPENDENT BRAND AGENCY

TAKE ACTION

ONE

Launch into a new era with a clear and positive view of what you want to bring to it. Make sure it's shared by everyone, that it shapes the big decisions and keeps you focused on what's important.

TWO

Put your agency through a values workout. Identify the qualities and behaviours you want to hone, the ones that have no place and the ones that you need to introduce. Lead through your words and actions.

THREE

Evidence change with real symbols. These will create belief that you are serious about the future and about the people who will drive it. Have these symbols in place as you transition out of this holding pattern.

ROLES + CAPABILITIES

It's no surprise that the biggest changes and cost savings so far have been made in the area of people.

Senior management have been under particular scrutiny and inevitably so, when it comes to getting the cost to fee income ratio right.

But ensuring you have the right structure, roles and capabilities to support future growth goes further than that and is a balancing act of both results and resilience.

CHALLENGE YOUR STRUCTURE

In the majority of cases your pre-Covid structure will not be fit for the future.

Flatter and more flexible structures will be required to move faster and adapt better. Also to promote initiative and encourage excellence and collaboration across teams. In practice, this means a dynamic network of cross-functional teams, actively problem solving against clear and shared goals. It may also mean a smaller core of senior leaders who empower and motivate these teams to do and decide in real time, in line with the client needs they are inevitably closer to.

This shift from power to empowerment at a leadership level demands a reappraisal of the profiles and skills currently in place. Particularly the critical and often softer skills needed by the future leaders who have emerged during the recent crisis.

“Covid-19 has highlighted inherently human skills that AI can't mimic – resilience, empathy, adaptability, creativity and critical thinking.”

CEO SURVEY – PwC, 2020

SHARPEN ROLES + CAPABILITIES

Traditionally agencies have invested in practices that ‘expertly’ deliver on part of a solution. Whether this be research, strategy, innovation or otherwise, this structure is more internal to agencies than matched to the experiences clients need to create for their customers.

This pandemic has proved the power of true collaboration without boundaries and the value of people who can adapt and solve challenges together at speed.

In the future, you’ll win out by having a tighter core of client partners and problem solvers working together and constantly expanding their capacity to solve the next challenge.

EXTEND YOUR COMMUNITY

In this new era, the ‘joins’ of the agency supply chain will blur and the difference between perm or freelance and in-house/ out of house will fade.

The support and transparency extended by agencies and their partners during the pandemic will pave the way for mutually beneficial partnerships that can deliver quality results better and quicker than one party could do alone.

When selecting partners, rank shared purpose over price and integrate people and processes to guarantee a more positive and seamless experience for everyone.

70%

Of acquirers see M&A activity as a primary route to plugging talent gaps for specific areas of expertise.

SI PARTNERS GLOBAL ACQUIRERS REPORT

SHARE + REWARD SUCCESS

Whatever the focus of your agency, you'll be in business to create value – for yourselves, for your stakeholders and ultimately your clients.

At an individual level, what people earn should tangibly match the value they create, and any mismatch will shackle your future success.

Take the opportunity to recognise the people who've risen to the occasion and shown the critical leadership qualities that will serve you well in the future.

“I realised through this experience that I needed to be part of a culture and approach that fosters and rewards initiative.”

PRACTICE LEAD – GLOBAL AGENCY

Traditional hierarchies should be secondary to advancing a new generation of leaders who are able to adapt and learn quickly, and in doing so help agencies do the same.

And for more empowered teams you should design reward systems to encourage collective involvement and shared success. Redirect rewards in real time to the teams who've raised their game and moved agency purpose and standards forward.

TAKE ACTION

ONE

Flatten hierarchies that slow down decision-making and limit collaboration, and reframe the role of leaders to empower and energise winning teams.

TWO

Focus on the problem solvers who will help you win and retain your target clients. Upskill them on a regular basis to meet the next challenge.

THREE

Realign salaries to value creation, recognise future leaders and reward collective involvement and shared success.

SPOTLIGHT
ON TALENT

REMOTE CONNECTED WORKING

The future of work is not remote.
Agencies are more connected than ever
and the opportunity is to make every
moment and interaction count.

WORKING CULTURE

The practice of work has transformed in a matter of months and turned digital-first intentions into a reality overnight.

A challenge for many businesses, but also an opportunity for you to create new efficiencies and a level of flexibility now expected by the majority of people.

The challenge is moving from a temporary state to a sustainable working culture that strikes the balance between how your business needs work and how individuals want to work.

45%

Of people expect to work more flexibly, with a third expecting to work from home three days a week.

O2 + YouGov SURVEY, 2020

STRUCTURE FLEXIBILITY

In many respects this is not a return to the office or anything else. It's a transition to a new way of working that's designed around what people are in business to achieve rather than what they're in the office to prove.

Flexible working will be the default and distinctions like 'remote' or 'WFH' will become redundant because we'll be more connected than ever and located wherever makes sense to get the best job done.

This isn't the end of the office for all, but it's definitely a change, and you'll need to reframe the role of physical spaces and in-person collaboration.

This has been happening in other industries for some time and is an opportunity to design experiences that encourage and elicit more from people. So, involve your teams in shaping the conditions they need to maximise the time they are with each other and with clients.

And remember to pilot and learn from different approaches before making big commitments.

ENABLE EFFECTIVE TEAMS

Effectiveness will finally be the language agencies, clients and markets understand and use. This applies to how you resource, how you plan work and how you reward contributions that help you deliver on goals.

Remove any red tape that will slow down your decisions and workflow and promote initiative to find smarter and faster ways to get results.

Preparation will be key to staying focused and is not at odds with moving quickly. If a meeting doesn't have a clear end goal, then don't have it – every moment should be meaningful and measurable.

Use shared task-tracking to keep people accountable within teams and constantly informed across other teams and locations.

“The productivity of a more remote workforce depends on one role – the manager. No other role has more influence on the positive work experience and wellbeing of their teams.”

WORKPLACE EXPERT

Allow innovation to happen at the frontline where people are closest to clients and then extend what works across the business.

To support this, facilitate new collaborations across teams, locations and partners that can deepen insight and build in more diverse perspectives and strengthen the impact of your work. If you can't solve the problem, then open up the floor quickly to the people who can.

TAKE ACTION

ONE

Reframe the role and value of in-person collaboration. Involve your teams in shaping the conditions they need to get more from their time together – piloting new ideas before making any permanent changes.

TWO

Break down bureaucracies. Make sure meetings have clear end goals and use task tracking and feedback to keep people informed and active across teams and locations.

THREE

Encourage smarter and faster ways to get results and empower those closest to clients to make the right call. Expand your capacity to solve problems by pulling in diverse perspectives and sharing across teams and networks.

Many industry leaders have been overwhelmed by the support of their people through a very uncertain period.

Looking ahead, agencies who continue to lead with empathy and strengthen their employee's capability and confidence to adapt, will advance their business.

+11%

Organisations making a strategic investment in employee development report 11% greater profitability and are twice as likely to retain their employees.

GALLUP WORKPLACE, 2020

ACTIVATE LEARNING

Investment in learning and development is key to remaining resilient in the face of constant change.

Leaders who actively promote a learning culture will expand the capacity for their agency, teams and individuals to innovate and grow.

It's time to embrace the ease and continuous nature of digital learning and be more able to roll with the demands of the market and the on-demand expectations for upskilling, reskilling and career advancement.

For leaders and managers driving truly effective teams, support them in developing the softer skills they'll need to understand and get the best from their own teams.

Go back to basics, profile who's who and be sure you have on board the right blend of people who can create the vision, nurture the relationships and drive the execution and results you desire.

87%

Of employees are more likely to stay with an employer if an organisation commits to improving employee wellbeing.

YULIFE RESEARCH, 2020

BE PROACTIVE WITH WELLBEING

Employee wellbeing and support have become as important as profit and productivity – without one you cannot have the other and it's as simple as that.

If it's not the case already, formalise an employee support programme (ESP) to continue open lines of communication and address individual concerns. Run it via regular digital channels, e.g. Slack, so you can provide autonomous support on a day to day basis.

Special attention should go to the leaders in your business who may have carried the pressure and taken the biggest cuts in recent months. They are a critical link for the future, especially if you want to lead by example and demonstrate the importance of achieving a good balance between work and life under new conditions.

“The proportion of employers who put health and wellbeing as a top three priority rose to 77% in May 2020.”

GALLUP WORKPLACE, 2020

STAY COMMITTED TO DIVERSITY

Covid-19 is the ultimate leveller because it refuses to discriminate and in doing so extends its influence and impact far and wide.

A strange irony when we consider the long-held limitations of closed cultures and a lack of diversity within organisations – particularly within the creative industries.

Having an inclusive and diverse culture enables organisations to bounce back more effectively and be more resilient long-term.

This new era will force the issue and the hands of power because never have we needed more diversity of thought to solve the big problems that face us.

Agencies who take this opportunity to open their worlds, teams and processes will leapfrog those more reluctant to shake up the status quo.

“I implore agencies to stay committed to diversity and bring new people and ideas to the table. Not only is it essential but it will give them a competitive edge.”

VP MARKETING — TECHNOLOGY COMPANY

TAKE ACTION

ONE

Actively promote a learning culture and expand your capacity to innovate and grow. Embrace and employ digital learning tools so you are more able to roll with the demands of the market and the on-demand expectations of your people.

TWO

Prioritise employee wellbeing and have in place an employee support programme to open lines of communication and address individual concerns. Start with your leaders and lead by example.

THREE

Level up your organisation and look at the opportunities to create more diversity of thought and more inclusive processes. Start as you mean to go on, embrace new connectivity and reach new people.

ABOUT TONIC

We're a business consultancy, specialising in the agency sector.

We know what drives agency leaders because we've been there, but also because we're a trusted expert and guide to many across the agency world who want to realise the full potential of their agencies and teams.

We've been in the thick of it with our clients over the last few months and we know it's not easy. This is why we've made it our mission to add more clarity, colour and confidence to the big decisions that leaders are now facing. Our goal is to help agencies succeed. It's as simple as that.

HOW WE CAN HELP YOU

We recognise that agencies will have different levels of capability, time and budget to deal with their challenges right now. So we've designed all our services to give you different ways of drawing on our specialist expertise and experience.

Whether your challenges are specific to a particular area or more holistic, we can work with you to get the right results.

We can be a hands-on partner – delivering specific programmes tailored to your business challenges.

We can also work as a mentor – reviewing, challenging and adding ideas to keep you on track to deliver your objectives.

In every case, getting stuck in and making a difference is our remit.

GET IN TOUCH

Drop us an email if we can help. We'll show you a fresh perspective, challenge your thinking, and help you create a positive future for your agency.

✉ hello@tonicpartners.co.uk

We regularly share insights, knowledge and advice on our website, where you can access more Future Positive updates and our Essentials Toolkit. You can also follow us on LinkedIn.

🌐 [tonicpartners.co.uk](https://www.tonicpartners.co.uk)

 [LinkedIn](#)

TAKE THE FIRST STEP

Hopefully, you'll have found this guide helpful and you have a better insight into inspiring and managing your talent.

For a more objective assessment of your business, we have a specific Future Positive service to help you prioritise exactly where to put your time, energy, and investment over the coming months.

Please get in touch for a free consultation.

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