



## BRAND LEARNING

### **13/05/2008 - The War to Hang on to Talent**

#### **Mhairi McEwan and Andy Bird believe it's time the marketing industry embraced flexibility and stopped losing many of its most valuable employees**

It has been said many times before, but it's worth saying again. On average, marketing leaders have a tenure of less than two years - half that of chief executives.

What's more, research from The Marketing Society shows that CEOs believe marketers are not rising to the challenge of driving business. The marketing industry needs to get better.

This is not simply about driving growth, innovating business and championing customers; it's also about getting better at recruiting, developing and retaining the best people.

In today's world, attracting and keeping hold of top talent is not merely about offering the best financial package. Small things, even recognition for great work, can make a big difference to the way employees feel about their workplace. For the Los Angeles-based ad agency TBWA\Chiat\Day, it's about allowing employees to bring their dogs to work. Sometimes there are as many as 50 pooches in the office at any one time.

The key to creating a good brand environment lies in creating a culture of trust and respect, with flexible working arrangements that enable senior people to successfully combine their professional and personal lives. The focus needs to be on their quality of work and creating tangible value for clients, rather than hours spent in the office.

The latest Marketing Week Salary Survey shows that just six per cent of respondents now work from home, down from 19% last year and 65% the year before. What has changed is the proportion of marketers in job shares - up to 43% from 12% last year. Those working flexible hours are up to 41% from 11% previously.

If the marketing industry was to do better at offering a work/life balance, would it attract and retain better people? We believe so. We wonder how much our industry suffers a 'brain drain' when excellent female marketing directors re-assess their working lives to cope with young families.

#### **Incompatible demands**

When Mhairi was a vice president of marketing at PepsiCo, one particular business trip brought home the difficulties of balancing the demands of a senior executive's career with the demands of a young family. Over just three days, Mhairi was asked to fly with the rest of the European management team from London to the headquarters in New York to Buenos Aires to Sao Paulo to Rio and back to London. Meanwhile, her daughter was ill in hospital with an asthma attack.

She was determined to bring together the two halves of her life - being a mother and being a professional marketer. She expected to work hard but felt that what



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she needed was flexibility, rather than part-time working. And as the father of a young family, Andy wanted similar flexibility: we both felt that technology and a new mindset could unlock a new approach to work.

Technology is a great enabler of flexible working. Set up employees with mobiles and laptops and they can easily access work files wherever they are. Working from home should be supported whenever it makes sense.

A 2005 Harvard Business Review report, *The Hidden Brain Drain*, highlighted that 37% of highly qualified women take voluntary time off work but 93% then want to rejoin the workforce. A more recent study of 61 European organisations and how they manage gender issues, by Professor Lynda Gratton, refers to a "leaking pipeline". Half the graduate recruits joining European businesses are female, yet women hold only 15% of senior executive positions.

Silvia Ann Hewlett, economist and founding president of the Center of Work-Life Policy in the US, describes women as 'off ramps' and 'on ramps'. From 2,400 women she surveyed, one third of highly qualified women were 'off ramp', which meant they had voluntarily left careers to devote themselves to their family full-time. And while most said they intended to return to work full-time 'on ramp', only 40% do so, says Hewlett.

This isn't just an issue for women - men are also looking for a better work/life balance. There should be no need to ask permission or apologise if you need to pop out to watch your child in a school play or a football match. This is where the concept of flexibility resonates - given the option, people often work strange hours, at the weekends and in the evenings, in order to squeeze in important time spent with their families.

It's important to challenge the mindset that people either work full-time or part-time. Often it's more about flexibility. Some of our staff take extra days of unpaid leave on top of their standard 25 days' holiday a year. This enables them to use the time to work on other projects of their own or spend more time with their families.

Offering flexible working arrangements makes sound business sense. BT has achieved a saving of #180m in property costs by basing 7,500 of its workforce at home.

Similarly, Diageo used to have two head offices in London, until it closed one and set up hotdesking for employees who were there for less than 60% of the time. The office space was redesigned and employees were given special cabinets on wheels for their documents so they could wheel them from desk to desk.

### **The cost of leaving**

Helping your employees to strike a work-life balance can help them to be more engaged and motivated. After all, recruitment is a costly exercise.

Accountancy firm Ernst & Young estimates that the cost of losing an employee can amount to four times that staff member's salary, taking into account the need to replace them and train a new person and the loss of the departing employee's experience and knowledge. The Hay Group has calculated that employee turnover could cost companies up to 40% of their annual profit.



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Large corporations often fall into the trap of leaping to conclusions about their workforce. If a woman announces that she's getting married, it's presumed that she'll soon be leaving to have a baby. Or if a woman announces she's pregnant, it is assumed that this spells the end of her career. Senior, experienced marketing women work so hard and provide such value to organisations that if you can find a way of helping them to strike a balance between their home and work life, they will repay you in bounds.

Many large organisations don't embrace flexible working arrangements because they're concerned their trust will be abused. They're worried that their employees might be watering plants at home rather than working. But is the issue really trust? Think about it. An employee at home probably started working earlier in the morning without the commute; they may work in the evening too, and there's no office distractions.

### **A little respect**

Organisations need to learn to trust and respect their workforce. Most people want to do a good job and add value to the business and if they don't, that's the real issue, rather than whether or not to offer flexibility.

There's no question that the marketing industry can learn to work more flexibly. If large organisations don't learn to change then they may fail to retain senior executives - particularly experienced women. Society is changing. There's a war for good talent and an opportunity for the marketing industry to use this to its advantage.

The key is flexibility and trust, which is not at odds with a high performance culture and strong business growth. The only issue holding back the industry is the old thinking of jackets on the back of the chair, a culture of long hours and the feeling that things should be done as they were always done.

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### **How larger organisations can embrace flexible working**

- Recognise and understand the power of culture. Changing culture always has to come from the top.
- Have clear values in place that are meaningful and not just written down on a piece of paper.
- Successful flexible working is all about give and take. Your employees will need to learn to be flexible too and accept responsibility for their own projects.
- Listen to your people and be prepared to implement change.
- Respect and trust your people and don't leap to conclusions without evidence.
- Invest in great technology to ensure your employees can access everything they need from home.