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# FINANCIAL TIMES

## Struggle to stay on top of a moveable feast

People

*April Dembosky*  
discovers an industry desperate for talent

The Silicon Valley talent war is spilling over as to Madison Avenue. Advertising-backed technology companies such as Google and Facebook are not just looking for the best engineers and designers to design a mobile app - they want the best technical and strategic thinkers in advertising too. Creative and digital marketing agencies in New York are not simply competing with each other to recruit the best generation of talent. Now they must fend off the technology giants in the Valley and their promises of stock options, free food and the opportunity to change the world.

"The agency industry has done a bad job over the past decade of keeping the industry appealing to top-tier talent," says Brian Wisser, analyst with the Pivotal Research Group.

The technical landscape in marketing is changing rapidly, creating a dramatic rise in demand among agencies for people with digital skills.

Competition for people with a specialisation in search advertising was high about four years ago, then it was social media marketing, notes Nigel Morris, chief executive of Aegis Media, Americas and EMEA. A year ago, everyone was chasing app developers. Now the hot commodity is people who can build sophisticated user experiences.

companies, where there may not be a financial upside but, first and foremost, is about being part of a mission.

While cash salary may be 20-30 per cent lower in the tech world compared with advertising, the stock options, if the person waits the four years until they vest, make the overall package higher, Ms Rich

The work environment plays its part. Tech start-ups have pioneered flat leadership, open plan offices, beer and flat-bottomed fridges that have become a signature of Silicon Valley offices. There, people in their mid-twenties with a few years experience can get senior positions with serious responsibility. In the ad world, young people have to earn their stripes and move up through the ranks, while opportunities to move beyond middle management are limited.

"It's as much people escaping agencies as joining something new," says Mr Wisser.

Executives at Aegis Media are taking a leaf from the Valley playbook. They are trying to flatten the hierarchy so that young people have more opportunities. They now include social media style software that allows greater collaboration and

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the leadership is trying to

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It is rare to find people who understand the technical side and the broader strategic thinking of the marketing world - people who can move from television to mobile, yet connect different media to the goals of the advertiser.

"We have people who are good at digital strategy but they see everything from a digital perspective," says Mr Morris.

"There are relatively few people who have a strong enough understanding of all the different emerging opportunities in digital, with a broad enough brand and business understanding in order to provide the strategic context under that."

The advertising and marketing world must contend with the shifting cultural values of the younger, millennial generation. The *Mad Men* appeal of working in advertising has narrowed among younger people, who are increasingly interested in joining a company with a bold mission statement.

"In the past, advertising was sexy, it was the cool thing to do," says Jana Rich, managing director at Russell Reynolds Associates, a recruiting firm. "Now there's a whole other option that is quite different that speaks to the same group of people. Many younger folks are making choices to join high-growth, exciting

be more transparent so people feel more motivated.

Even the way they pitch their business to young college students thinking about which industry to go into is changing.

"I wouldn't use the word 'advertising'," says Mr Morris. "We talk about people, we don't talk about creatives."

Other agencies still find that young people see the prospect of working with big brands such as Coca Cola, Wells Fargo, or Apple as more important and exciting, says Ms Rich.

Don Dehn, the chief executive of iCrossing, a digital marketing agency, says this gives promising talent an opportunity to develop their own voice better than a lock company with a singular focus. "You can create your own personal brand quickly, as opposed to start-ups where personal branding for the most part is limited to the CEO."

The company tries to keep up with Silicon Valley, where campaigns are prototyped every two weeks and changes can be seen in real time.

"You can bring these kids in and can jump them full of Red Bull all day, but if the CEO doesn't know their name and doesn't say 'hi' to them and doesn't know the things they're working on and congratulate them on a good job, then they're going to get disenchanted."