LMU M-SCHOOL/CARBONVIEW ANNUAL AD INDUSTRY TALENT SURVEY

September 2016

THE ADVERTISING INDUSTRY HAS BEEN TALKING ABOUT TALENT AS ONE OF THE BIGGEST ISSUES FACING THE BUSINESS FOR YEARS.

How Adland Is Replacing

Advertising Companies Fret Over a Digital Talent Gap

By TANZINA VEGA
Published: October 30, 2011

around trimming costs and cutting essential talent management functions has created wh
executives call "laughably low" salaries, made worse by a huge gap between C-suite execut

How to Turn Your Employees Into Volunteers

By Brian Loube. Published on March 05, 2015.

Instagram rather than people from the ad industry

go Chiu. request for proposals specifically

YET, DESPITE ALL OF THE NEWS AND ATTENTION, THERE ISN'T MUCH RESEARCH.

The LMU M-School / Carbonview Industry Talent Survey seeks be the preeminent source of industry talent data and insight.

- Launched its first wave in December 2015 with a primary focus on Los Angeles marketplace
- Plans to expand to a nationally representative sample in 2017, will help us to:
  - Track trends over time
  - Compare markets
  - Dig deeper into levels and disciplines

OBJECTIVES & METHODOLOGY

OBJECTIVES	Understand the advertising/marketing industry's talent issues, challenges and opportunities
METHODOLOGY	• 10 minute online survey • Fielded: December 2015 • N=218 advertising/marketing professionals • Additional exploration around hiring professionals N=148

WHO WE TALKED TO

218 professionals who work in advertising/marketing in some form or fashion

- 64% are from ad agencies (N=140)
  - 39% AM/Strategy/Media
  - 24% Creative/Production
  - 36% HR/Other
- 68% somewhat/highly involved in hiring function (N=148)
- 66% are from the LA market (N=144)
- Range of organization size
  - 28% Less than 50 employees
  - 27% 50-200 employees
  - 36% 201+ employees
- Range of titles
  - 24% C-level/EVP/SVP/VP
  - 30% Manager/Director
  - 21% Senior/Mid
  - 16% Entry

INSIGHTS

1. **Mid level problems**: Nearly two-thirds (65%) of recent hires were entry or mid-level positions. And, only 13% of hiring professionals claimed to be very/extremely enthusiastic about the applicant pool for these lower level positions. This indicates a real issue with how entry and mid-level agency candidates are presenting themselves as a whole during the hiring process.

2. **Lack of experience and professionalism:** When asked on an open ended basis why they were unenthusiastic about the applicant pool, respondents stated "lack of experience" and "low levels of professionalism" as the main challenges they faced with candidates. Many of the hiring professionals' comments revolved around candidates lack of industry knowledge, their poor problem solving abilities and an overall lack of interviewing and communications skills. However, the one area that is most concerning is attitudinal – many of the lower level candidates presented a general lack of drive/enthusiasm for the business. They were looking to start at higher positions than they were qualified for because they did not want to work their way up in the business.

3. **Passion for business:** When asked what made a strong candidate stand out in the hiring process, over half (51%) state "passion for the business." This mirrors what was stated on an open ended basis, but clearly shows that passion is even more critical than relevant experience. It is easy to train a candidate to achieve the right level of experience if that person has the drive and commitment to succeed in the industry.

4. **State of the industry:** While these issues with lower level hires may paint a bleak picture, it only shows one side of the state of the industry. Over three-fourths (76%) of respondents are enthusiastic for long-term prospects in the industry. For these professionals who are enthusiastic, they cited challenge, opportunity, and new areas of personal growth as reasons why they felt positively about the industry's future. However, for those who are not enthusiastic, they state that ageism and agency politics as factors that are disrupting the future of the industry.

5. **Need for future research exploration**: Considering the issues that hiring professionals are experiencing at entry/mid-level, is there a lowering of standards that is occurring in order to keep agencies staffed? What is the implication of this for future leadership?

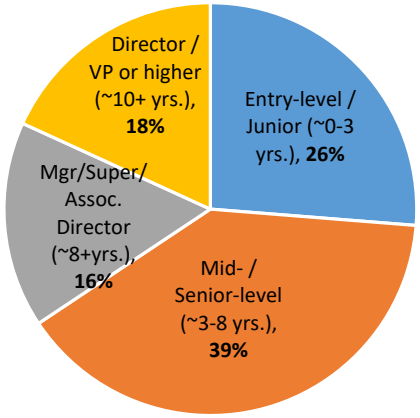
VERY LITTLE ENTHUSIASM FOR APPLICANT POOL

Mostly lower level employees in high turnover functions AND big time commitment.
Least enthusiasm for the mid-range titles.

Only **17%** of respondents very/extremely enthusiastic about applicant pool

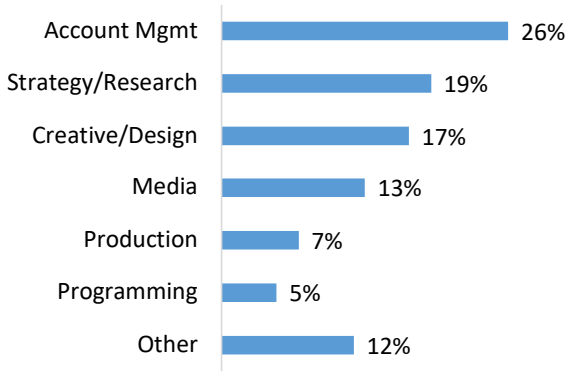
N=148

MOST RECENT HIRE



65% Entry/ Mid-Level Positions

JOB FUNCTIONS



45% higher turn-over functions

Least enthusiasm for the mid-level titles (Top 2 Box%)

- 13% Entry/Mid-Level
- 24% Manager +

6 weeks on average to fill position
Average 21 applicants
Average 5 interviews

AND CANDIDATES LACK EXPERIENCE & PROFESSIONALISM

Lack of experience, qualifications and specific areas of expertise

- Too much variance; lack of "classically trained" candidates that would be interested in moving to more entrepreneurial environment.
- Lack of qualified candidates with relevant internships
- Underqualified or irrelevant background
- Very few candidates had our specific industry experience, which was required for the position
- Did not have the correct qualifications, but they applied anyway.
- Lack of knowledge in research
- Applicants who didn't have required experience or understanding of industry
- Not enough breadth or depth of experience in a lot of cases. We're looking for both.
- Their experience was good (I was hiring in NYC), but they lacked critical thinking and complex problem solving
- Not enough relevant experience in digital production or knowledge of how things work, including hands-on experience and curiosity
- Academic deficiency due to inexperienced theoreticians (academicians) teaching from little to no real world perspective...These academicians often are indoctrinated in philosophy of political correctness and political agenda...Social activism and pleasing
- Not a lot of qualified candidates with good portfolios. Many we're too junior.

Lack of professionalism/enthusiasm

- We are having an issue with attitude with this experience level - specifically individuals that have a sense of entitlement to the position. More that the company would be lucky to have them, not that they would be lucky to find a job.
- Ability to research what we do, our work, our firm. They did not provide a cover letter and/or their intro email was so generic.
- A lot of people never returned outreach
- Portfolios are so very shallow in their ability to capture the candidate and describe their unique qualities.
- Candidates with lack of experience in professional environments
- Lack of enthusiasm.
- Poor resumes. Ill prepared. Poor interview skills
- Many had poor communication skills
- No one seemed overly excited about starting out in advertising and were anxious to find out how fast they could grow & move on in the role.
- Lack of tenacity, assertiveness and drive
- Many applicants view their jobs as task oriented. They take a short term view. Focus on how to get specific assignments/tasks completed. Very few take into account the need for a long term view and the client relationship building
- Attention to detail, humility, everyone labels themselves assistant editor, but everyone has to start at the bottom or else build their reel and resume.

MORE ENTHUSIASM FOR FINAL CANDIDATE

Work ethic, communication skills and critical thinking drive positive attitude towards the final hire. Cultural fit and team chemistry also add to the enthusiasm.

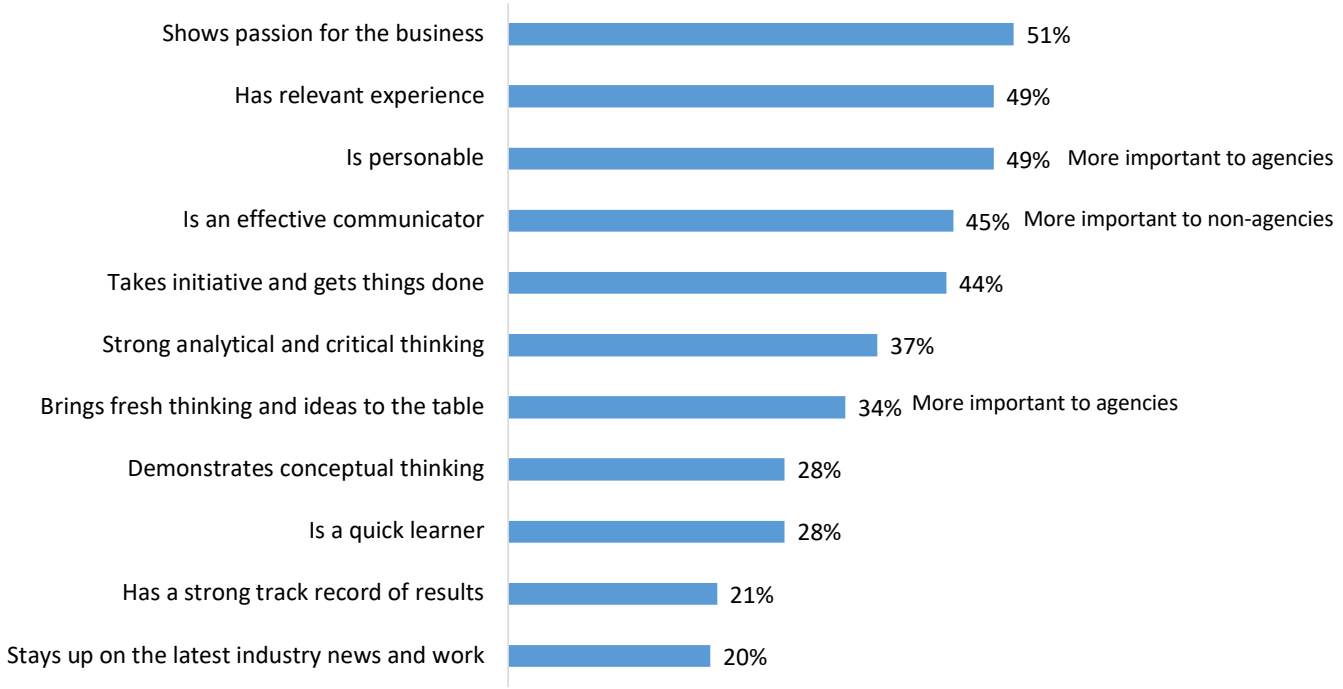
66% of respondents very/extremely enthusiastic about final hire

N=148

- Creative and self-starter
- A leading edge thinker, with excellent industry credentials.
- Great communication skills, understanding of adtech, attitude roll up sleeves and get to work, interest in learning
- Hard working, positive attitude, creative thinker.
- Driven and knowledgeable beyond the areas that they were being hired for
- Determination, work ethic, willingness to learn
- Perfect amount of experience, great follow up on their end, great cultural fit, and passion for the industry.
- At the end of day, cultural fit plus skill set
- A "make shit happen" mentality
- Enthusiasm for the role, agency.
- Pro-active, challenged the status quo, innovative
- Very accomplished, poised, and enthusiastic. Came with a great reco from a friend in the industry.
- Curious, intuitive, big picture thinker, creative
- They had relevant internship experience and strong excel skills needed for the role. They also presented themselves well and possessed the interpersonal skills needed to succeed.
- Specific industry knowledge and great team chemistry.
- Has a lot of common sense so they see the path that needs to be taken and they have a sense of urgency in doing the work that's required. Also, the person has a natural curiosity even though client's business is not something glamorous.

WHAT MAKES A STRONG CANDIDATE?

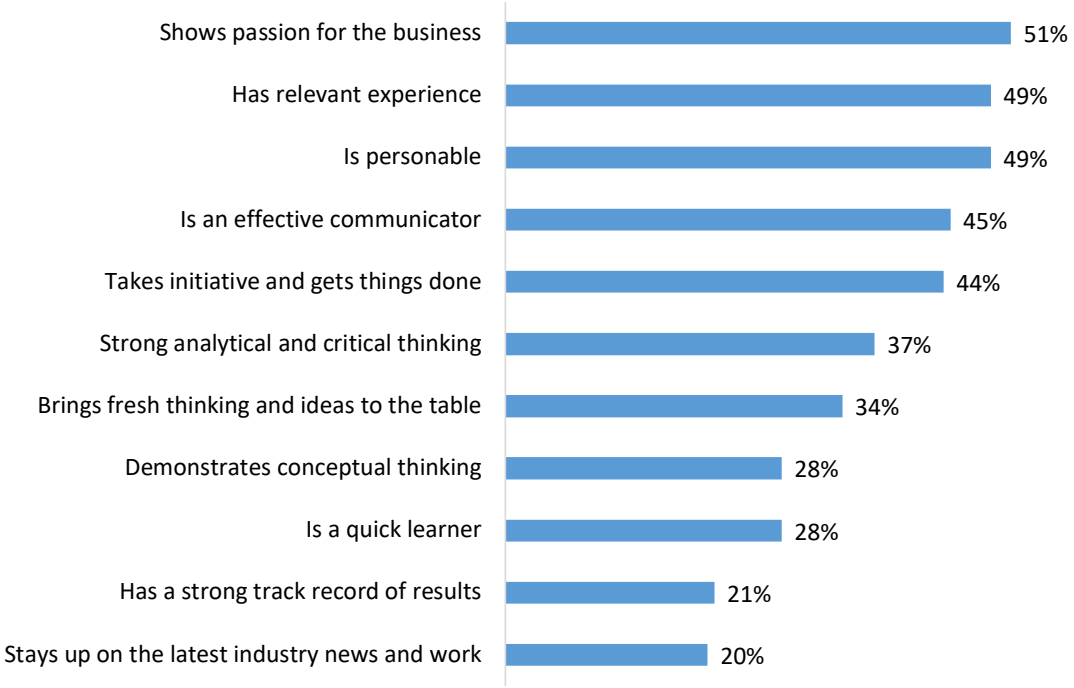
Passion, experience, personal attitude, communication and initiative.



N=148

WHAT MAKES A STRONG CANDIDATE?

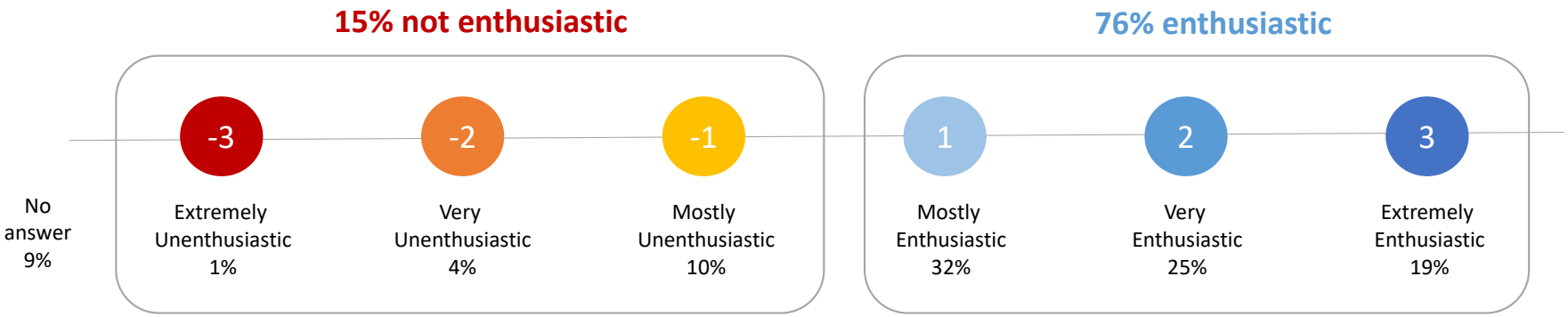
Q: Which of the following skills and traits make a strong intern or entry-level candidate (select up to 5)?



N=148, fielded 12/2015, respondent allowed to select up to five, remaining nine attributes not shown

ENTHUSIASM OVER LONG-TERM PROSPECTS

Over three-fourths of respondents are at least mostly enthusiastic for long-term prospects in the industry.

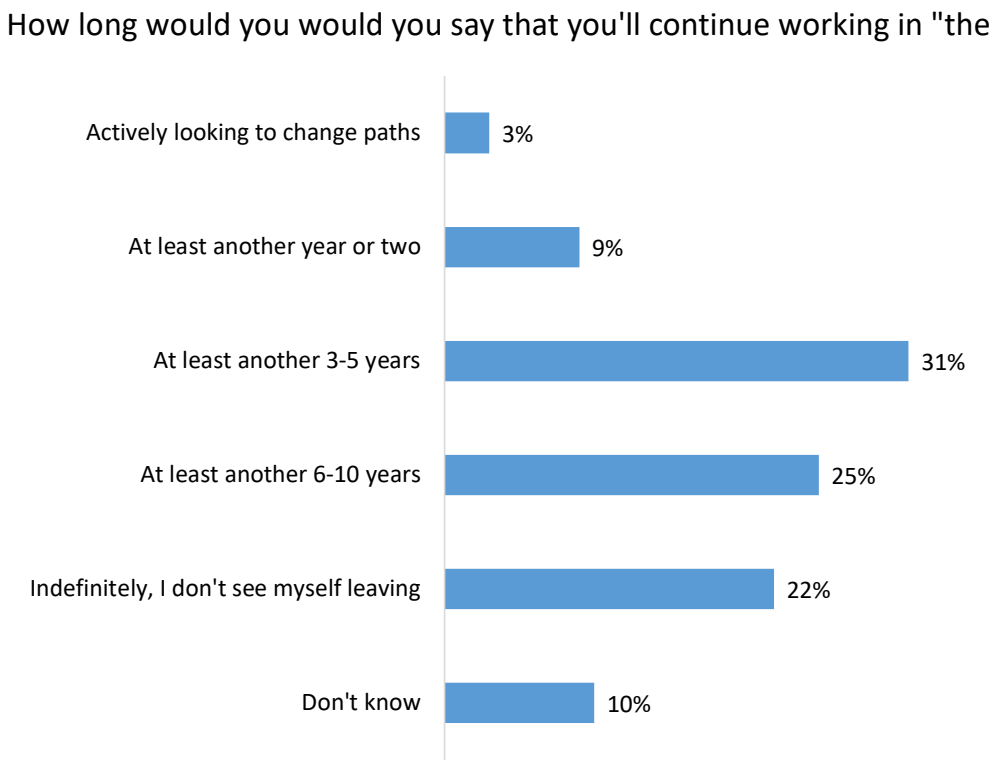


Who's the most enthusiastic?

- HR professionals
- Professionals in larger orgs. (over 200 employees)
- Entry level

N=218

AND MOST PLAN TO STAY IN THE INDUSTRY LONG-TERM



N=218

WHY/WHY NOT ENTHUSIASTIC?

Why enthusiastic? Challenge, opportunity, new areas of personal growth

- working with new technology, access and ability to target consumers based on data - optimize based on sales insights
- I like the constant challenge.
- It's different and always changing. It's impossible to remain stagnant.
- I love the industry and there should always be opportunities for work.
- I have an amazing team and the autonomy to be innovative
- Feel like there are multiple avenues career could still take
- As someone running my own agency, there are always more things to learn and grow as well as different clients/projects to pursue. But pursuing them in an industry filled with talented and/or 'buzz word centric' agencies is a little daunting/discouraging.
- Love my company, colleagues, clients – strength in every position. We have unique, compelling positioning and a proprietary strategic process, leading to an excellent creative product of which everyone is exceedingly proud. We focus on the right stuff,
- This industry is the most exciting and challenging one out there - and new opportunities seem to spring up every day
- I love being around creative people. I've been in advertising long enough that I feel comfortable knowing the needs of various positions which makes me a killer recruiter!
- Ad/Marketing agency world is better than most at being cutting-edge w/ getting people ready for their next role - whether it's at their current agency or somewhere else. People are #1!
- The creative people in the industry; the variety, fast pace; opportunity to learn something/do something new every day.
- Involved with smart people who bring energy, curiosity and fun to the work

Why NOT enthusiastic? Ageism, politics, stress, work/life balance

- It's an interesting industry in general, but not sure how long I can deal with the politics of agency life.
- Age discrimination
- I've been doing it too long and see it for the waste it truly is.
- Business isn't much fun anymore.
- Too much stress. HR in general has become so regulated. Too many laws. Tired of dealing with it!
- The longer you hang around in advertising the harder it is to stay relevant.
- The high-stress, long hours is not conducive to work-life balance; plus this industry tends to get rid of you when you become old...
- Lack of opportunity to do good quality work with a work life balance
- turn over= bad processes, advertising = egos, advertising= everyone knows the talk but can't produce when its been sold
- The business isn't conducive to having a balanced work life & family life. Traditional media people aren't as valued anymore in favor of digital or social media people who think they are God's gift to media. Shortsighted
- Complete lack of humanity in senior leaders in the industry
- Senior level creatives are getting culled out like weeds.
- I think the industry/account management has become more specialized. There was a move ten plus years ago toward more integration, but I think that has changed. Now there are any boutique shops specializing in social, relationship marketing etc.
- Long hours, stressful clients... can't see being in this industry past the age of 50

OPPORTUNITIES TO GROW ACADEMIC RELATIONSHIPS

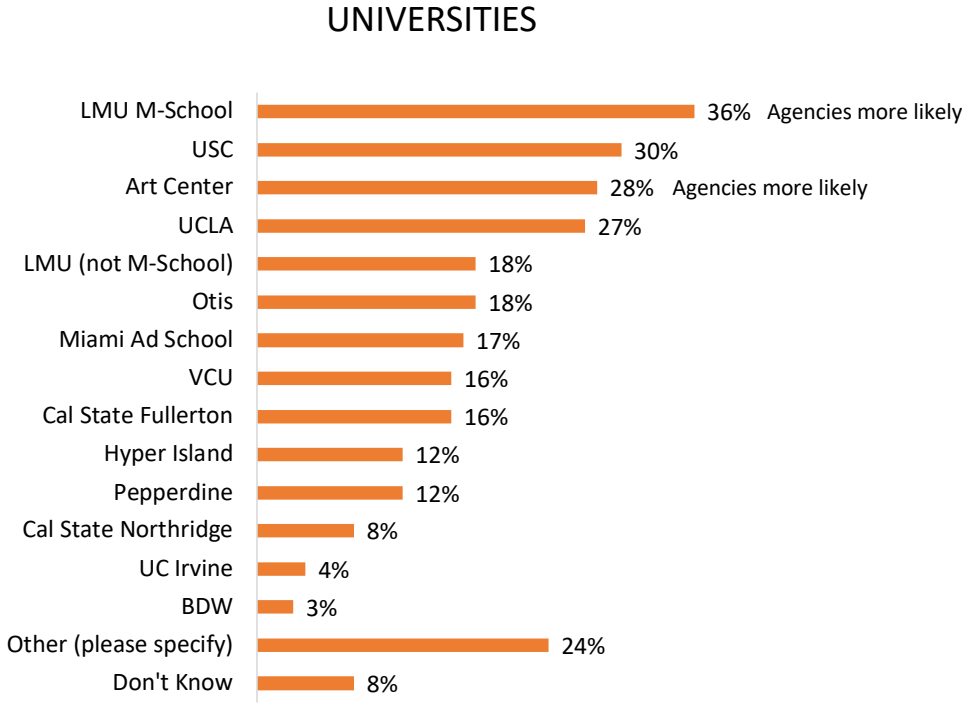
More respondents are aware of M-School than in an academic relationship with the program (possibly skewed by LA market)

46% of respondents have a relationship with a university

N=218

Who's most likely to have relationship?

- Agencies
- Orgs with 200+ employees



70% Aware of M-School at LMU before taking survey

34% know it well
36% know name only

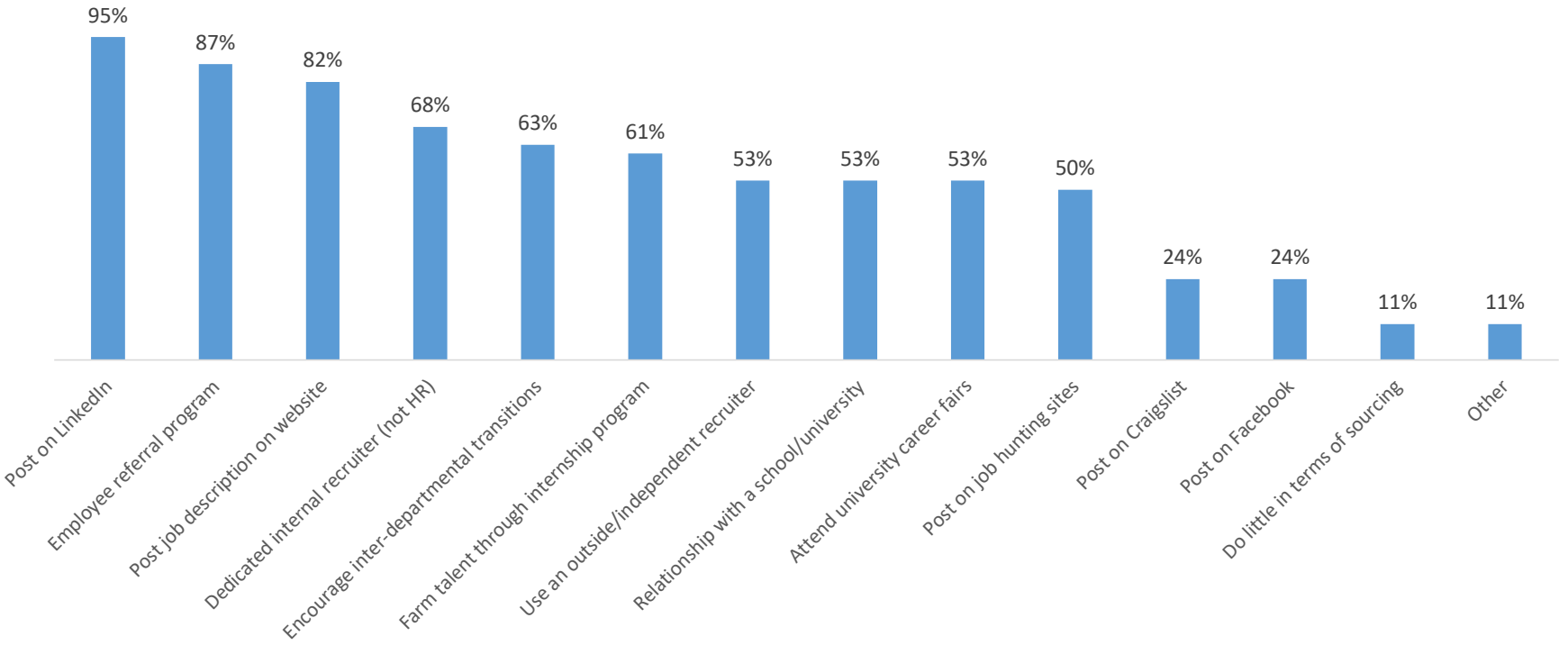
DIFFICULTY IN HIRING

% Hard	Roles	% Easy
11%	Account Management	24%
34%	**Account Planning / Strategy / Research**	5%
13%	Copywriting	26%
13	Traditional Media	29%
32%	**Digital Media**	13%
16%	Search / SEO	11%
37%	**Analytics**	5%
29%	**Technology (programming/coding)**	8%
8%	Social Media	34%
5%	Content/Video Production	26%
8%	Project Management / Traffic	29%
21%	**UX/UI**	5%
11%	Product Development / Innovation	13%
18%	Art Direction / Design	24%
24%	**Digital Production**	13%

Among HR managers, N=38
Small sample size, interpret results with caution

SOURCING NEW TALENT

37% have formalized approach for interviewing/evaluating candidates



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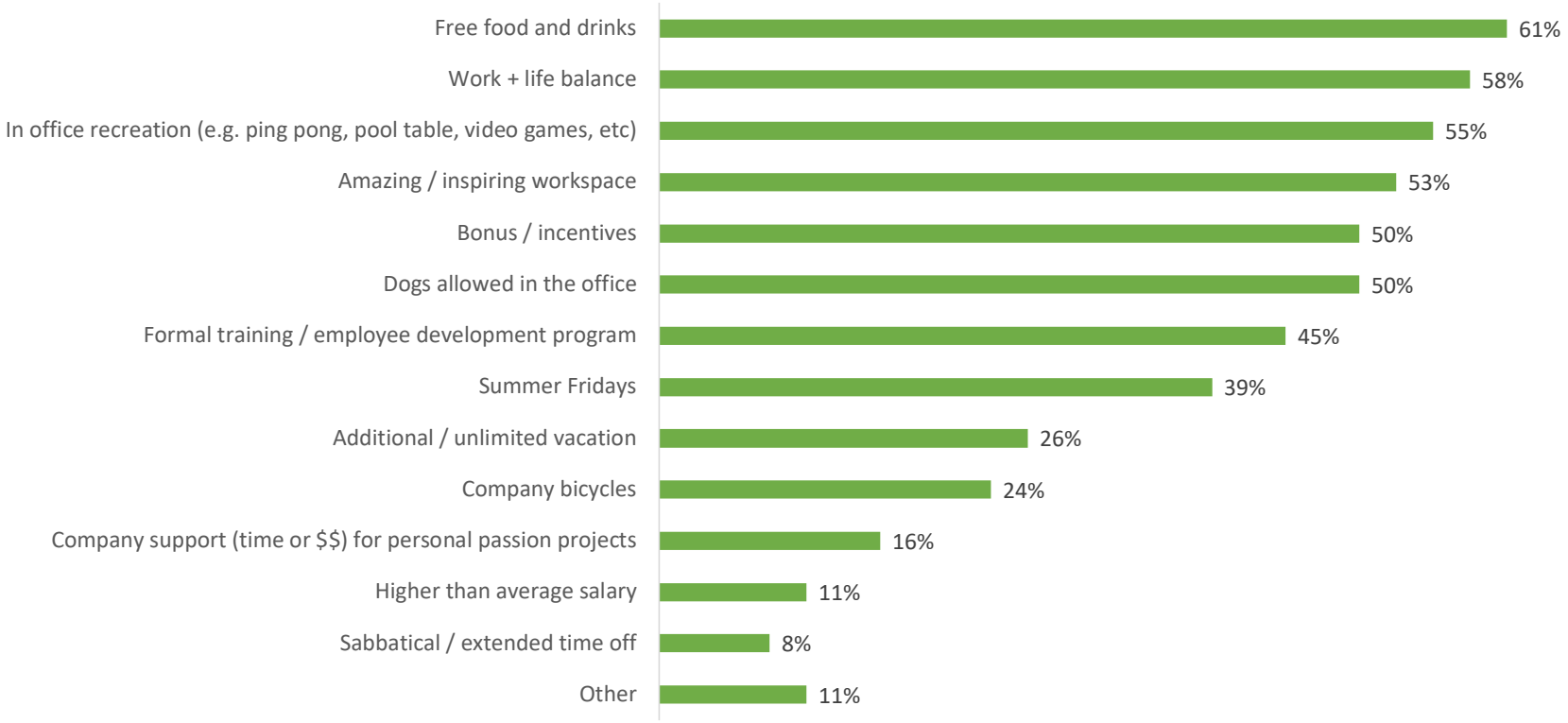
COMPANY “PERKS”



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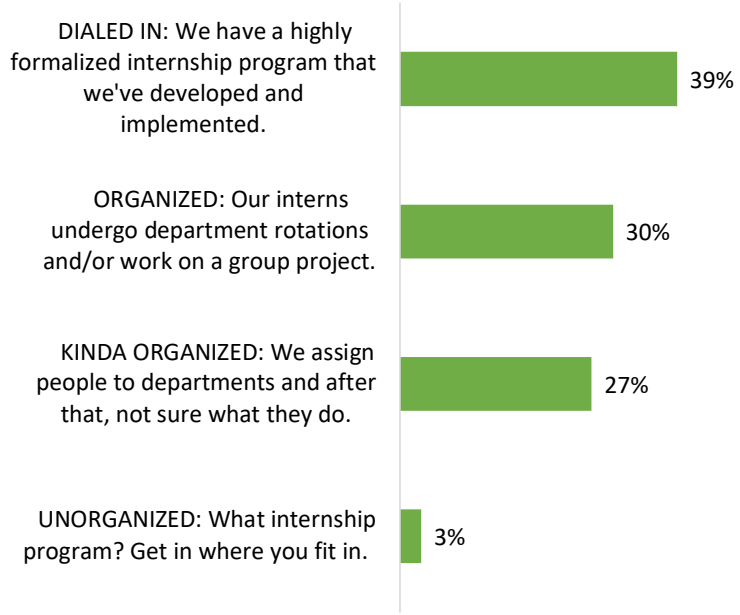
INTERN PROGRAM

87% of HR respondents state their organization has an intern program

PROGRAM



N=38

Small sample size, interpret results with caution

COMPANY REPORT CARD

If you were to score your company based on industry reputation, what letter grade would you give it?

A: 30%
B: 33%
C: 9%
D: 1%
F: 0%

N=218