

A creative look at management

Ad agencies are promoting their creative talent, but will it help reverse the rising tide of client disenchantment?
Arun Sudhaman reports

In the hyper competitive world of advertising agencies, every little advantage is used to forge ahead of the competition. With many agencies offering products and services that are often indistinguishable from their peers, the quest to make an agency unique, or at least distinctive, is a never-ending struggle.

In recent months, agencies have been promoting their creative talent to senior managerial roles at a time when clients are expressing growing disenchantment with agency output. As a mitigating factor, agencies have blamed client budget cutbacks for poor quality work. But the jury's damning report card of work submitted for March's Asian Advertising Awards has driven home just how far creative standards have slipped. And, as head judge Leo Burnett USA's vice-chairman and deputy creative officer Mark Tut-sell observed about TVCs being over-produced, the decline may have less to do with cutbacks and more an issue of creatives being stuck in the same groove.

But creative promotion to the top of the management ladder is not a new one. Since 1997, Gerald Gentemann, a former ECD at Asatsu DK, has led BBDO's joint-venture operation in Japan as chief executive managing director of I&S/BBDO, one of the largest 'foreign' agencies in the market. Similarly, there's John Jay at Wieden+Kennedy, who is an integral part of the organisation, and former ECD Minoru Kawase, who is president of TBWA, both in Japan.

An impressive number in a market where creative is seen "just as a service and not a key asset", according to Tyron Giuliani, a Partner at executive search company Optia Partners in Japan.

Elsewhere in Asia, Ogilvy & Mather has also promoted its creative talents — Singapore ECD Andy Greenaway as its chairman in that market and CD Sonal Dabral as managing director of its advertising unit in Malaysia — in the past two years. But the pace of creative promotions has quickened considerably this year. In perhaps the most significant appointment to date, O&M's Asia-Pacific chairman Miles Young elevated regional ECD Tham Khai Meng to the very top of its management echelon as co-chairman earlier this year.

In March, TBWA promoted former Asia-Pacific creative director Stephen Ward to chairman of its Hong Kong office. TBWA's Asia-Pacific chairman Keith Smith notes that the network has appointed a creative person to similar roles in London and Sydney, and believes that is part of a



Clockwise, Young, Smith, Naus and Cheng... "the sort of CDs we are talking about are an extraordinarily small group"

THE FACE OF AGENCIES' FUTURE: CREATIVES MAKING THE LEAP TO MANAGEMENT



Gerald Gentemann has headed BBDO's joint-venture Japanese operations since 1997 as chief executive managing director. Gentemann started his career as a creative director and has created award-winning campaigns and marketing strategies for major international brands such as Pepsi, Mars, Nestlé, Coca-Cola, Unilever, Shiseido, Levi's, Gillette and Mercedes-Benz. "He has brought an air of 'can-do' to the agency and combined with his warm and bubbly personality is engaging for the client," says Tyron Giuliani in Japan.



Six months after joining TBWA Hong Kong as international creative director from the network's London firm, Stephen Ward now heads the office as chairman and executive creative director. His remit is to strengthen the office's creative capability while overseeing work for international clients such as Martell, adidas, the Australian Tourist Commission and Shangri-La hotels.



The most significant among the latest spate of creative promotions, Ogilvy & Mather's former regional ECD Tham Khai Meng has been elevated to co-chairman alongside Asia-Pacific chief Miles Young to manage a combined operation that spans 14 countries. Young, who hired Tham in 1999 as the regional ECD, said at the time of his promotion: "We cannot divorce the two entities of business and creativity so it is only natural that we have this type of partnership." It was envisaged that Tham would work closely with local market heads on international brands.



Before making the leap into management, J. Walter Thompson's new North and Southeast Asia managing director Bryan Cooper was a CD. Cooper started out as a copywriter in the late '60s with Melbourne's Compton Advertising and worked as a CD at a string of Australian shops. His last creative role was at JWT Melbourne in 1990 before his promotion to vice-chairman/national director of strategic planning at JWT Australian operations.

wider recognition of the value of 'ideas' to the client.

"A creative director in top management can bring a sense of what the agency will represent. If it is to brand itself as a creative agency, then the creative expert will clearly be able to articulate what the theme behind the agency is to the client," notes Giuliani. "They would also understand what kind of relationship/structure would be needed internally to function with the client."

TBWA's Smith believes creative promotions allow agencies to bring the focus back to their product. "Clients are searching for big ideas," he notes. "Agencies are often too worried about servicing as opposed to big brand ideas".

O&M's Young agrees that the trend is still a rare one, but he rebuts criticism that it requires agencies to replace their normal management processes. "This is not a replacement of normal management skills or processes, but it is a reframing of them," says Young. "When it is happening, it is because those agencies are realis-

ing that if you really believe in the product then you have to put your money where your mouth is — that you have to ensure that the whole agency feels the creative imperative from the top down."

This need to make an agency more 'creative' is clearly an important factor in putting a creative person in charge. The signal sent out to clients, says Young, is that the agency has confidence in its creativity. "Quite frankly it gives (clients) a buzz," he notes. "It's a bit like knowing that the person who owns the restaurant is also the chef — and he's in the kitchen." Geoff Naus, McCann-Erickson Guangming Hong Kong executive creative director who became the agency's Hong Kong chairman at the beginning of the year, believes that putting a creative in charge is a reflection of the progression in agency-client relationships.

"In the past, a large number of clients looked to their agency for heavyweight marketing input and probably felt more comfortable with agency management who had strong marketing, client or strate-

gic backgrounds," says Naus. "Today, most clients have experienced marketing teams in place and many of them now look to agencies more for their creative solutions. It follows that a creative would be able to frame the client/agency relationship in terms that focus more pertinently on creative impact."

Another advantage of putting CDs into senior management is the realignment this can bring to an agency's priorities. "The people in the various agency departments would have to come to terms with the unusual fact that a creative guy is in a leadership position. This change of dynamic will have its own rewards because now the agency will realise that it's no longer business as usual. The agency's language will begin to change because the creative guy in the hot seat is seeing things through a creative lens. So an account, media or finance person will have to look in the mirror every day and ask: 'Am I being creative enough?'," says Naus.

The concern must be, for client

marketing directors, that the upside in an agency's creativity may well be achieved at the expense of its servicing capabilities. Smith believes that agencies are too concerned with servicing, and do not realise that clients are looking for something more from them. "Obviously servicing is important," opines Smith. "It's like room service in a five-star hotel — it's part of the expectation but you only notice it when it's not there."

Alec Cheng, who moved up from the ECD role at J. Walter Thompson Hong Kong to become its Beijing managing director last year, argues that a downside in servicing may not necessarily be the case, and experienced creatives can bring more to the table than a 'suit'. "The fact is, during his or her long years of career development, a creative person gains a huge experience in client relationship, on top of the art and technical sides of the creative process. A suit-based manager may not be really knowledgeable in the creative areas."

Indeed, both Young and Naus believe that clients enjoy the dynamic on view, of a creative person in partnership with a 'suit'. They also caution that the creative should not be expected to take on too much of the day-to-day responsibilities of an agency.

One vital support resource a creative in management will need is a strong financial director. Says Optia Partners, Giuliani: "A creative director cannot really get into finance. They would also need a strong client service director to deal with day-to-day business. (Creatives) have the vision, but not necessarily the day-to-day skills."

At O&M, Young has likened the co-chairmen structure as "ying and yang", each complementing the other.

"If Khai was involved in all the intricacies of day-to-day management, he wouldn't be doing what he needs to do, likes doing and clients want him to do — the work! I think the management role Khai has is a leadership one, complementing me, and clients love that."

Naus agrees, noting that creatives must not, in his words, "do it all on their own". "If you take my situation, I'm chairman of McCann but my new managing director partner is Mike Wong," explains Naus. "With me as the 'beard' and Mike as the 'suit' I don't see any downside."

Of key importance to this strategy, unsurprisingly, is the selection of the right creative person. Cheng observes a good creative person may have "absolutely no business sense". Young, meanwhile, points out that choosing the wrong person can have the direst of consequences for the agency. "If the creative people are not up to it... they can destroy an agency in one year flat," he says. "The sort of top CDs we are talking about are an extraordinarily small group. There are only a few up to it globally."