



The Lighthouse Company
New World Talent Survey 2013

www.thelighthousecompany.com

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Welcome to the results of The Lighthouse Company New World Talent Survey 2013.

This is the fourth successive year that we have undertaken a bespoke piece of research to obtain an in-depth understanding of the opinions of leaders in the media and communications industry.

This year's study was conducted for The Lighthouse Company by Work Research in January 2013 and includes input from more than 240 C-suite executives from media owners, creative and media agencies.

As such, it offers unprecedented insight into the current thoughts and feelings of our industry's top talent.

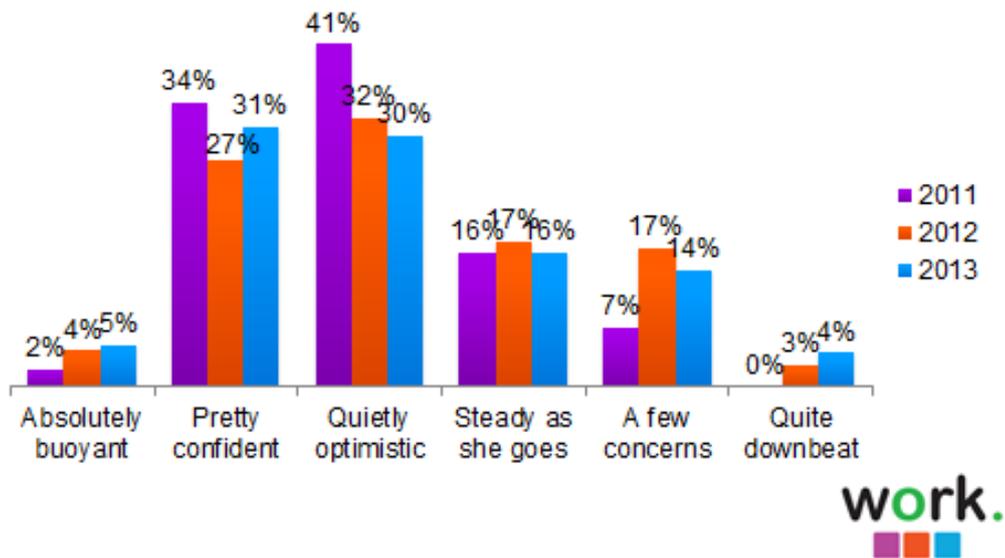
We hope you find the results insightful.

If you need any further explanation of the points raised, please don't hesitate to get in touch.

Chart 1 – Growth prospects for 2013

You are feeling ever more confident with regards to growth projections.

Q. What is your feeling about the likely growth prospects for your business in 2013?



Last year was quite a year. Jubilee celebrations, Olympic victory, Football fever; it's exhausting just remembering just how much went on. In our personal lives, it was one hell of a year, but in our business lives, how did the year stack up.

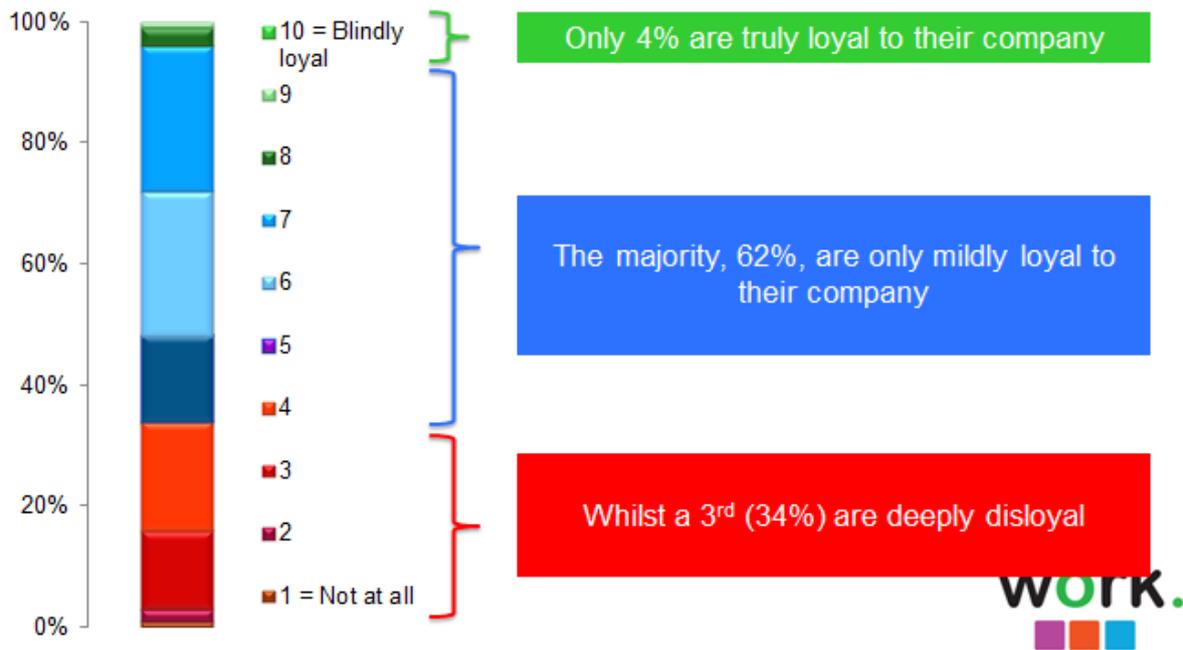
At the start of 2012, when we reported last, we saw that underneath the smiles and bravado, there were concerns about the trading environment, driven by the dire state of the national economy. Optimism was hard to find.

The chart above shows, with the exception of a few who remain downbeat, over two thirds of us are more optimistic about the year ahead. Whilst we all recognise that it's going to remain tough, we're starting to see those famous 'green shoots of recovery'. And they've been a long time coming.

Chart 2 – Employee loyalty

Company loyalty is still low with the majority only slightly loyal and a third

Q. How loyal do you think people are to the company they work for in this industry?



Initially, this chart might appear to be good news for search firms. With only four percent being truly loyal but a third of you being deeply disloyal, we should all be reflecting on how we can better meet the changing needs of our talent.

The growth in companies adopting more ‘West Coast’ operational models, offering more flexible working practices and more creative work environments is impacting on what we want from a job. As we’ll see later, it’s not just about the money anymore.

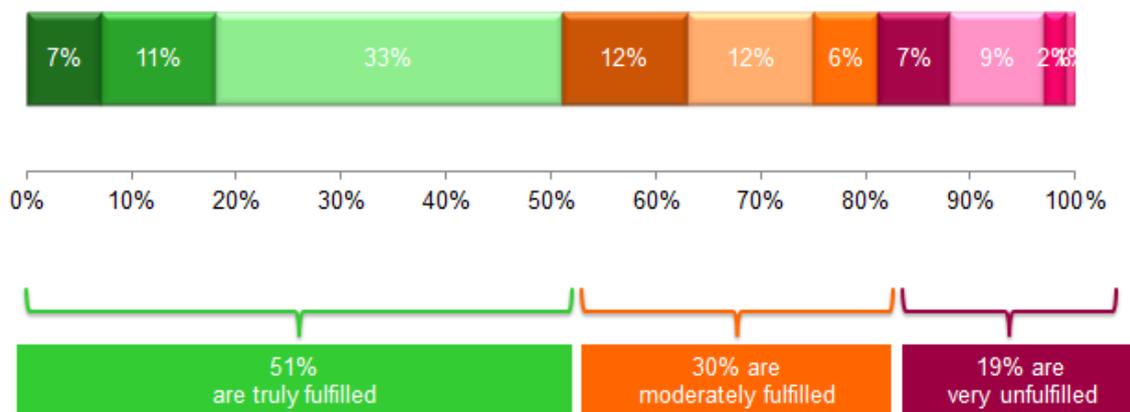
Whilst media has always seen a particularly high rate of churn, we need to do more to address this worrying trend, or it will get higher and become more difficult to retain knowledge within the organisation. We need to understand better what our top talent is looking for beyond the cash settlement.

Chart 3 – Individual fulfilment

Over half are truly fulfilled in their current positions, with 7% deliriously happy in their employment.

Q. How professionally fulfilled are you in your current position?

■ 1 = Deliriously happy ■ 2 ■ 3 ■ 4 ■ 5 ■ 6 ■ 7 ■ 8 ■ 9 ■ 10 = Extremely unhappy



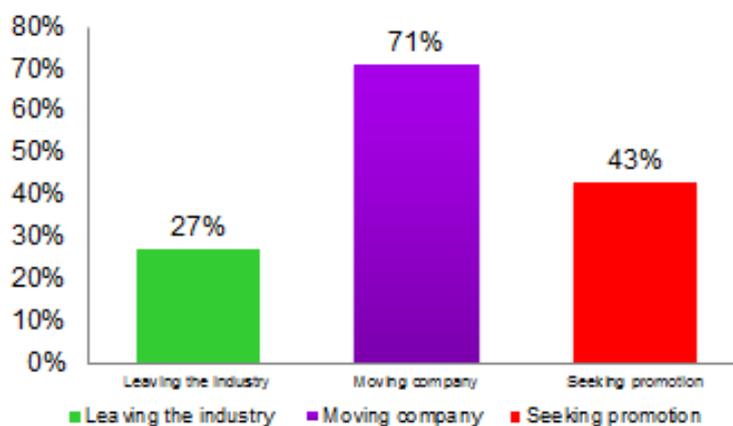
It's perhaps unsurprising given the last chart that half you are not as fulfilled as you might want to be in your current position.

Once again, if we are to capitalise on an emerging optimism about the business climate, we first need to make sure that our talent is fulfilled and committed to the organisation. We must all take responsibility for finding better ways to emotionally connect and build our leadership teams.

Uncertainty at the top of the company leads to a lack of direction and uncertainty throughout the organisation as a whole – not the victory culture that we should be trying to nurture.

Chart 4 – Considered Movement

However, a large percentage have considered moving company.



Over two thirds of you have considered moving company; no surprise given the preceding charts.

In today's environment, with the likes of LinkedIn, it is easier than ever to put yourself in front of another organisation. Likewise, it's easier for organisations to put themselves in front of you. We're all becoming headhunters in our own little way; we have greater visibility of the opportunities that surround us and it's not surprising that we are more likely to consider them, albeit fleetingly in some cases.

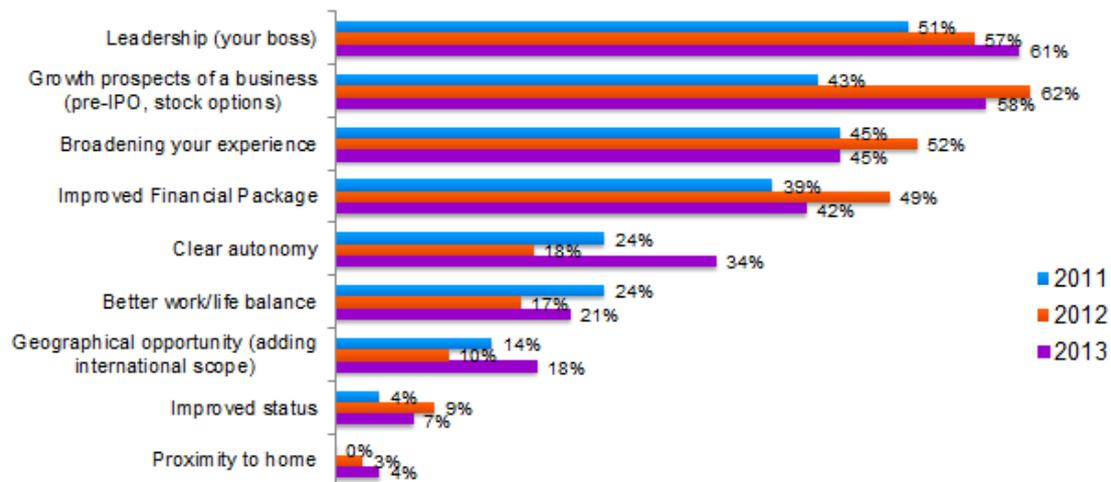
What is more concerning, is the fact that over the range of measures discussed so far, we are clearly seeing senior talent in a state of flux. Much of this may be attributable to the instability we have experienced within the wider economy and the pace of change we are experiencing as an industry.

It makes the previous points we've made about building committed leadership teams even more pertinent.

Chart 5 – Key recruitment drivers

Key Recruitment Drivers

Q. Which elements would most influence, inspire or attract you to make your next career move?



We have spoken about the changing nature of the workplace and the needs and wants of top talent within our industry. Here we see it manifest itself clearly.

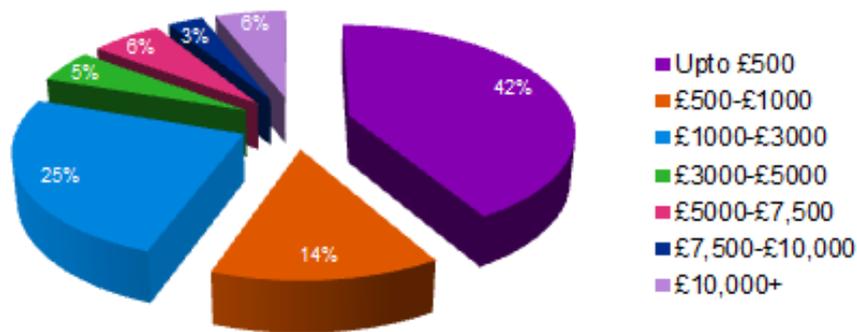
We are seeing throughout this research a move towards a more rounded career experience rather than one driven by the financials alone. In part, this may be driven by the fact that we've seen the last big IPOs come to fruition and we've yet to see where the next big financial wins will come from.

Leadership, autonomy and international opportunities are much more important to us now. People are thinking about themselves, rather than the organisation and we need to be mindful of this.

Chart 6 – Personal Investment

81% personally invest up to £3000 annually, with 42% spending up to £500.

Q. How much do you personally invest financially in the development of yourself as a professional brand each year?



We know from the many people we interview, which at the Lighthouse Company is around 3,000 people a year, that the average package of the individuals we asked to respond to our survey is around £210,000 per annum.

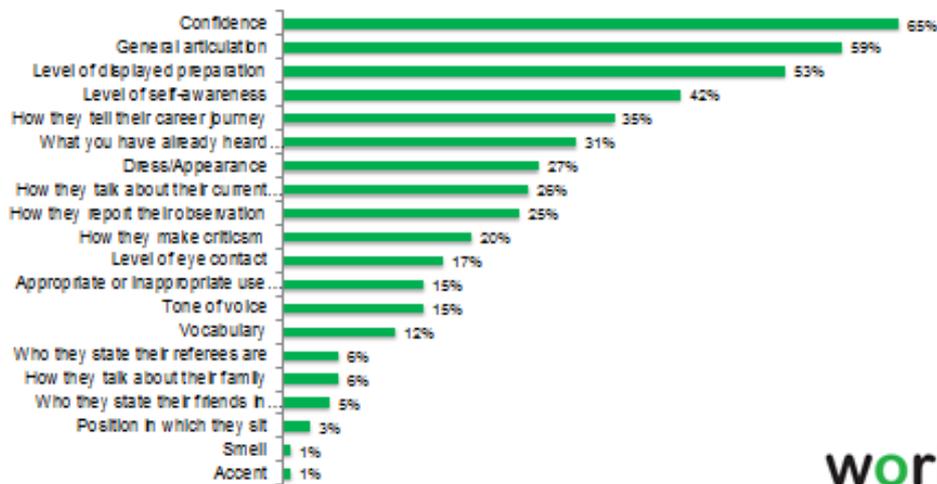
Given the previous story about leaders being a state of flux, imagine our surprise when we learned that nearly all of you spend less than £3000 (that's just over 1% of your salary) on the development of yourself as a professional brand.

But why are we even interested in this? The truth of the matter is that over half of us will make up our minds about people in an interview in less than 6 minutes.

Chart 7 – Interview elements paid attention to.

Outside of craft skill, the most important factors include; confidence, general articulation, level of displayed preparation and level of self-awareness.

Q. When interviewing a leader, outside of craft skill, what elements do you pay most attention to?



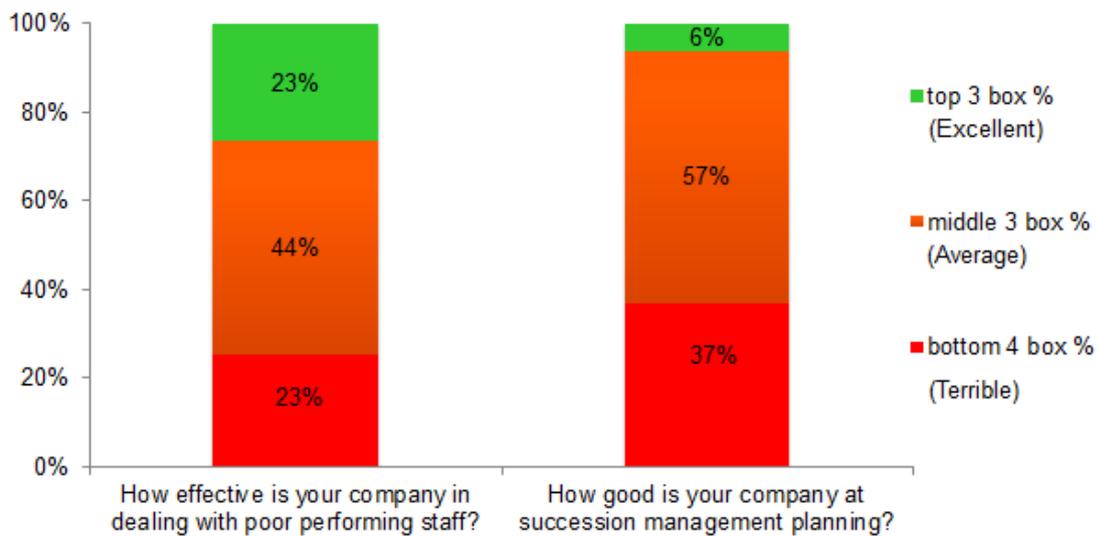
This is further supported when we look at the figures here. Outside of craft skill, the way in which we present ourselves at interview is clearly worth the investment.

And the good news is that these are all things that professional coaches, mentors and trainers can help with.

It could mean the difference between success and always being second.

Chart 8 – Media industry failing on two counts

The industry is failing on two fronts, especially succession management planning.



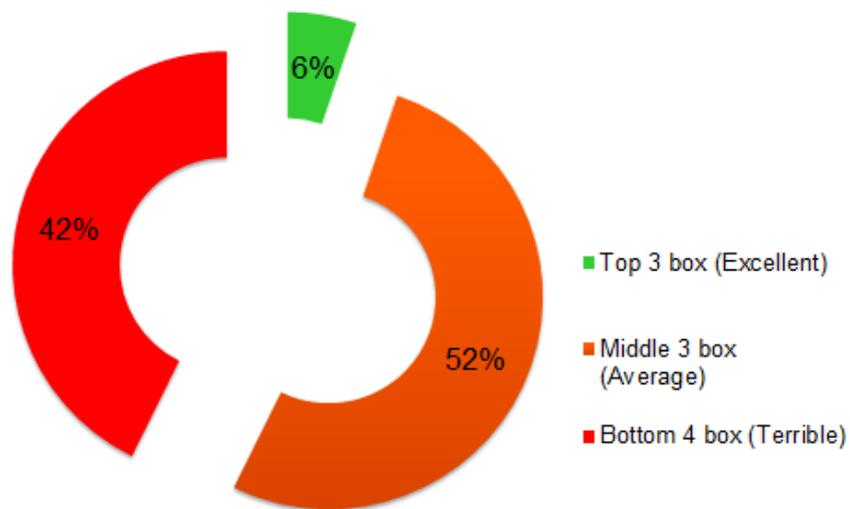
Last year we highlighted a concern we had identified around not dealing with poor performing individuals. This year we see some improvement and it's encouraging to see that 23% of you now believe your company is effective at dealing with poor performing staff. This still has to improve – remember that time wasted dealing with poor staff is time taken away from nurturing top talent.

The real show stopper here is the staggering fact that only 6% of you believe your company is good at identifying and preparing succession management. This reinforces the point above; the need to focus on nurturing and bringing through the ranks the leaders of tomorrow.

Chart 9 – Lack of leadership training

Leadership training is also a huge issue, with only 6% thinking they are good at it.

Q. How good do you feel our industry is at training the current generation of managers to be the next generation of leaders?



Here we see the root cause of bad succession planning – terrible training plans.

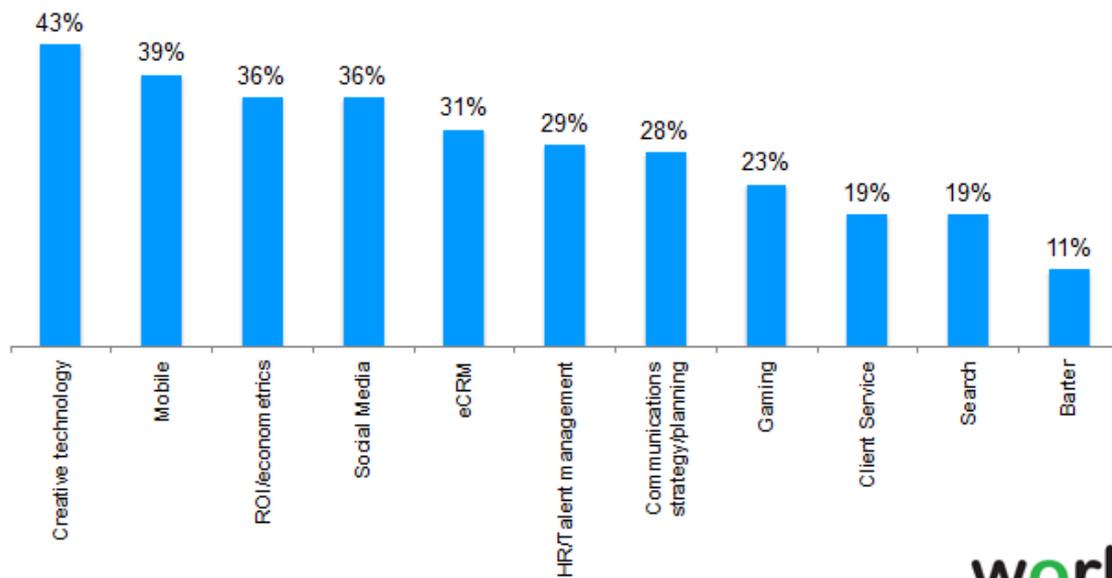
Certain leaders might look at the disloyalty and churn rates as a reason not to invest in training: “why spend money on people who are going to leave?”. The reason they’re leaving is because these types of leaders DON’T invest. It’s been proven time and time again that you’ll keep talent for longer if you can map out structured career paths and the training they need to progress along them.

If we don’t address this immediately then we will lose talent to other industries and struggle to build knowledge and expertise at an organisational level.

Chart 10 – Key skills gaps

The most significant skill gaps at a senior level include; creative technology, mobile, ROI and social media.

Q: What are the key skills gaps at a senior level in your company?



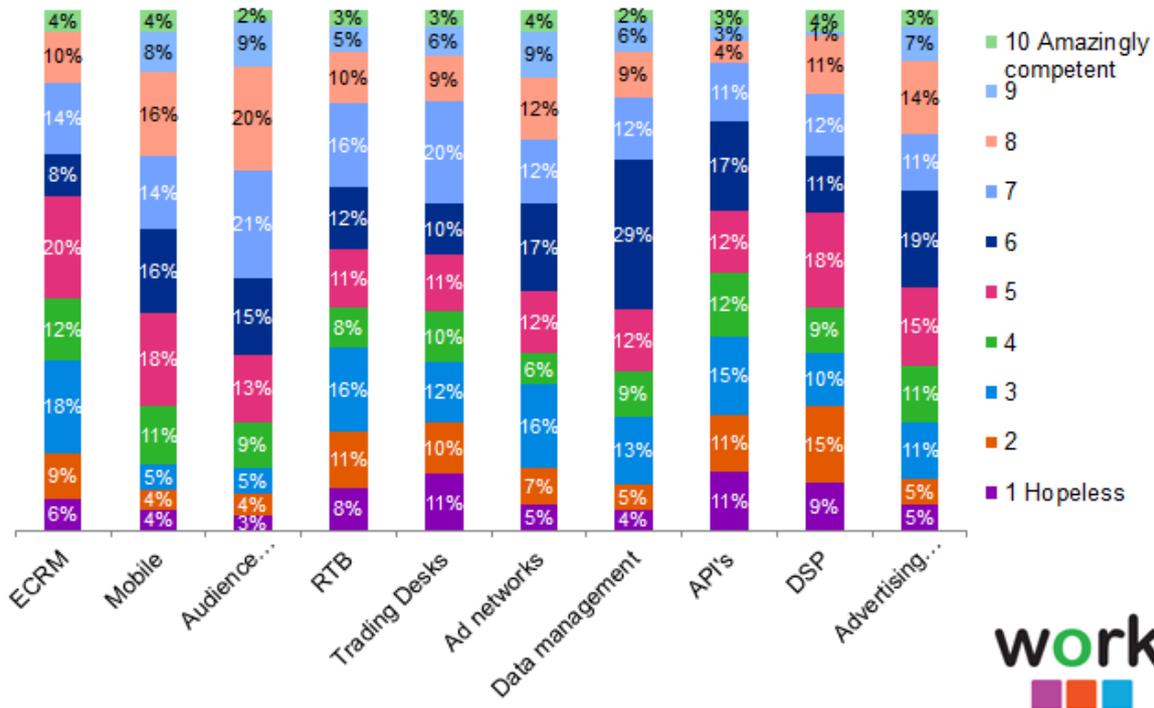
The pace of change is frantic; the plans we make for filling skills' gaps with our organisations are out of date the moment we commit them to paper. Keeping up with the software advances, let alone the commercial applications that might exist is a neverending story. The one thing we can be certain of is uncertainty.

So we were left wondering, how honest are we being with ourselves when we consider how digital we are and how digital we need to be?

Unsurprisingly, the most significant skills' gap remains in the creative technology, mobile, econometrics and social media division. This is worrying given that most of the conversations we're having as an industry are about ROI, the growing prominence of social and the debates about how we leverage it from a commercial point of view, and once again...it's the year of mobile.

Chart 11 – Competency

Competency for most of the topics, sits around 6/10 on the level of competency.



Following on from the previous chart, we appear to be average at most things but experts in none, the exception to the rule being audience measurement.

Clearly, we can't try and be all things to all men and build expertise around all these skills. As leaders, we need to make bets on what is likely to be most important. Therefore, it's vital that we are constantly scenario planning for the future and ensuring that the right skills are being brought into the organisation.

Chart 12 – Digital understanding at a senior level

No experience of the digital world does not seem overly off-putting when employing somebody at senior level.

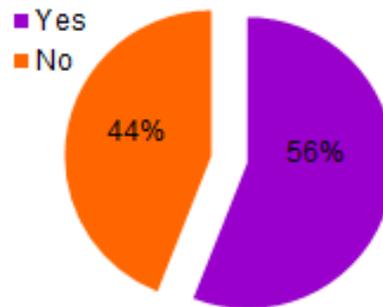
Q. In 2013 would you employ someone at a senior level who has no working experience of a digital business?

Why you would employ:

- The principles are transferable
- Hire for attitude, train for skill
- The skills are not always relevant
- Not every industry needs a digital mastermind.

Why you would not employ:

- It is mandatory to have digital experience in marketing.
- It's the future
- It can't be trained
- It runs across every aspect of what we do.
- It is essential for growth.
- It would be like hiring a dinosaur.



One bet that we can safely make is that every part of the media landscape is being digitised and it would be a foolish leader who didn't recognise the importance of ensuring that leadership teams have knowledge in this area.

Therefore it is extremely surprising to see that 56% of you would consider hiring someone without digital experience.

We are most commonly asked to find people who are digitally able. As one client put it "If they have no digital experience then it means they have no curiosity and no curiosity is the biggest barrier to me hiring someone."

Of course, digital isn't the 'be all and end all', but perhaps the story underlying these figures is that as leaders, you're feeling vulnerable about the new breed of talent coming through. Mark Creighton, at 36, who in the main has come up through the digital world is now the CEO of Mindshare. Dan Clays, at 39, who early on diverted early on from a career as a TV buyer to digital pioneer, now leads OMD in the UK.

Beyond media, we see traditional businesses (HP, JC Penney, etc.) bringing in digital expertise at board level.

The shape of leaders is beginning to change. CEOs with digital firmly in their DNA are emerging and with it, their expectations of the DNA of their own super teams.

Chart 13 – Most desired companies to work for

The companies we would most like to work for are...



The social gloss appears to be fading as we see Twitter fall down the ranking and Facebook disappear altogether from the top five.

Amazon becomes more interesting as we see it move from being an online retailer to platform provider with the new Kindle Fire. Clearly, an ambitious business strategy is starting to emerge and you're quick to spot it. Exciting times at Kindle are starting to make you all take notice.

The loss of Steve Jobs has done little to diminish the appeal of Apple and Spotify goes from strength to strength.

Chart 14 – People we would most like to work with/for

The people we would most like to work with/for this year are...



Carolyn Everson
Facebook

Fru Hazlitt
ITV

Chris Maples
Spotify

Bruce Daisley
Twitter



Whilst the new world dominates the previous chart, it's great to see some old world talent make it to the list here, in the form of Fru Hazlitt at ITV.

What is it that makes these people the leaders we'd like to work for? These are people who have really transformed digital businesses in their everyday works and are working for businesses that are digitally transforming the way we live our lives.

As human beings we like to be led; we like to follow a strong visionary, a beacon, and we like good honest, straight talking leadership. All of these people offer that. They are charismatic, committed to their organisations, its people and what they are doing.

Chart 15 – Most interesting media industry hires of 2011

Most interesting senior hires of 2012



5.
Tony Hall
To BBC

4.
Pippa Glucklich
to Starcom

3.
David Pemsel
to The Guardian

2.
Dan Clays
to OMD

1.
MARRISA MAYER
to Yahoo



The most interesting hires this year cover agencies and media owners.

Many thought that Pippa was a permanent fixture at Arena but her move to Starcom proves that you should never underestimate people's desire for a fresh challenge.

David crosses over from marketing to commercial and it will be interesting to see the impact his unique skills' set brings to The Guardian. Also proof that, within talent search, one shouldn't always be looking in the obvious places.

And whilst her more recent moves to get people back into the office are causing quite a stir, the fact that MARRISA MAYER was brought into lead Yahoo when she was pregnant speaks volumes about the respect she has garnered.

On the following page are some your fantasy hires... a bit of fun before we conclude on what this research has taught us.

Charts 16 & 17 – Fantasy hires

Our fantasy hire would be...

In general many people received one vote, but a couple of people were cited a little bit more with the top two being;



Martin Sorrell



Bruce Daisley



Our fantasy hire - other notable mentions



Tony Blair:

He knows a lot of stuff.



James Corden:

To keep people laughing because its going to be a tougher year than people think.



Keith Lemon:

He would be crazy and keep HR busy.



Source: TLC verbatims



Conclusion

The key finding of this year's New World Talent Survey is that the UK media industry needs to up its game in the management and development of its talent.

Worryingly:

- We don't truly value the people in our organisations or invest in them enough
- This is creating a leadership generation with little loyalty to their organisation
- Furthermore, we don't invest in ourselves as brands to help maximise our own success

In a world where top talent is more mobile and is in more demand than ever before, especially with digital expertise's being more sought after, it is imperative that businesses in our industry act quickly to address the issues raised in order to maximise their potential and to maintain competitive advantage.

We are all very aware what the problems are. Now we need to do something about them.

The Lighthouse Company looks forward to seeing whether things have changed in the results of our next survey, which will be published early in 2014.