BIZCOMMUNITY

Management systems in creative agencies

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When you're busy with pitches, egos and the relentless 24-7 of the creative industry, it is easy to side-eye this vital, yet often overlooked business management tool. A management system can be the difference between success and failure in a business.

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When a verification agency is accredited to evaluate a company's BEE status, it is based on the agency's technical proficiency and the application of their internal management system. And there is a science to this evaluation: the management system's core criteria are mandated by the South African National Accreditation System (Sanas), specifically for verification agencies, however, the principles can be applied to any business, large or small.

Managing continuity, succession and success

A management system should be a live standard for running your business and ensuring you meet the levels of service and profitability you aim for. It is key to managing continuity, succession and success. It is also a tool that will prevent you from making the same mistakes over and again, and help you to constantly improve your internal processes.

These systems are often seen in large businesses, and particularly in those that are audited for some form of accreditation or licence but are equally valuable for smaller businesses, which often lack structure.

Picture a small to medium size business with a flat management structure. Perhaps a PR agency, media buying shop or even a TTL company. Creative, award-winning, their tools are people and perhaps some technical machinery. This type of business is quite often owner-managed at the top, with a handful of key staff in place to monitor different areas. It may have a number of different types of services which they offer. Copywriting, project planning, filming, post-production services such as editing, voice-overs, graphics, etc, each of which are specialisations in their own right.

Should any one part of this small to medium-sized business rely on the owner/manager or just a handful of people, the risk of failure of the business is multiplied. No-one is likely to know all the parts of the business, and without a structure to hold it up in the absence of key staff, it is possible that it will collapse.

The same is applicable to a small financial services firm, a family run business, a restaurant and any other small or large business that you can imagine.

There are a number of management systems in use by different businesses all over the world. ISO is the most commonly used and referred to. The standards for these systems are similar, and the systems/guidelines can be purchased and implemented in any business.

However, it is not necessary to purchase a system. A good understanding of your own business and some common sense can help you to build your own. Below is a brief overview of how it works.

A management system consists of at least three parts:

1) The policy manual/standard

- This is a statement or description about each main activity in your business and your policy related to that system. Separate out the activities. E.g. marketing and sales, job scoping and engagement, staffing requirements, recruitment and selection, job/service/product delivery, after-sales service, complaints and appeals, internal monitoring and corrective action, etc. As an example:

> *"It is our policy to meet and exceed our customer's expectations in terms of client satisfaction and service delivery, to ensure repeat business and maximise profitability. To achieve this, a Project Development Workshop will be held before each engagement is planned."*

2) The process manual

a. Each policy requires a process. The process should define how the policy or standard will be met, identify responsible parties and define timelines where appropriate. For example, a process around a project development workshop could be detailed as follows:

Project development workshop process

Objective: To define the purpose of the workshop and agree the responsible team and outputs		
What	**Who**	**Output**
A project development meeting will be scheduled between the client's representative and the creative team assigned. It will include an agreement of budget, scope, assign responsibilities for each key area, outline the timeframes, note any key requirements, targets, deadlines, tools, staff required, etc. This process should be concluded within a week of engagement unless otherwise agreed with the client.	Client representative, client relationship manager, project administrator, creative team representative	Documented project plan which will be signed off by all parties. Agreed budget outlines. Attendance register.

3) The standard form

A standard form or document must be created to ensure that each agreed process can be adequately recorded and tracked.

The process above results in 3 outputs, each requiring a separate standard form or document.

- Each process requires a corresponding record/form, document to guide and record the process. The form or document should be sufficient to ensure all relevant information is captured, but also allow for flexibility to ensure the user can account for out of the box thinking or planning.
- Each form should contain a record number so that future revisions can be differentiated.
- Each form should include a heading, description of purpose, clear requirements for the capturing of each output.
- Each form should include a date of capture and signature lines for the relevant parties.

Why are we doing this again?

The purpose of this particular process as an illustration of a standard, process and form is to ensure that the process is fire-proofed. It does not rely on one individual and can be picked up and managed by another person and easily followed for each new project.

1. Once completed, the scope should be very clear to all parties and scope shift is limited, or at least, easier to identify and deal with.
2. If the scope changes down the line and corresponding timeframes or budgets are amended, it is easier to identify and therefore adjust the timelines and recover additional costs.
3. Should any member of the team drop out, there is a clear description of the project which will allow someone else to pick up the reins.
4. If a responsible person fails to meet a deadline, it is easy to identify and deal with. It may be as a result of internal capacity, in which case new resources are needed. It may be as a result of a disciplinary issue, which can be deal with appropriately. It may be as a result of the client’s failure to meet agreed timelines, in which case, they will need to be made aware of any consequences to timeline or budget, etc.
5. This process creates a record which will help to manage, scope and quote the next job, which will lead to time efficiencies, better customer experience, and enhanced profitability.

What happens next

The standard, process and forms need to be reviewed on a regular basis to ensure their effectiveness. If something is not working, it could be due to the following:

1. Lack of training to relevant staff. It is vital that staff understand the process so that they can administer it correctly.
2. Form/process not being used/followed. The quickest way for a process to fall down is trying to implement a poorly thought out process. They must be relevant and work for all parties. Get input as to what works and what doesn’t and re-issue the policy or forms. This system must be kept live.
3. Process works for the business but adds no value to the client. There must be a balance. The client doesn’t necessarily want to be involved in your every internal process, that’s why they are paying you. Ensure relevance.

In summary, wash, rinse, repeat!
Don’t be put off by the immensity of the task of building such a system. Focus on your key problem or operational areas and move on from there. If you put a management system in place now, it simply aids growth as you move into medium and large size business territory – making yourself attractive to future buyers and also aiding succession plan.

ABOUT JENNI LAWRENCE

Jenni Lawrence is the MD Grant Thornton B-BBEE Verification Services, one of the first verification agencies accredited in South Africa. Jenni consults not just on verification, but training, scorecard compilation, gap analysis, scenario planning, consulting and strategy planning and supplier analysis. She is also co-author of *BEE Known* an ebook released in 2011, a finalist in the Business Women's Association Regional Business Achiever Awards - Corporate Category.

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