

6 August 2020

Resilience – a new 'business-critical' requirement for teams

Resilience has become a necessary performance standard for marketers and agencies as a result of coronavirus.

here's a lot of speculation around how team behaviour will change as a result of the Coronavirus experience.

One thing is clear, the ability for teams to respond to crises has come into sharper focus.

Let's not confuse 'managing in times of crisis' with 'crisis management'. The former is a set of behaviours whereas crisis management is a specific discipline most commonly attributed to the Public Relations field. Responding to a crisis involves a set of qualities that we believe all teams, and the individuals that comprise them, need to be aware of and skilled in.



During the current crisis,
businesses have worked faster
and better than they dreamed
possible just a few months ago.
Maintaining that sense of
possibility will be an enduring
source of competitive advantage.
McKinsey

Crises, what crises?

In the ordinary business world, crises can appear daily in all shapes and sizes. From a 'storm in a teacup' local market supply chain event or product scare to a full-on, global disaster like the Covid-19 pandemic. However, we argue that the fundamental team behaviours required in times of crisis, are the same whether the stimulus is global or local, big or small. Marketers and their communication partners need to be prepared and equipped to respond rapidly and effectively.

Argument accepted, one would then surmise that this is a crucial driver of performance in the relationship between marketers and their agencies.



To find out, we have interrogated our database of over 21,000 client-agency evaluations covering the past 20 years. The results are as important, as they are surprising.

How we respond to a crisis

We started by thinking about the qualities needed to respond effectively in times of crisis. Words like speed, agility, flexibility, availability, responsiveness, initiative, and challenge immediately sprang to mind.

This evolved into a vocabulary set of about 70 words. The word cloud below indicates the more common descriptors among them.



Armed with this vocabulary, we scoured the Aprais database of client-agency evaluations and found more than 480 questions where these words have been used. When multiplied by the number of times these words had been applied in our evaluation questions our participants have answered, we found over 74,000 instances.

To refine this further, we then manually selected the questions which we felt were most relevant to behaviour under pressure and in times of crisis. This totalled around 50 questions a client would ask an agency and 50 questions an agency would ask a client.

Resilience defined

We clustered these fine-tuned questions into a single behavioural score and called this cluster: Resilience.

Once the scores from these questions are merged into a single 'resilience' score, we have a statistically robust way to track and compare this behaviour with other scores and traits in our database.



Contrary to what some may think, resilient behaviour is not a quality demanded only of company leadership. In a client-agency relationship, resilience is needed across all aspects of business performance in all functions and at all levels including;



- Briefing and Project Management
- Approval
- Leadership
- Partnering & Collaboration
- Research & Insight
- Financial Management
- Timing & Process Management

Clearly, the Covid-19 crisis has accentuated the importance of resilience as a new teamperformance standard that deserves more attention from business teams and their leaders, going forward.

How 'Resilient' are client and agency teams?

No team is exempt from the need to be resilient. All teams must be. For example, an agency with a brilliant rapid-response idea, will be stifled if the client organisation lacks the same agility.

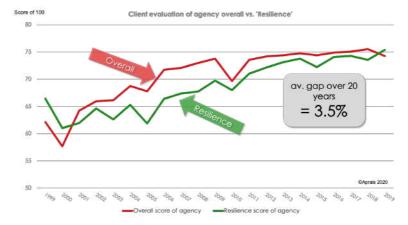
We mapped the agency evaluation scores of their client's resilience compared to the overall evaluation scores the agency had given their clients over a 20-year period. We found little difference in the two scores. Surprising? Not really. After all, paying clients are in the driving seat of a relationship and in an industry now dominated by performance-based payments, agencies are often cautious to be over-critical of client behaviour.

However, the client scores of their agencies paint a different picture. The chart below shows marketers' evaluations of agency resilience compared with the average score of agency performance, mapped

over the past 20 years.

As is immediately evident, the Resilience score is consistently lower (weaker) than the overall agency performance scores, on average 3.5% lower.

This presents an opportunity for agencies to better prepare for crises. Stronger

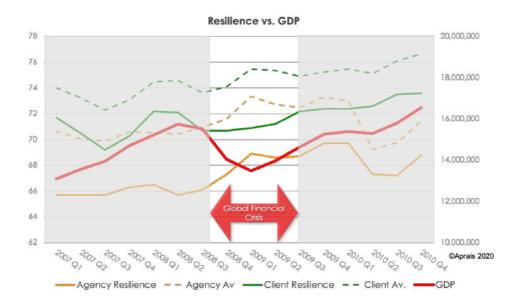


performance in resilience would enhance the overall client view of the agency going forward.



Responding to crisis

Overlaying the World Bank figures on GDP growth with the client-agency relationship scores, the chart below indicates a clear impact on scores immediately during and after the 2008 financial crisis (GFC). While overall performance average scores remained on a similar trajectory, clients recognised the agencies response (though still well below the average performance) while agencies were less impressed with the resilience shown by their clients.



As mentioned at the beginning, crises are not always of the GFC or Covid-19 magnitude. We see a similar pattern emerging from the local market evaluations around specific clients we work with. Product scares and other localised crises seem to accentuate the mutual dissatisfaction with resilience.

Regional differences

Different markets and regions have different scoring tendencies when it comes to client agency evaluations – some consistently scoring more generously than others.

We have delved deeper into the data to reveal how each region evaluates resilience but some top-line observations include;

- In Europe, Middle East and Africa, we see less confidence from clients in the resilience of agencies.
- In the Asia Pacific region, overall agency performance and the scores around resilience seem unaffected even through sustained periods of financial security
- On the contrary, in the Americas (typically the highest scoring region) marketers see more resilience in their agencies than other regions, irrespective of financial security.
- In the past 10 years resilience scores have improved relative to overall performance.

If you would like to know more about client-agency resilience in specific regions, please contact us.



Are media agencies more resilient than creative agencies?

Our analysis suggests that media agencies are considered more Resilient than creative agencies – particularly evident in regions renowned for tougher evaluations.

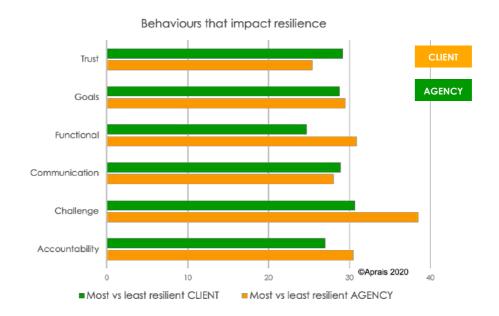
We believe this may simply be because media is more data-driven, financially-linked and therefore easier for marketers to quantify when they review campaigns. Digital agencies often span the media-creative divide; they achieve resilience scores between media and creative.

If you would like to know more about resilience by market category or agency type, please contact us.

How to be more Resilient?

Having established that Resilience is a necessary behaviour that is likely to become even more important as a result of the Covid-19 lockdown experience, clients and agencies need to understand how to be more resilient. By comparing scores for the most and least resilient marketers and agencies we can quickly see areas of potential for improvement.

The chart below shows the gap between the most and least resilient clients and agencies relative to our key behavioural clusters. The length of each bar represents the potential for action planning to improve resilience in the future.



Clearly, in times of crisis both parties need to be more challenging. In our definition this means using initiative to challenge the status quo, positively to challenge others and to manage conflict openly and constructively ensuring that conflict does not go unaddressed.



Based on our research and analysis we can offer 10 practical tips for marketers and agencies to be more resilient.





In summary

It will become increasingly important to measure, monitor and develop 'Resilience' behaviours to highlight opportunities for agencies and clients to prepare for the future and to ensure team preparedness for crises big and small.

About Aprais

Over the past 20 years, Aprais has conducted over 22,000 evaluations of relationships between marketers and agencies globally. A purpose built evaluation platform has enabled Aprais to build a database that allows its clients to compare and manage team performance against robust benchmarks with near absolute statistical confidence. Aprais is the global leader in maximising team and individual performance.