

 **Scoro**

in cooperation with



Clock work

The Agency
Operations
Survey 2023

How do your business processes and operations measure up against those of other agencies?

We want to thank over 100 agencies that participated in our survey – the first significant survey of agency process and operations – **in partnership with Agency Hackers** – the UK's largest community for independent agencies on a growth journey.

As the bulk of Scoro users are agencies, whether creative, legal, consulting or any of numerous other areas, we're always on the lookout for up-to-date information and insights on the state of the industry and what better way to really get a feel for what they think and how they operate in 2023 than going directly to the source?

This survey aims to collect detailed insights into the processes that drive agencies, their best practices, and how they run their operations. We asked questions on agency structure, client management, and internal processes. We then analyzed the responses to gain valuable insights into how agencies are improving the service they provide to their clients through evolving operational efficiencies. We hope this report will inform and benefit those in the industry.

If you're an agency founder, owner, or operations director, we're confident you'll find valuable information herein. It shines a light on how your peers structure their approach to operations, where they see opportunities for improvement, and what struggles they face. But even if you're simply curious about this field of endeavor, you'll get a comprehensive view of the industry's current state, highlighting the common practices and challenges agencies face.

We believe this report serves as a benchmark for those starting their own agency or clients seeking to understand the inner workings of an agency. Most importantly, this report is an invaluable resource to stay informed and competitive in the ever-evolving agency landscape.

Process and operations are important for all kinds of reasons:

Efficiency

Obviously, having clear process in place helps your agency things run smoothly, so you can get stuff done faster and with fewer mistakes.

Scalability

As your agency grows, having a process that can handle the increase in workload and complexity is crucial. So many agencies have washed up on the rocks. This way, you can keep delivering top-notch work while keeping your bottom line in check.

Consistency

A process helps keep everyone on the same page, so you can deliver consistent results to your clients and maintain your agency's reputation.

Communication

With a clear process, it's easier for your team to communicate and stay on the same page, which is key for any growing agency.

Training

Having a documented process can help new team members understand how things are done and make it easier for them to integrate into the team.

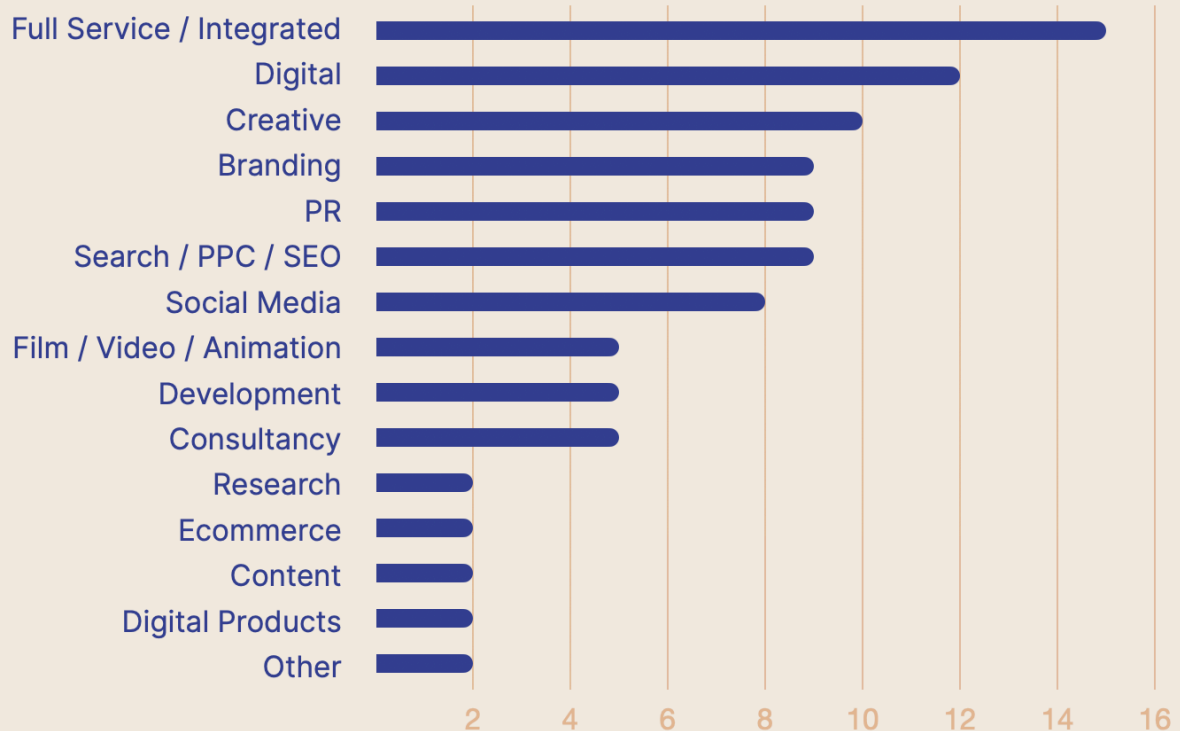
In a nutshell, having a process in place helps you stay organized, efficient, and consistent as your agency grows. It's a no-brainer!

The Participants

We received 113 responses from agencies.

The majority of agencies were from the UK – with London the most popular, followed by Manchester. Other cities such as Tallinn, Leeds, Weybridge, Colchester, York, Bicester, Enfield, Olney, Walsall, New Malden, Kettering, Southampton, Crowborough, Folkestone, Greater Sudbury, Lethbridge, Christchurch, Waltham Cross, Hassocks, Leyland and Swindon were represented.

From the headcount data provided, the majority of the agencies that responded were small to medium-size, with many falling in the range of 20 to 40 employees. The largest agency that responded had 150 employees, and the smallest had only 2 employees. There is a variety of headcount size in the agencies that responded, with some having less than 10 employees and others having more than 70 employees.



It's worth noting that the data provided might reflect the distribution of headcount size in the industry but also might not be representative of the entire industry, as the survey might have targeted a certain range or size of agencies.

The majority of the agencies that responded to the survey offer full-service or integrated services, digital services, and creative services. Many of the agencies also provide services in branding and PR, as well as search/PPC/SEO and social media. Some agencies also specialize in film/video/animation, development, consultancy, research, e-commerce and digital products.

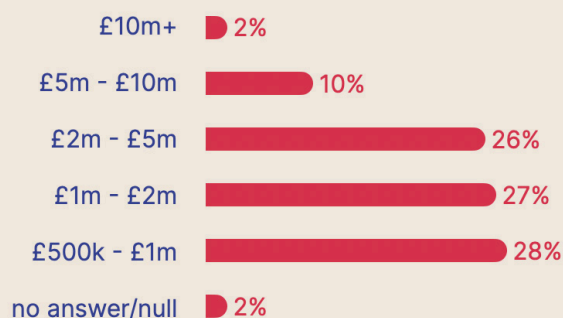
The data provided indicates that a variety of services are offered by the agencies that responded to the survey. Some agencies offered multiple services and some just one service. It's worth noting that the data provided might reflect the distribution of services offered by the industry but also might not be representative of the entire industry, as the survey might have targeted a certain range of agencies.

Revenue

From the data provided, it appears that the majority of the agencies that responded to the survey have a revenue between **£500k-£1m** and **£1m-£2m**. A significant proportion of agencies also have a revenue between **£2m-£5m**. A smaller number of agencies have a revenue between **£5m-£10m** and **£10m+**. There also a few agencies with null or no answer given.

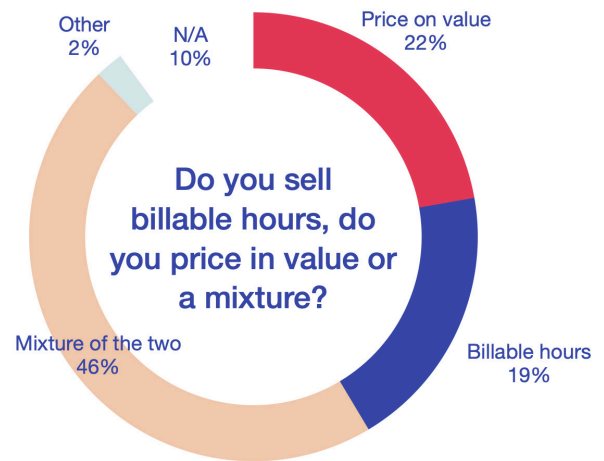
The data provided indicates that a variety of revenue size in the agencies that responded to the survey. Some agencies have a lower revenue and some have a higher revenue. It's worth noting that the data provided might reflect the distribution of revenue size in the industry but also might not be representative of the entire industry, as the survey might have targeted a certain range or size of agencies.

Revenue ranges



Billable hours vs pricing on value

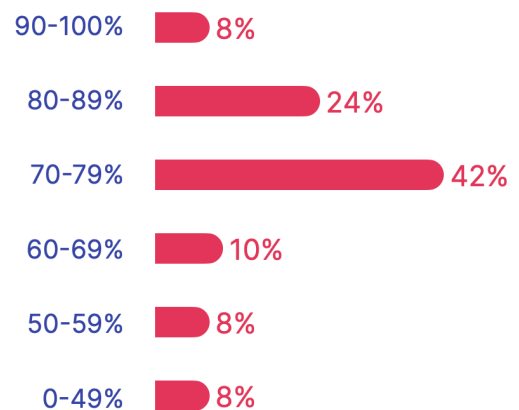
A combination of billable hours and value-based pricing is the most common approach among agencies.



Utilisation rate

This question wanted to assess the utilisation rate of an agency. The responses to the survey indicate a wide range of utilisation rates within the agency, with an **average rate of 72%**.

The majority of the responses fall in the range of 60-80%. A small percentage of responses fall below 50% and above 90%. The highest rate reported is 100%.



Utilisation Rate vs “One Way of Doing Things”

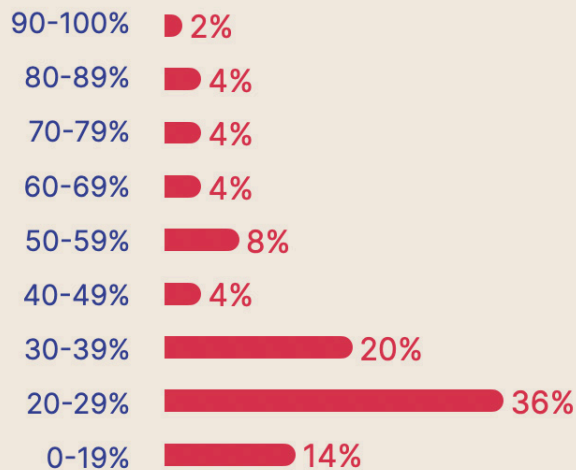
To draw better conclusions, utilisation rate and the perception on having “one way of doing things” was compared to how well the agencies are attaining profit margins.

- We can observe that the best agencies, based on attaining profit margins, have the highest level of agreement (55%) with the statement “we have one way of doing things”
- Also, their utilisation rate is the highest, with a 78% average
- This group also has fewer problems perceived about over-servicing with an average level of 34% in a scale from 1 - 100%
- The more an agency has “one way of doing things”, the higher its utilisation rate is likely to be – the fewer problems it has with over-servicing, and the higher profit margins are.

Profit margin

In this question, we wanted to gather data on the target profit margin of agencies. The results show that the majority of the responses fall in the range of 20-29% (36%), followed by 30-39% (20%). A small percentage of responses fall below 19% (14%) and above 49% (12%). The highest rate reported is 83%.

Split of companies by profit margins



We also asked how well the agency is meeting its target profit margin.

The responses indicate that overall, the agency is **not** meeting its target profit margin very well. The average score is around 4 out of 10. Most of the responses fall between 2 and 5. There is a small percentage of responses that fall below 2 and above 5, with the highest score being 5. The lowest score is 1.

The One
Thing: What
Single Thing
Has Made
the Biggest
Difference to
Your Agency?

We asked respondents to tell us what the most significant thing they had done in their agency, in terms of process and operations.

People shared a range of fascinating initiatives which are worth reviewing to see if you are focused on the right priorities. How many of these are you implementing in your business as you grow?

What Single Thing Has Made the Biggest Difference to Your Agency?

1. Standardising / stopping reinventing the wheel
2. Creating a culture of prioritisation
3. Creating clarity, visibility and transparency
4. Focusing on profitability
5. Investing in infrastructure

1. Standardising / stopping reinventing the wheel

In a growing agency, reinventing the wheel for everyday processes can be time-consuming and can distract from more important tasks. But it's so common! Lack of consistency in how tasks are completed can negatively impact the overall effectiveness of the agency's operations.

Additionally, many common processes have already been streamlined and optimized by other businesses, so it can be more efficient to adopt proven methods rather than starting from scratch. By not having to reinvent the wheel, the agency can focus on other areas that require more attention and have more unique value to offer.

"The one thing has made the biggest difference to our agency is investing in standardisation of processes and components"

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"Having a clearer understanding of the margins in the team, better quoting, hiring an experienced head of delivery and having a unified way of understanding what is a successful project."

• • • • •

"We have adopted agile as our approach to projects. This has been a huge change to how we engage with clients and work on projects. I think the one missing piece of this is what happens when things are delayed or stopped"

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"Clear and defined work and time allotments for each item and package we offer. Clear deliverables to the customer."

• • • • •

"Something that became quite painful to us as an agency last year was the impact of pitching. I'm not sure if this would be something relevant but I can't admit to how many hours we spent trying to establish a "winning" formula of getting the balance right between existing client work and chasing new opportunity."

• • • • •

"Something that has been hard is the impact of people leaving. When people leave (the market for PPC talent is brutal right now) a lot of their knowledge walks out of the door. We've done a lot of work on knowledge management and we're starting to see the benefit of that."

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"Reducing the number of services we offer. This has made a real difference and has allowed us to focus on the things we're really good at as a business."

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2. Creating a culture of prioritisation

In any business, it is important to focus on doing important tasks that are not urgent because they tend to be associated with longer-term strategic initiatives. These activities often require more thought and planning than urgent matters, but can have a greater impact on the overall success of an agency. A huge part of long-term agency success is preventing leadership from getting caught up in the everyday minutiae that can lead to costly mistakes or inefficiencies down the line.

Many respondents talked about creating a culture of prioritisation in their agency. Here's what people said:

"We've been trying to get people to stop doing important not urgent things."

"Starting the conversation about how important deep work is."

"Focus. We pivoted a few times these past years, adding focus with each iteration."

"The biggest change has been me making process a leadership team issue and raising awareness of it. The challenge now is how to track it and ensure everyone can see their own results and self-identify their need to improve them (if they are under productive)"

"Being more prescriptive to clients about start dates (even saying we can't start for several months) rather than squeezing things in bringing in freelancers and breaking the machine"

"Having a structured workshop at its heart."

"Creating a system for recording feedback from clients so that you know what areas need improvement moving forward. That was a god-send."

"Client selection. Being more fussy about who is a good fit for our agency and who isn't. That has made all the difference. It's like they say: 'garbage in, garbage out.'"

3. Creating clarity, visibility and transparency

Many people talked about how useful it had been to create clarity and visibility in their agency.

One reason it's important to have clarity over people's roles in a growing agency is because it allows everyone to be held accountable for their tasks, while at the same time setting clear expectations around each individual's contribution. This ensures that all processes within the company are organised, allowing the business to run smoothly and efficiently.

Additionally, having clarity over roles also helps teams stay on track with project timelines and goals, which in turn can lead to greater success and better outcomes overall.

"Over the years we've had times where roles and responsibilities have been blurred. This hampers performance and productivity so have invested vast amounts of time and energy in making sure everyone knows precisely what their responsibility is."

"Adding processes to our workflow management software and everyone knowing what they're in charge of."

"Clear assignation of roles and expectations. Time tracking and as such better resource management. Internal processes run by the client services team - traffic lights system for assessing servicing levels"

"The biggest thing has been encouraging transparency by sharing regular updates about project progress across departments. Before we started doing this we were a bit siloed."

"Reporting on numbers - company results and client results to see where we are working for free. It's not perfect at all but this did make a difference when we looked at it. Now we need to look at resource planning"

"Putting somebody in charge of process has made a huge difference. Having that accountability and somebody in the role is key."

"Properly documenting our core process. This isn't something we've really done before. We've made a start and already it's starting to prove its worth. In 2023 this is something we plan to put more weight behind."

4. Focusing on profitability

Profitability is a hot topic for an agency – not least because it's essential for the long-term sustainability and growth of the business. Agencies, like any other businesses, need to generate enough revenue to cover their expenses and make a profit. Without profitability, an agency can't reinvest in the business or attract great talent.

Profitability is a key metric for measuring the performance of an agency. Agencies with high profitability can afford to invest in expansion, hiring new talent, and increasing their marketing budget. These investments help the agency grow and increase its market share, this ultimately help to generate even more revenue and make it even more profitable.

Several people said described being able to see how profitable different projects are was game changing. By having a clear understanding of how much money should be allocated towards each project and how much of that cost goes into profit, agencies can ensure they are making the best use of their resources.

"The one thing that's made the biggest different to our agency's productivity is the management of margin on a per project level. Getting our delivery function attuned financially has helped them get laser focused on margin retention analysing all areas of our delivery cycle to ensure no slippages. Three to four years ago we'd have projects overrunning for months. They'd be loss leading and blocking other work coming into our studio, a double hit! It's no coincidence we don't have this level of problem anymore."

• • •

"Time tracking. Staff hated it but it's given us actionable resource data to overlay vs revenue"

• • •

"Putting in time tracking. It took a big effort from the team but we involved all stakeholders in the process and so far (touch wood) we're getting a lot of visibility and data that we didn't have before."

• • •

"Putting in time tracking. It wasn't popular but it is so eye opening seeing where your time goes."

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5. Investing in infrastructure

Agencies are sometimes nervous to invest in nonbillable roles. But adding infrastructure is a really important part of growing business. Recognising that not everybody is fine earning or client facing is a key step forward in enabling the business to perform.

"Hiring additional staff into the accounts / studio management team"

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"Investing in establishing a strong leadership team. This has only been in place for just over a year now."

• • •

"Agreeing when everybody is going to be in the office. Before, people would come in for the day and there was every chance there wasn't anybody there to speak to! Now we have a rota system and it's much smoother."

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Why Invest in Non-Billable Roles?

Typically, agencies decide to invest in non-billable roles for a few reasons:

Improved efficiency	Investing in non-billable roles, such as project management or process improvement, can help the agency work more efficiently and improve the overall quality of its deliverables.
Better client relationships	Non-billable roles, such as account management, can help the agency build better relationships with clients by providing them with a dedicated point of contact who can help them navigate the agency's processes and provide guidance on how to achieve their goals.
Increased innovation	Investing in non-billable roles such as R&D or creative direction can help the agency stay at the forefront of industry trends and continue to offer innovative solutions to its clients.
Improved talent retention	Investing in non-billable roles such as career development or training opportunities can help the agency retain its top talent by providing them with opportunities for growth and development.
Better Quality control	Investing in non-billable roles such as quality assurance or testing can help ensure that the agency's deliverables meet the highest standards of quality, which is important for maintaining a good reputation and attracting new clients.
Greater scalability	By having non-billable roles taking care of non-core activities such as accounting, HR, legal, IT and other administrative tasks, the agency can focus on their core competency i.e. delivering marketing services, this makes the agency more scalable and ready to take on more clients without adding more headcounts.

What Are
Agencies
Keen to
Improve?

The purpose of this question was to gather insights on the areas that agency folk believe need improvement in their workplace. The responses provided valuable information on the challenges and pain points faced by agencies. It's an interesting question because it highlights where agencies feel they are stuck or not winning. How many of these resonate with you?

If you could wave a magic wand and improve anything about how your agency works, what would it be?

- 1. People, culture and collaboration**
- 2. Dashboards and management information**
- 3. Process, process and more process**
- 4. Knowledge management**

1. People, culture and collaboration

A lot of the responses related to people and culture – and how teams work together. That makes sense, because process and people are closely related in an agency. Processes help shape the way that people work, and in turn affect the culture of an organisation.

“If I could wave a magic wand, I’d like for everyone in the business to have true commercial awareness and to think like they were the owner.”

“Garbage in – garbage out. I’d love to get the team to have enough skin in the game to understand that coding expenses adding POs and all that “admin crap” is fundamental! Everyone understands it’s needed but when busy it’s the one thing that doesn’t get done. Unfortunately, this just adds workload elsewhere”

“I’d love better collaboration between Finance/Operations and Client Services – less of a feeling of them and us, in other words.”

“Better internal processes to manage workflow and delivery to scope – especially when interacting between specialist divisions. For example, PR teams outsourcing work to content team and managing this through without going outside of scope.”

“If I could fix one thing it would be that people would speak to each other more rather than relying on Slack or email. So much gets missed.”

“I think every agency has the same challenge of over-servicing clients. Our desire to please and make sure the client is satisfied can lead to unnecessary time spent on projects which can equate to more billable hours which can mean an unhappy team!”

“It would be that everybody was on the same page and communications were magically aligned. Everybody knew what everybody else knew!”

“I actually think we’ve reached a point where we have two separate cultures internally and it’s a struggle to get them both aligned. Our delivery teams are keen to stick to processes and more to the letter of what’s in our SOWs. Our CS teams prioritise making the client happy and view the other teams as being difficult when they push back.

As you can imagine this can create some unhelpful friction! It's one of those things that's very simple on paper but in reality we have to shift some mindsets and I don't think that it's an easy thing to achieve overnight."

2. Dashboards and management information

Many people said they were keen to improve their management information.

Having access to management information is essential for agency owners in order to make informed decisions about their business. With access to the right data, an agency owner can better allocate resources and make strategic plans that will maximize growth.

Furthermore, access to management information allows the owner to track progress and monitor performance over time.

"We are in a good place with our systems, data reporting and automations - these are stimulating behaviour changes and making people more accountable but that takes time and mentoring. It would be great for that to be a quicker journey so you see the positive impacts more quickly."

"I would like to get better overview of the projects and their profitability."

"Invest in more rigorous process management - both people and systems to focus inputs and outputs. Inputs as client and agency briefs and outputs as strategy, content and ideas at different stages."

"It would be that everybody was on the same page and communications were magically aligned. Everybody knew what everybody else knew!"

"Improve the visibility on workload across client teams and pods. Calculate more easily and accurately our margins."

3. Process, process and more process

Lots of responses simply spoke of the basic desire to improve processes! Process is incredibly important for growing agencies – it allows you to structure your workflow and make sure that tasks are completed efficiently and effectively. By having a standardized process, teams can understand which tasks are priorities and how they should be completed.

“I would love to improve our processes so that there is less momentum lost when a project gets delayed. Our clients require a lot of flexibility so projects often start and stop. This causes inefficiencies from a team perspective because they lose momentum and velocity to complete projects.”

“If I had a magic wand, I’d improve SOPs on client retention, planning and client experience. We’re still growing as a company so I’d like that to happen without having to go through the necessary growing pains!”

“I’d love to have our processes be smooth sailing from here on out. Having all the right workflows and processes in place that are battle tested and efficient.”

“I’d love an end-to-end overview of a project for all the team so they all have real time data of how a project is performing. More automation in our project delivery process.

“I would automate a lot more so that all the processes were linked and informed each other, leaving no room for human error or endless meetings.”

“We’ve completely winged it from the beginning and made every process up ourselves. This has been brilliant in the sense that our processes have been specifically tailored to us but I’m sure there could be a lot of learn from the traditional operational methods.”

“We take on university leavers who have a tendency to stay with us for about 18-24 months. Just as we are getting them to where their training is making confident returns – they leave!”

4. Knowledge management

Knowledge management can improve agency performance. By capturing, storing, and sharing knowledge throughout the agency, teams can work better by themselves without having to check in with the “process person”. Robust knowledge management can also lead to increased productivity, improved customer service, and better decision-making capabilities.

“If I could wave a magic wand we’d have a detailed library of standard operating procedures that everybody knew about and was meticulously maintained and followed!”

“Our Knowledgebase needs a LOT of work - there is a lot of task and process specific documentation missing. A lot of how we do things is still not written down.”

“We are at the start of reviewing all the historic processes that were written years ago and have not been looked at for a couple of years. We’re trying to write them down and simplify them so that there is consistency across the business. One of the biggest challenges at the moment is finding time in busy schedules to get this to be a top priority!”

“Agency process is personally one of the blindspots I have, and our agency has a lot of them! So I need best practice and case studies to help get a lay of the land.”

“We adore the process side of our agency. Could talk about it for ever. Could tinker with it for longer! We have structured (yet flexible-ish) processes for a wide variety of disciplines. Sure they could be tighter but it feel as though we have solved 80% of the challenge and have something that fits our brand, our approach and our target market well.”

We are at a point where we could probably benefit from automating more systems. What we do is quite process driven so there is a lot of opportunity to rinse and repeat.”

“So much of how we do things is still not written down - it’s all in people’s heads...”

“The relationship between delivery teams and client service teams.”

Who Owns the Process?

In this survey, we wanted to understand how processes and operations are managed within different agencies. One important aspect of this is determining who is responsible for overseeing these processes.

It appears that the majority of respondents have a designated person or team in charge of operations and processes, with a few saying it is spread out among the team or that nobody is specifically in charge.

Interestingly, ***companies where responsibility for process is spread out between the team actually appear to be the most “joined up”!***

Who owns processes



Average response to “To what extent do you agree with this statement: “In our agency we have one consistent way of doing things.”



Over- servicing

Over-servicing is an age-old profit-sapper for agencies. But it's a much more complex issue than people think. Clearly, over-servicing has some obvious risks: you are slashing your profit margins by giving away too much for free or little cost.

However, in our survey agencies did report some strategic over-servicing. Going the extra mile can build strong relationships with clients, give you the opportunity to establish credibility, and provide justification for bumping up retainer spend.

See which responses resonate with you.

We found that some agencies take a **sophisticated approach** to over servicing – seeing it as an investment in certain cases:

"We are happy to over-service by up to 15% at times when it's needed. We've found at times some clients demand far more and we decided a while back to use timesheets to show the resource requirements on their account to justify increased retainer spend. More than a third of our client base ended up increasing their spend with us as they wanted to maintain the level of service."

...

"The work we have done on margin management exposes over-servicing. But it positively changes that conversation into dialogue on client investment. So we're having conversations at an org level about where and when to invest strategically."

...

"We tend to over service for a couple of reasons 1) deliberately choosing to go above and beyond 2) because we have free time in the schedule (though we are picky where we use this time) 3) because particularly for web we have hit a bit of a price ceiling - which value prop and our sales plans should start to help us fix!"

...

Agencies say that **remote working** makes it much harder to spot over-servicing without accurate data.

"Account managers have very good visibility over potential over/under-servicing and are very proactive in addressing it. Our teams are

working remotely or hybrid so it can be difficult to know if people are over-servicing because they're not busy enough or because the client is demanding/we over-promised. Sometimes a lot more time is spent than is billed."

We need to get better at charging for additional requests which come from clients and also we need to learn from each project where the over-servicing happened, so we can bake this into our costs next time

We're getting better. But we often do work that's out of scope."

"Because people are remote it's so hard to know how long stuff takes people which makes it impossible to track or call out" over-servicing."

Some **clients – especially longstanding ones** – are more prone to over-servicing:

"We have some smaller historic clients that are not scaling as fast as others - they tend to need more servicing than larger clients.

"Being 3 years old we have legacy clients who have legacy day rates. As most of these clients have stayed migrating these across have been challenging."

Sometimes people **don't necessarily mind** doing the extra work – but they just wish they'd get the credit for it!

"We sometimes do too much unpaid creative work. If you strip it down we're a service provider we shoot video. Our creative input is to make the best possible video. However in some instances for example when we're commissioned to create a video for a marketing campaign we often come up with creative ideas to make the video better but these ideas often have implications for the whole campaign not just the video. So these ideas are used throughout the campaign so in some cases the advertising agency can get the credit (and maybe paid) for our improvements of their initial idea."

Another problem with over-servicing is that **sometimes your team is working too slowly.**

"We hire students fresh out of university and sometimes their capacity and ability don't always match what we have assigned therefore going over allotted time. We go above and beyond past budgets and over hours on almost all work we do by approx 100%. Whether that is a question of the original billing hours covering that I'm not sure."

There's also an **interesting oscillation between under-servicing and overservicing:**

"We have had a tendency to over sell to sometimes try to force our invoicing targets even with our capacity being to high. This is driven by our CEO (who is great apart from this aspect!) and then this can lead to us missing deadlines or not delivering everything this in turn leads to the CEO promising free world to clients. We always feel 'awkward' to have the conversation with the client if it 'over runs' on time and budget"

There are all kinds of **cultural reasons** for over-servicing that can be difficult to squash:

"We have managed to massively decrease over-servicing and scope creep with really tight and detailed quotes. But it still happens some of the team don't log their time when they know they are doing it...."

"Staff don't understand that when they work on ad-hoc tasks for a client they are still using billable time. So they tend to do additional ad hoc work and then their scheduled work on top. Our account managers feel that discussing money some how sullies their relationship and are reluctant to ask for a client to pay for additional work. The service consultants then feel the work needs doing and do it anyway then complain they don't have enough time."

"Sometime the team feel full" regardless of the workload and also they naturally tend to over-service the clients they like the most rather than the ones who have the most hours available."

"We work with charities - everybody has their favourite and it's hard not to over-service."

It's frustrating when you **feel you are losing money**:

"Giving clients more than they expected is a great way of keeping them happy, but sometimes we have found that the value-add work that we have done could have been an add-on to the project. We're getting clearer about proper scoping for clients in our SoWs that way we can forewarn about additional costs hold work back in the short term or use it as bait for bigger bits of work."

"We have very thorough and consistent measures in place to monitor and rectify over servicing. Timesheets monthly traffic lights and monthly reporting ensures this is a huge priority and any teams facing challenges are supported and given resources to tackle the issue."

People certainly see **over servicing as a big headache**:

"We plan jobs out and price above this but everyone is always very busy and over-utilised. Clients are very happy but we still don't make big margins on work"

"We have only just begin to get a handle on this - the time we're losing to over-servicing is noticeable."

"We price on value and outcomes. Sometimes our outcomes are too loose/vague and clients ask for more than we intended to give. To keep them happy we sometimes over-services rather than set clearer boundaries at the scope phase."

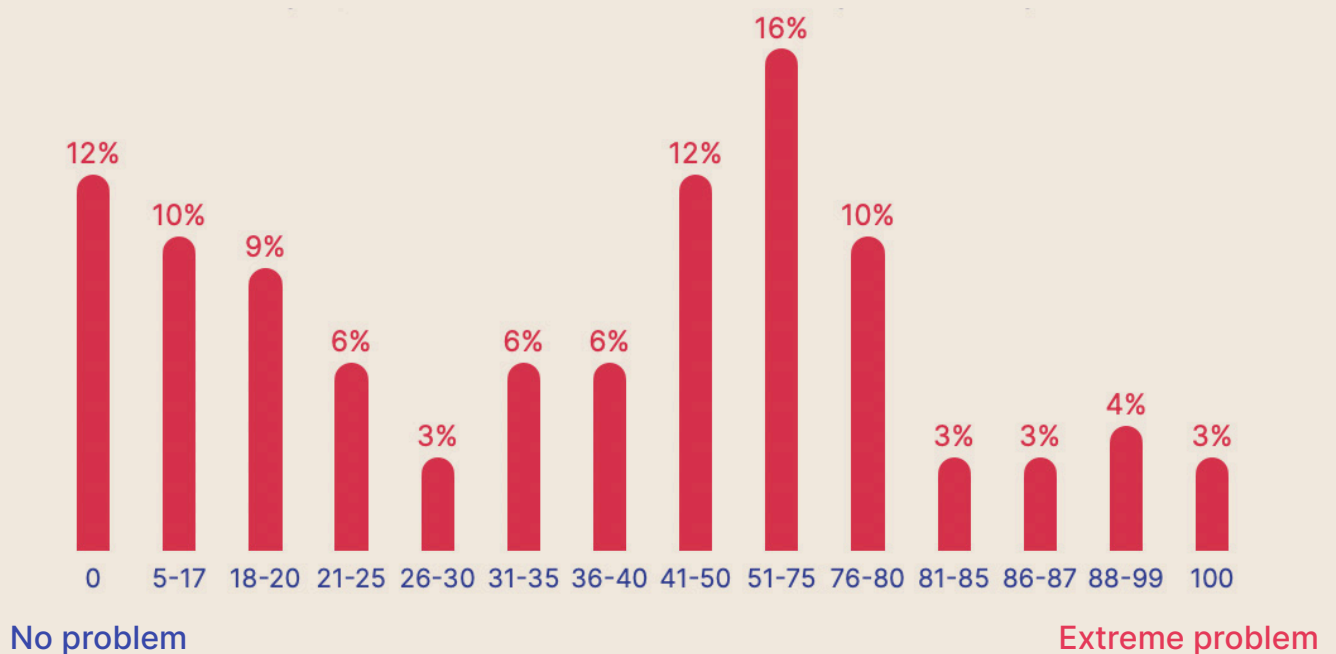
"There is often much more time spent on jobs than quote for - either we are over-servicing or the quoting process is too inaccurate. We also need to reduce unbillable time where possible."

"We charge for the hours we do but our prices are probably still a bit lower than they should be. And we'd like to charge for studio management finance/invoices to cover those aspects of the business. We're planning to build this in from now on."

How big a problem do you feel over-servicing is in your agency?

This data suggests that there is a wide range of opinions on the level of over-servicing within the agency. Some respondents feel that it is a very big problem (with scores between 80 and 99), while others feel that it is not a problem at all (with scores of 0). There also appears to be a cluster of scores around 50, which suggests that many respondents are uncertain or have mixed feelings about the issue. Additionally, the average score is around 50, which also indicates that there is no clear consensus on the level of over-servicing in the agency.

Over-servicing as a problem among respondents



Documenting processes

Agencies are being more aware of the need to document and implement their processes. We asked agencies about how they are using process in their business to stay on top of workflow and keep everybody informed.

It was quite common for agencies to report **using video to document their processes**.

"Some processes are documented on Word/PDF docs and stored centrally so that they can be accessed by all. There are also a small number of videos that have been created as part of documenting processes."

...

"Processes are 'handed down' during induction; only a few are written down but we are very keen to start improving that. We have tried Loom videos and we have tried writing them down. We haven't found the best solution yet."

...

You just **can't document everything**. We found out how people were prioritising their processes:

"We have three tiers of process 1) anything that could impact us legally 2) anything that could impact revenue / profit and 3) general processes on how to do things. 1 being the most severe and most urgent."

...

"Truly documenting the process is something we don't do often – which maybe is something we should do more. We usually skip a step and try to create templates for different phases in each process. So directly providing tools that can be used daily."

...

"We document everything as we go (if we can find the time to do it before a new project starts)"

...

We also found out **where people keep their processes**:

"We document our process by creating Google docs. We try to make them as visual as possible for both clients and staff to grasp easily. We also try to use plain language instead of jargon to help clients and new staff being on boarded to understand quickly."

...

We have a physical server with folders of documents for policies and processes. We also have some content on Facebook Workplace which acts as an interim knowledge hub. I'm working on moving us to a cloud server so we can make it easier for everyone to access all processes via an intranet. Ideally this will include documents videos and other tools to help all colleagues understand how we want to work."

People feel **lukewarm towards their process maturity**. A lot of people don't feel like they're doing this very well:

"We recognise that documenting processes is important. It helps us to stay organised streamline workflow increase efficiency and save time. We don't yet have a robust SOP library but we're working towards it."

"We really don't have much documented – it's still very much a 'nice to have' feature. But as processes are still changing we haven't got round to documenting processes."

"We don't do this very well at the moment - some processes are documented but many are just known and followed."

"We haven't been terrible at documenting processes but we just let them go stale and they aren't very easy to find. We need to make sure that documents are easy to find and accessible for everyone on the team."

"We document our processes to clarify accountability between teams. Where some more complex processes are concerned there are separate documents for this (ie for a web project as they last much longer and have lots of moving parts)"

"Processes tend to be documented in costing sheets along with client-facing versions in SoWs."

"Excel spreadsheets software for timesheets (Paprika) and PPT presentations monthly to track servicing levels etc"

"There is a set document for documenting processes with the aim to build service manuals. The first person to do something new documents their process and this is then reviewed and updated as it is repeated to ensure where steps have been missed they are included"

Training is then delivered through weekly 'bitesize' sessions which back up the process documentation.

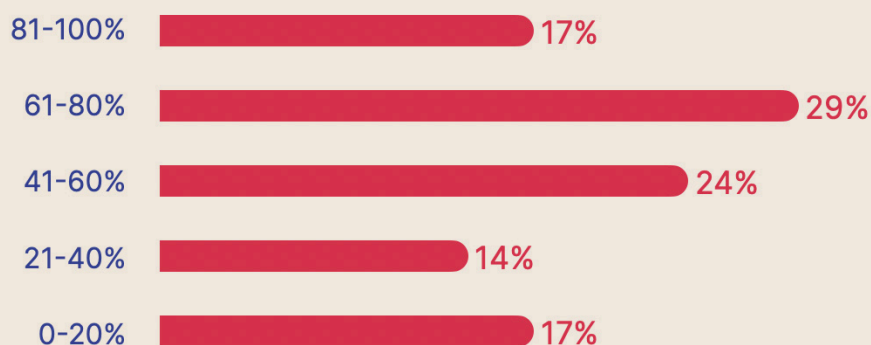
"We use EOS so we have The [Agency Name] Way" but it's a battle to keep it up to date."

"We're currently at the most difficult step deciding what processes we need to capture! I feel like this is the most difficult but also most crucial step. Once we've done this we'll be in a good position to crack this. The first step in creating a Standard Operating Procedure (SOP) is to identify the need for the SOP. This involves understanding what needs to be done why it should be done and who will be doing it.

As part of this question, we asked agencies: "To what extent do you agree with this statement: In my agency we have one consistent way of doing things."

The scores provided indicate that there is a wide range of opinions on the level of consistency in the way things are done within the agencies. The majority of the scores fall between 20-80%, with a few scores at the extremes of 0 and 91. The scores suggest that there is a huge lack of consistency in the way things are done in many of the agencies.

Level of process consistency among respondents



Conclusions

There's an old joke about a man who loses his keys after a heavy night on the town. His friends find him on his hands and knees looking for his keys under a streetlight, even though he knows he lost them somewhere else. "Why are you looking for your keys under the streetlight?" they ask. He responds confidently, "Because there's more light over here. I can see better."

We sometimes prefer to look for solutions where it's convenient – not where it's expedient.

That could be one reason agency owners tend to focus on new business, sales, tweaking their website – anything except the underlying processes that run their agency.

Fortunately, process doesn't have to be hard. Here are seven takeaways from the report to consider applying in your own agency.

1

Focus on culture

Keen to increase your agency's productivity? Be aware that it's as much a culture transformation as it is a technology project.

There are so many examples of agencies trying to get people to stick to processes that failed because they didn't bring their team on the journey.

If you're thinking about process, communicate the "why" as well as the "what".

2

Stop starting from scratch

How often are you reinventing the wheel?

It's a pretty common frustration for agency owners. Projects start from scratch and repeat work that's already been done in the past, wasting time and costing money.

That feeling of "going back to square one" can be solved with better systems and knowledge management, but it also requires

an internal culture where redoing what's already been done is frowned on.

As a leader, what opportunities do you have to set a “build once, use many times” example?

3

Get people to speak to each other

It's surprising how many problems in an agency come down to poor internal communication.

People in the survey shared how transformational “un-blurring the lines” was to their agency. It makes a huge difference when regular updates are shared, roles and responsibilities are clearly communicated, and everybody is held accountable to their tasks.

What are some “quick wins” you can pull off around internal communication?

4

Make operations everybody's responsibility

Is process a person or a culture? Interestingly, companies where responsibility for process is spread out between the team actually appear to be the most “joined up”.

It's a good reminder that process doesn't just need one person who is the “keeper of the secret flame” – it's a whole-team responsibility.

5

Focus on profitability

Don't take your eye off the profitability ball!

When you run a growing agency, you have so many competing priorities – and they make it easy to overlook profitability.

Your focus is often on acquiring new customers and increasing revenue, which can make you take your eye off the ball when it comes to cost control and profitability.

Plus, as your agency grows, there may be more pressure to invest in new projects and initiatives to keep up with the growth – which can lead to increased expenses.

Using proper workflow management software with robust time tracking, and the ability to manage margin on a per project level can make sure you don't suffer from the illusion of profitability as you focus on growth.

Are your team thinking about profitability?

6

Stop over-servicing

We found clear frustration amongst agencies when it comes to over-servicing.

The first step to solving a problem is admitting that it's happening, and this is where getting good, accurate data comes in,.

It's time for agencies to put an end to over-servicing by implementing clear processes and communication channels that ensure that client needs are fully understood and met in a timely and efficient manner.

7

Get serious about knowledge management

Nearly 20% of agencies don't document their processes

Robust knowledge management can also lead to increased productivity, improved customer service, and better decision-making capabilities.

Given that we know that agencies where responsibility for process is devolved to the wider team perform better, it suggests documenting processes and creating "one way" of doing things is an especially fruitful activity.

This survey was conducted in Partnership with
Agency Hackers

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