



THE IMPACT OF THE AGENCY SELECTION PROCESS ON PUBLIC RELATIONS PROGRAMS & OUTCOMES

Original Research
Findings from a Survey of
Communications
Executives on PR
Agency Hiring Practices
at Large Organizations

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RFP Associates, LLC
CommunicationsMatch™
Researchscope International



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As our partner on this project, and on crisis communications and opinion survey services offered through CommunicationsMatch, we would like to express our appreciation to the Researchscape team. Jeffrey Henning, Founder & CEO, Tony Cheevers, Head of Business Development and Lili O'Reilly's communications research expertise was invaluable in the development of the research and evaluation of its results. Researchscape's survey technology is a

powerful platform that made the process of executing the survey, cross-tabulating the findings and production of initial AI-generated results reports and charts highly efficient.

The Institute for Public Relations (IPR), dedicated to the science beneath the art of public relations played a key role in this study. Two years ago, the Institute launched its Bridge Conference to encourage research and exchange between the worlds of professional practice and academic inquiry. Consistent with IPR's mission, we developed and implemented this research – specifically for presentation at the 2019 Bridge Conference – to provide insights into the process organizations use to hire public relations agencies. The questions in the quantitative survey were reviewed and edited by Dr. McCorkindale and Ms. Swint, whose guidance and perspective were invaluable.

We are also immensely grateful to the following individuals who supported this project through their counsel, outreach, and promotion.

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INTRODUCTION

When a corporation or a major industry association/non-profit seeks to hire a senior communications executive with an annual compensation package of \$150,000 or more, the organization's human resources department springs into action. It may retain the services of an executive search firm to provide support and identify qualified candidates. It solicits and receives dozens of resumes. Interviews are scheduled, backgrounds are checked, finalists are selected, and interviews, with multiple members of senior management, are planned.

It's a process, as it should be. And it's comprehensive. After all, the organization wants to make sure it is offering the job to the very best candidate.

When that same organization seeks to retain the services of a public relations agency – one with which the organization might spend \$250,000, \$500,000, perhaps \$1 million or more per year – how, precisely, does it ensure that it's retaining the very best agency partner? Does it undertake a process similar to that used when it hires full-time employees, such as that senior communications executive?

In the spring of 2019

[CommunicationsMatch](#) and [RFP Associates](#) partnered with [Researchscape](#)

[International](#) to conduct a survey of chief communications officers and senior executives at Fortune 1000 corporations and large non-profit organizations, regarding their communications agency search and hiring practices.

Although companies worldwide spent an estimated \$15 billion in 2018 on public relations agency services, according to industry publication The Holmes Report, and while public relations trade publications for many years have conducted surveys and produced lists that rate and rank agencies, limited attention has been paid to the agency hiring process. Our goals for this research – which we believe is the first national survey of its kind – was to better understand how client organizations conduct agency searches, and to evaluate the relationship between the thoroughness of the agency hiring process and satisfaction with agencies and program outcomes.

The results offer valuable insights and lessons for client organizations looking to retain agencies, as well as for agencies themselves competing for the attention, and ultimately the hiring decision, of potential clients.

We welcome perspective, feedback and questions.



METHODOLOGY

Quantitative Research

A 30-question online survey was developed by the authors of the study, with support from Tina McCorkindale at the Institute for Public Relations and Jennifer Swint at Porter Novelli (see acknowledgments). The online survey was distributed through web links to a targeted list of chief communications officers or their equivalents at 800 publicly traded corporations, large private companies, and non-profit trade associations. The survey was also promoted through online public relations media including The Holmes Report and CommPro.biz.

The survey was conducted using Researchscape's survey and results reporting technology. The survey was launched on February 25, 2019 and was live for six weeks. No financial incentives were provided to respondents, but those who participated were promised an advance copy of the findings. There were 89 respondents, which Researchscape indicated constituted a response rate that is typical and reliable for a similar survey of C-level executives at large, well-known brands.

Preliminary findings were shared at the Institute for Public Relations 2019 Bridge Conference on April 11, 2019, in Washington, D.C.

Qualitative Interviews

Additional follow up interviews/discussions were conducted after the close of the survey with five communications executives who had responded to the survey and invited the authors to contact them for additional discussion. The five represented industries including automotive, energy, transportation, medicine, and management and information consulting.

We asked additional questions about their search process, how candidate agencies were identified, how agency proposals were reviewed, the amount of time invested in agency selection, and more.

The perspective provided by these respondents was consistent with and a valuable supplement to the survey responses. The information gathered during the qualitative component of the research is woven into the Research Highlights/Key Findings section, within this report.

EXECUTIVE SUMMARY

A key objective of this research was to determine the impact of the agency search process on PR or communications program outcomes reflected in satisfaction with hired agencies. We specifically wanted to provide communications and agency leaders research-based data to inform best practices for agency search.

The data reveals links between a thorough search process, client satisfaction and agency longevity. Although the majority of communications leaders at the large companies and organizations we surveyed rely on their experience and networks to find only two to five agency candidates in their searches, the importance of a comprehensive search process is not lost on them. Many acknowledged that identifying more candidates early on, and dedicating more time to the process overall, would be ideal.

Across the findings, a clear picture emerges of the value of a thorough search and hiring process to achieving desired outcomes and strong, long-lasting agency relationships.

While client organizations are using RFPs, partnering with other departments, identifying what we would consider a minimum number of candidates in the search process, and are generally satisfied with the way in which searches are conducted, at a minimum, the research points to opportunities to improve processes and outcomes.

It also highlights the significant gap between the approach taken when hiring employees and agencies, where the annual budget is often a multiple of that for an individual hire.

Following are key data points from the research – all of which are explained and analyzed in detail in the balance of this report:

- Around three-quarters of communications executives said they rely on their own knowledge, and two-thirds on the advice of peers when selecting initial agency candidates at the outset of a search:
 - 64% of clients identified two to five agency candidates during the selection process.
 - 67% relied on word of mouth or asking peers for agency recommendations.
 - Less than 15%, individually, referred to the trade media, online search engines, agency search platforms, professional societies, or agency search consultants as resources for finding an agency.
- Client satisfaction with agencies is robust overall, but there are issues:

- 65% indicated they were “very” or “completely” satisfied with their primary agency.
- Respondents were less satisfied with particular components of the agency working relationship, including proactivity, account coordination, quality, staff turnover, meeting objectives, and meeting budget expectations and deadlines.
- Clients were also less satisfied with agencies with higher budgets, with 50% “moderately,” “slightly,” or “not at all” satisfied with agencies paid more than \$1 million annually.
- Agency turnover is an issue, while longevity is tied to client satisfaction:
 - Communications executives reported that among their most significant agency relationships, 30% were more than four years; 30% were three to four years; 27% were one to two years; and 14% were for less than a year.
 - When satisfaction is high, relationships are longer.
- Three-quarters of clients report being satisfied with their agency search process overall, but are less satisfied with specific components of the process:
 - About 65% indicated “We did a good job and have a great agency partner.”
 - Consistently, a significant number of respondents (around 40% or more) said they were only “moderately” or “slightly” satisfied with time spent conducting the search, their RFP process, and agency candidates’ ability to distinguish themselves from their competition.
 - Communications executives with public relations agency experience were less satisfied overall with their agency search process, including the number of candidate agencies examined, the method used to shortlist candidates, and the qualifications of the shortlisted agency candidates.
- A better and more comprehensive search process leads to better outcomes:
 - The research highlighted the benefits of a thorough agency search process including higher agency satisfaction – a proxy for PR/communications program performance – better results, and longevity.
 - Two-thirds of respondents (64%) used RFPs in their search process.
 - Nearly all (about 80%) of respondents said they include “Goals and Objectives” and “Scope of Work” in their RFPs.
 - However, budgets were shared in only about half of the RFPs (54%), slightly more than half shared selection criteria, and less than 30% provided proprietary or confidential information – which could be considered useful, even essential, to well-considered responses.

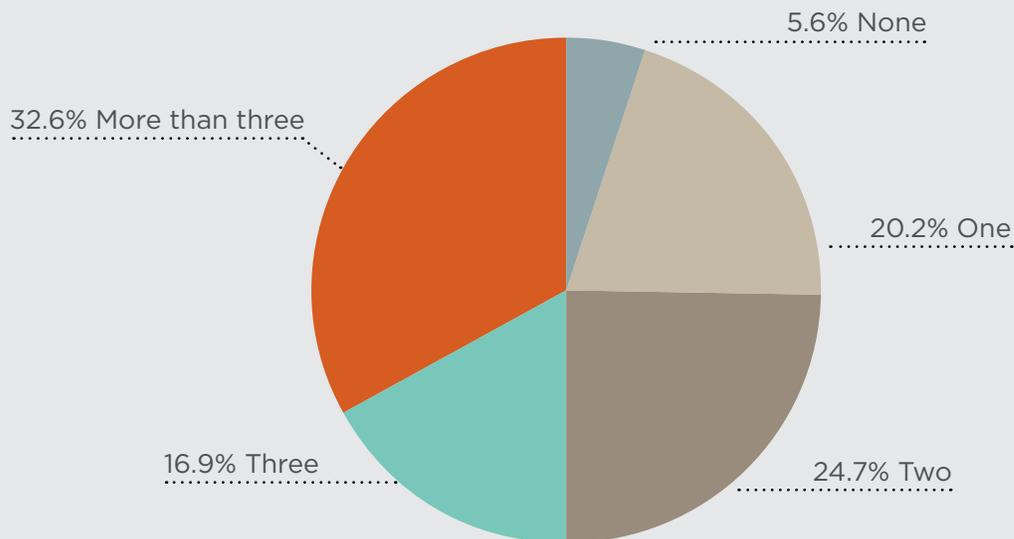
RESEARCH HIGHLIGHTS/KEY FINDINGS

The results provide insights into the agency hiring process and offer valuable takeaways for clients (the corporations and non-profit organizations which responded to the survey) as well as the agencies that compete for their business.

Multiple Agencies, Healthy Budgets the Norm

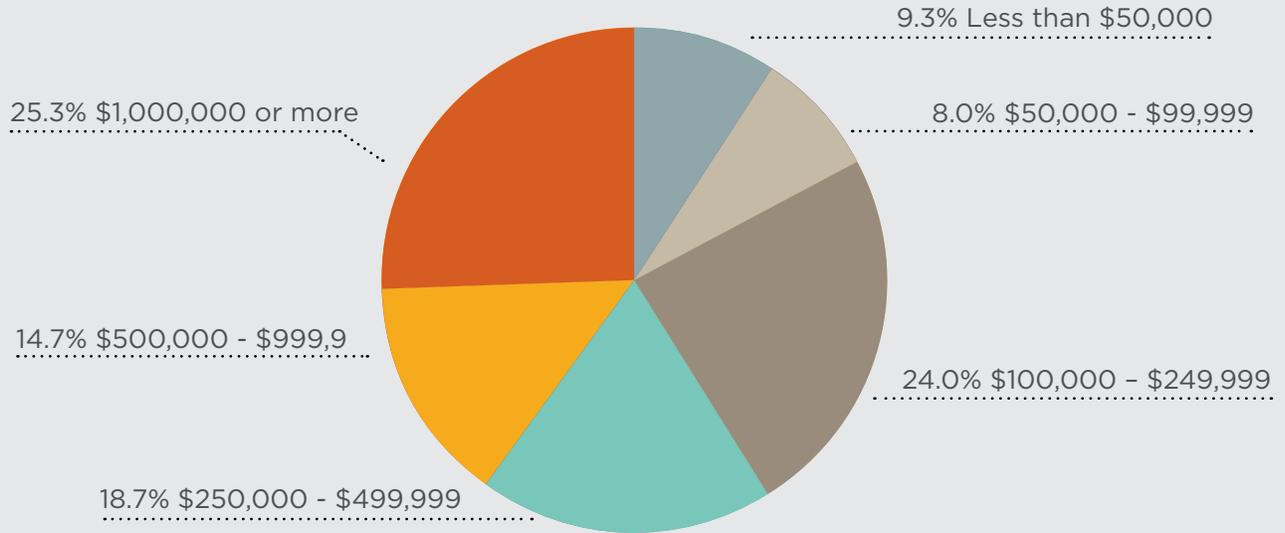
Half of the respondents said they rely on three or more agencies to support their communications efforts. A quarter of respondents indicated they are investing more than \$1 million with the agency where they have the most significant relationship.

Number of Agencies Worked with in the Past 12 Months



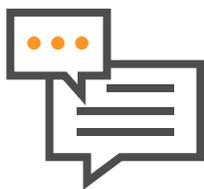
Most respondents indicated they were investing substantial resources with their public relations firms, with 15% spending between \$500,000 and \$1 million annually, almost 20% between \$250,000 and \$500,000, and nearly 25% between \$100,000 and \$250,000 per year.

Approximate Annual Agency Professional Fee for Agency with Most Significant Relationship



Qualitative Interviews

Respondents indicated a strong reliance on their primary agencies, which were paid more than \$1 million. At the same time, they suggested they were “harder” on their primary agencies:



“We use X agency because we need scale. But we do have less satisfaction with agencies we pay more. You tend to pay more money and a premium for access to senior most people.”

“I’ll keep agency X because we need their scale but I won’t look hard to expand work with that firm, because I’d rather tap boutique firms – true subject matter experts/firms in what they do.”

“Most important for us is a small, independent firm that deals in the policy world and is exceptionally good at what they do.”

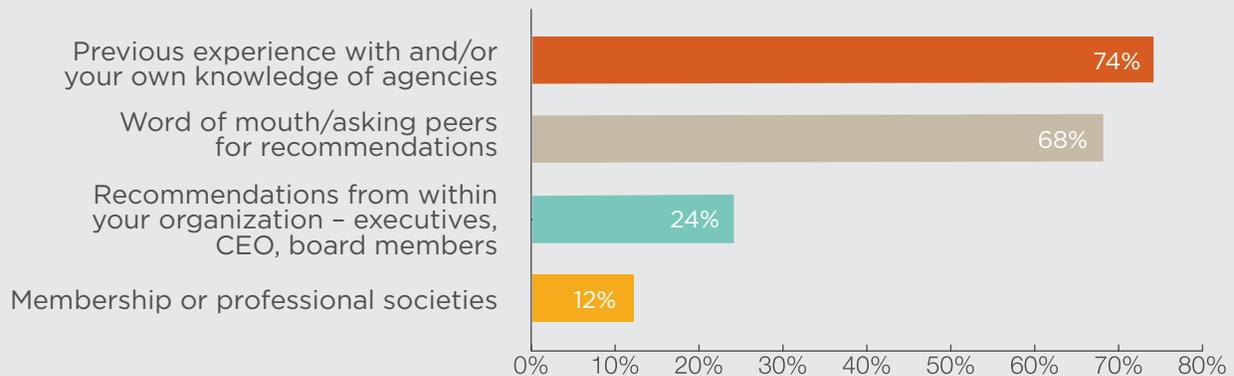
Analysis

- Agency new business opportunities are strong. The research indicated that most large organizations – corporations or non-profits – retain more than one agency, with many hiring three or more. And agency budgets are healthy, with a quarter of respondents saying they spend more than \$1 million with their primary agency.
- While the industry has speculated on the decline of the agency of record (AOR), the research shows the continued importance of “primary” agencies of the size and scale required to deliver many traditional PR services in the U.S. and abroad (25% of respondents said they use a single agency for global reach). It also highlights the key role of specialty firms based on industry/sector expertise or regional knowledge to fulfill specific needs.

Communications Leaders Rely on Experience and Knowledge to Identify Limited Number of Agency Candidates

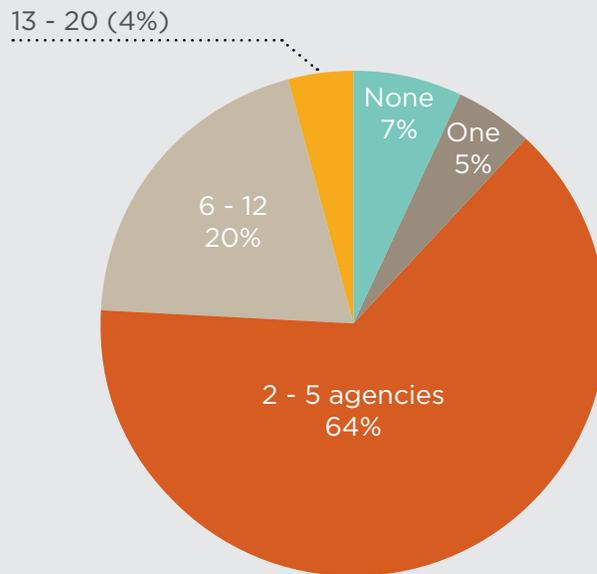
More than seven out of ten senior corporate or marketing communications leaders said they rely on their experience and industry knowledge, and nearly two-thirds on “word of mouth,” to find agency candidates at the beginning of a search. The research showed the reliance on experience and word-of-mouth far outweighs the use of other potential resources to identify agencies, including drawing upon industry association resources or using agency search professionals.

How Companies Find Agencies



But they tend to identify a limited number of agency candidates. Two-thirds (64%) of senior communications executives said they begin public relations agency searches with between just two and five initial candidate agencies.

Number of Agency Candidates Identified at Beginning of Search



Qualitative Interviews

Respondents suggested that specialized, boutique firms are highly valued and shared their perspective on how they identify agencies:



“We make sure our folks are tuned into new things happening in our industry and rely on professional networks and word of mouth.”

“For local issues we will sometimes hire an agency for a particular project, if the agency we have doesn’t have a presence in the market and won’t know the local landscape.”

“I will have some people on the team interview people from different agencies to get a feel for their work and have them show us examples of their work because I don’t want to waste their time.”

“...I will review about 2-3 at most.”

“I put in a fair amount of time hiring a firm. I figure I make a handful of calls, meet with them, and put in about 10-20 hours maximum.”

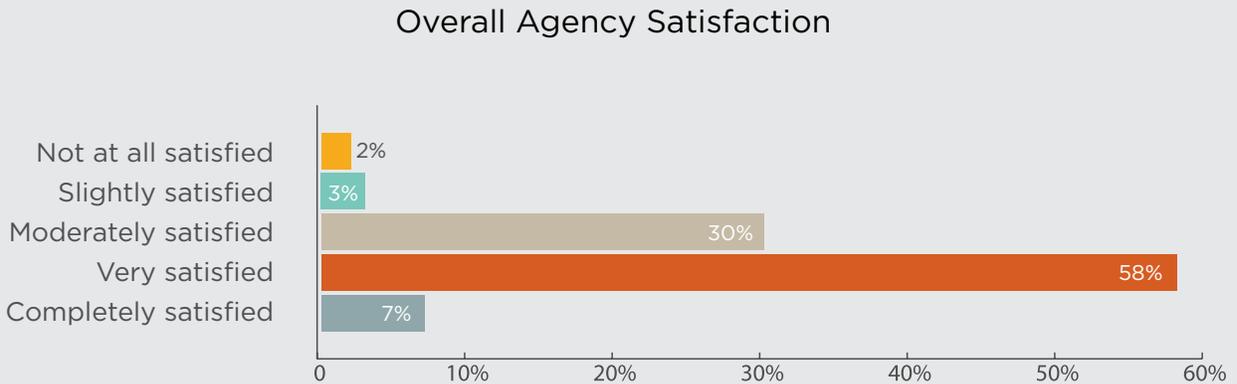


Analysis

- Agency search tools are available to help companies broaden the pool of qualified agencies. CommunicationsMatch enables client organizations to generate shortlists from more than 5,000 agencies and professionals by industry and communications expertise, location and size, as well as designations and diversity, quickly and efficiently. Trade and association directories also offer search options. The bottom line - clients need only carve out a small amount of time to identify a broader selection of qualified candidates to meet minimum standards of due diligence or procurement requirements.
- In the selection process for agencies it’s clear that communications leaders rely on their own experience or that of their network to identify a limited number of agencies they believe are qualified for their needs.
- Drawing upon experience and peer recommendations to select a very limited number of candidate agencies is clearly not a coincidence, but by reducing the pool of candidate agencies, communications leaders are likely missing out on the benefits of a more encompassing and rigorous search process.
- In fact (as detailed in the next section), survey respondents note the process would be better if they included more agencies and give the process more time. Since most expressed overall satisfaction with their search process, it seems as though a “good enough” path to hiring agencies is the norm.

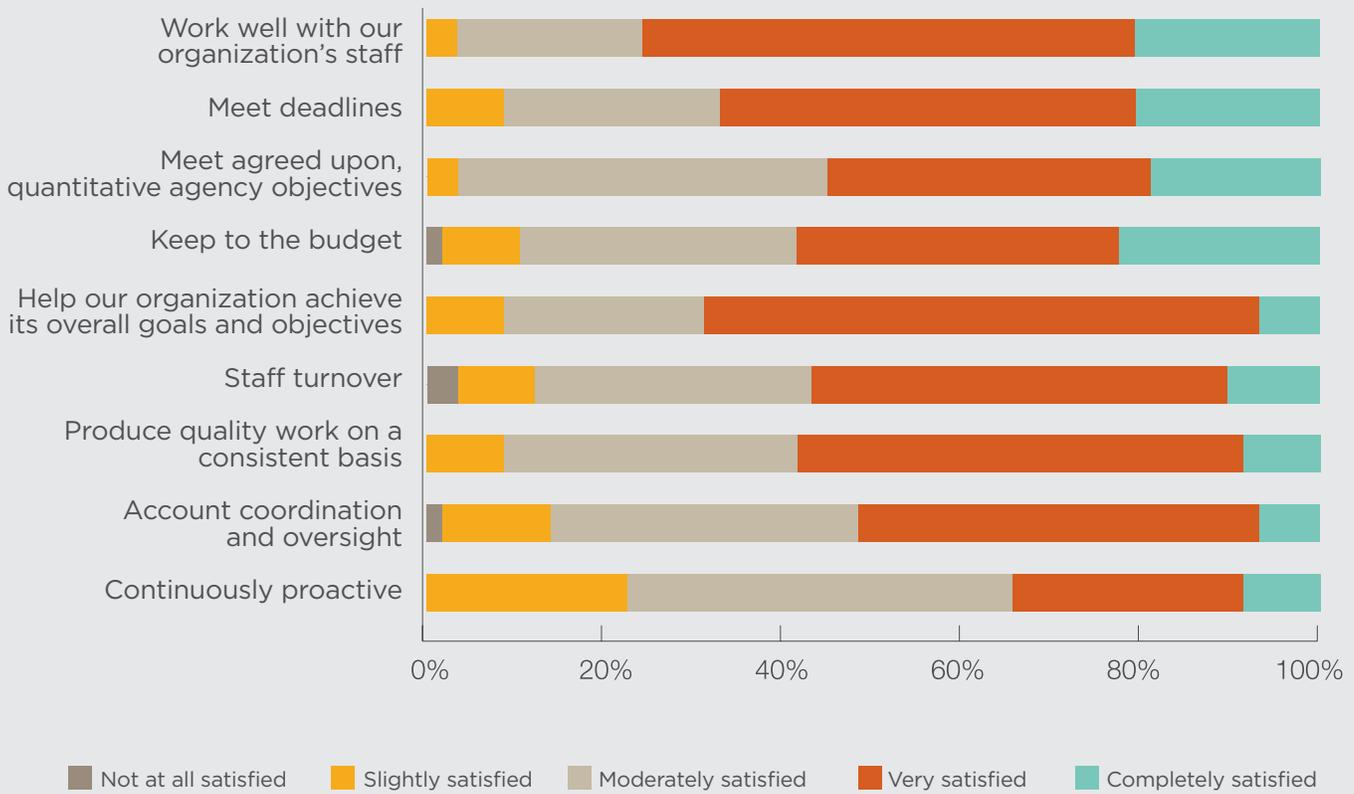
Satisfaction with Agencies Generally Robust, But . . .

The survey shows a high level of overall satisfaction with agencies, but that is not the end of the story. When we asked about satisfaction with specific aspects of agency relationships important to client companies, we consistently saw around 40% of respondents only moderately or slightly satisfied with agencies' performance.



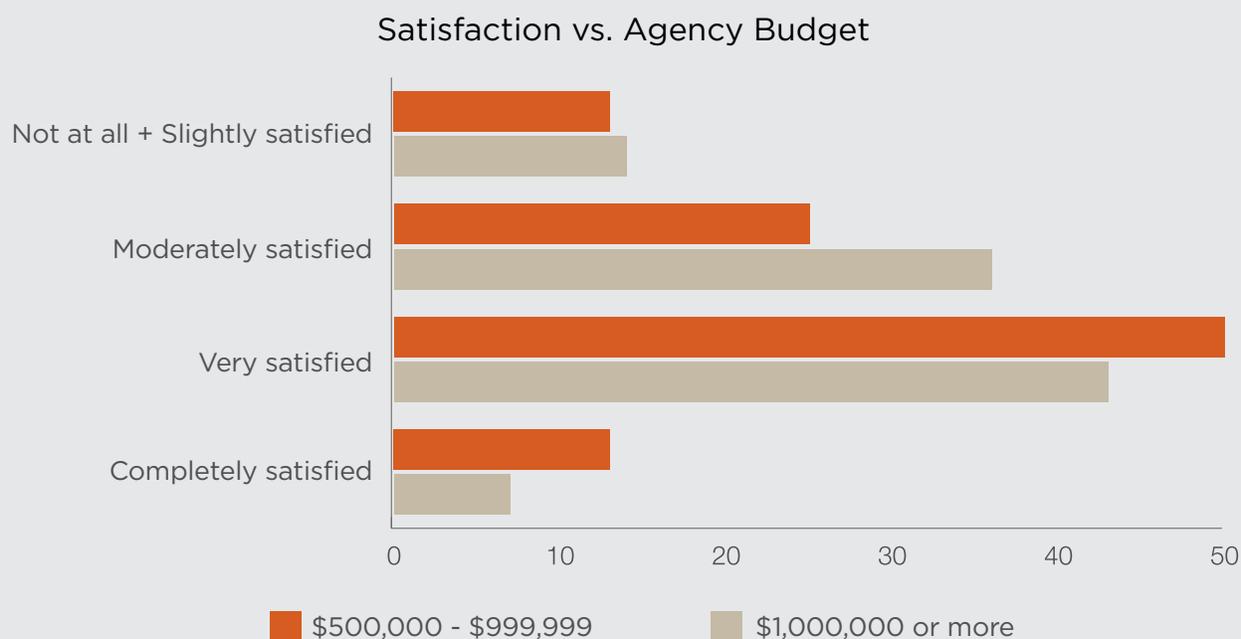
Satisfaction with agency proactivity, account coordination, quality, staff turnover, meeting objectives, meeting budget and deadlines were all issues of concern for communications executives. Seven in ten respondents were moderately or less satisfied with agency proactivity and 44% with agency's meeting objectives.

Agency Satisfaction vs. Priorities



Clients Less Satisfied with Agencies with Highest Budgets

A notable finding from the research is that satisfaction with larger agencies with budgets in excess of \$1 million tended to be lower overall than with agencies where the budget was between \$500,000 and \$1 million.



Where agency budgets are less than \$500,000, the research shows the highest level of satisfaction in the \$250,000 to \$500,000 range.

Analysis

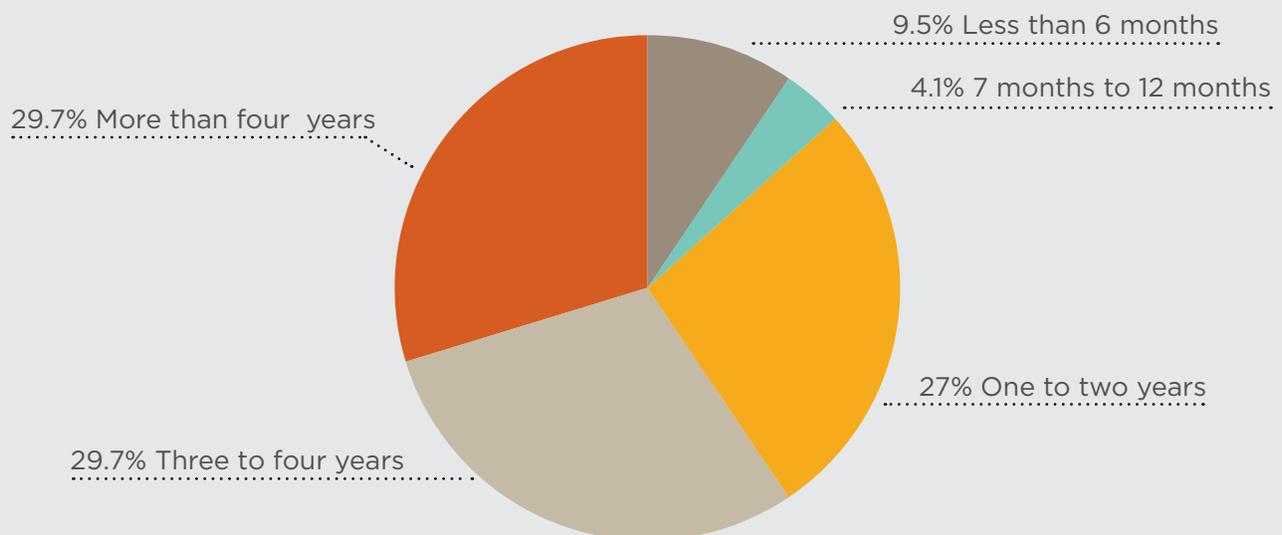
- While agencies overall enjoy high marks from clients – nearly two-thirds of respondents said they were “completely” or “very” satisfied with their primary agency – communications executives’ views were clearly not as sanguine regarding more specific measures of agency performance and responsiveness. Some of the lowest satisfaction ratings were offered by clients of agencies that were spending \$1 million or more annually.
- The middling agency satisfaction scores for performance and responsiveness cannot all be traced back to the selection of a particular agency by a client, as a lot goes into a client-agency relationship after a hiring decision has been made. But they should offer lessons and merit further consideration to both communications executives and agencies seeking (or winning) their business.

Agency Longevity Correlated with Satisfaction

The data show a correlation between agency satisfaction and the length of relationships. Perhaps not surprisingly, where agency relationships were four years or longer, clients tended to be highly satisfied.

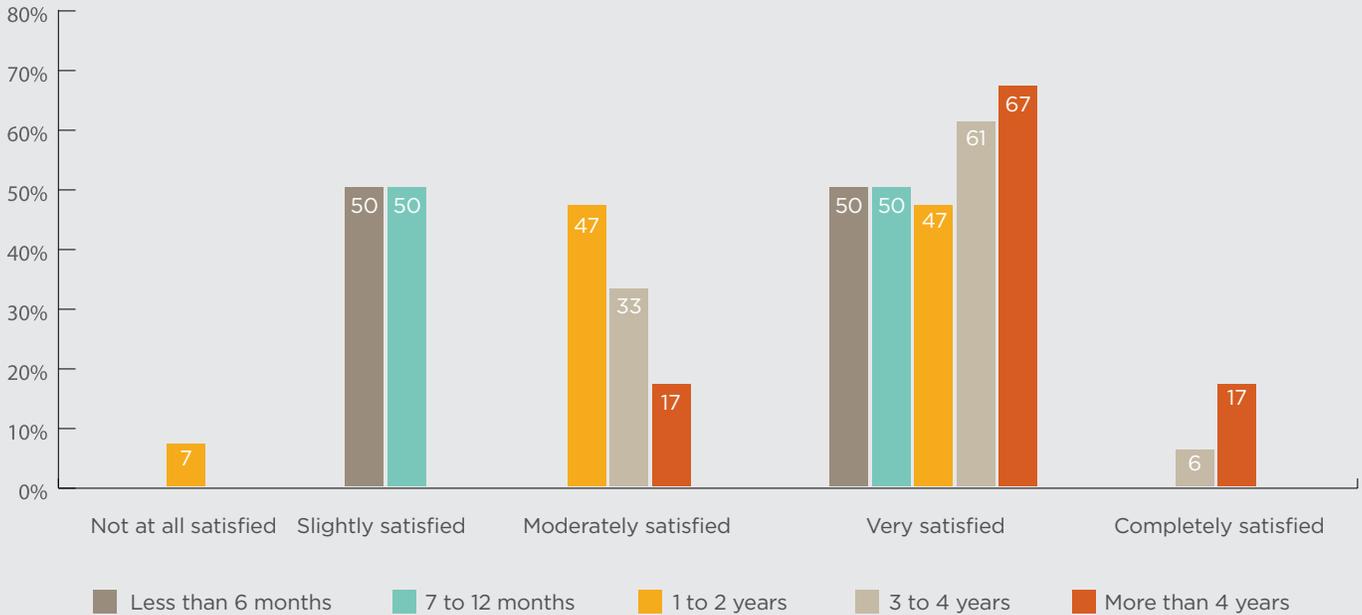
It should give pause that only 30% of primary agency relationships were reported to be four years or longer in length. The 70% of relationships reported to be three years old or less underscore both the high level of agency turnover in the industry and demand for agencies with new skillsets.

How long has the agency with your most significant relationship provided services to your organization?



Satisfaction is clearly tied to delivering promised results, effective engagement with clients, and managing against budgets. As the following chart illustrates, satisfaction is correlated with longevity. The highest number of clients who reported being very satisfied were those where relationships were four years or longer. Far lower numbers of those with longer relationships were only moderately satisfied with agencies. Lower levels of satisfaction (not satisfied or slight satisfaction) were more often associated with shorter term relationships. The chart reveals half of those hired within a year were slightly satisfied and the other half very satisfied. This underscores the idea – reinforced by other data in the study – that the hiring process as currently practiced is a bit of a lottery.

Longevity vs. Agency Satisfaction



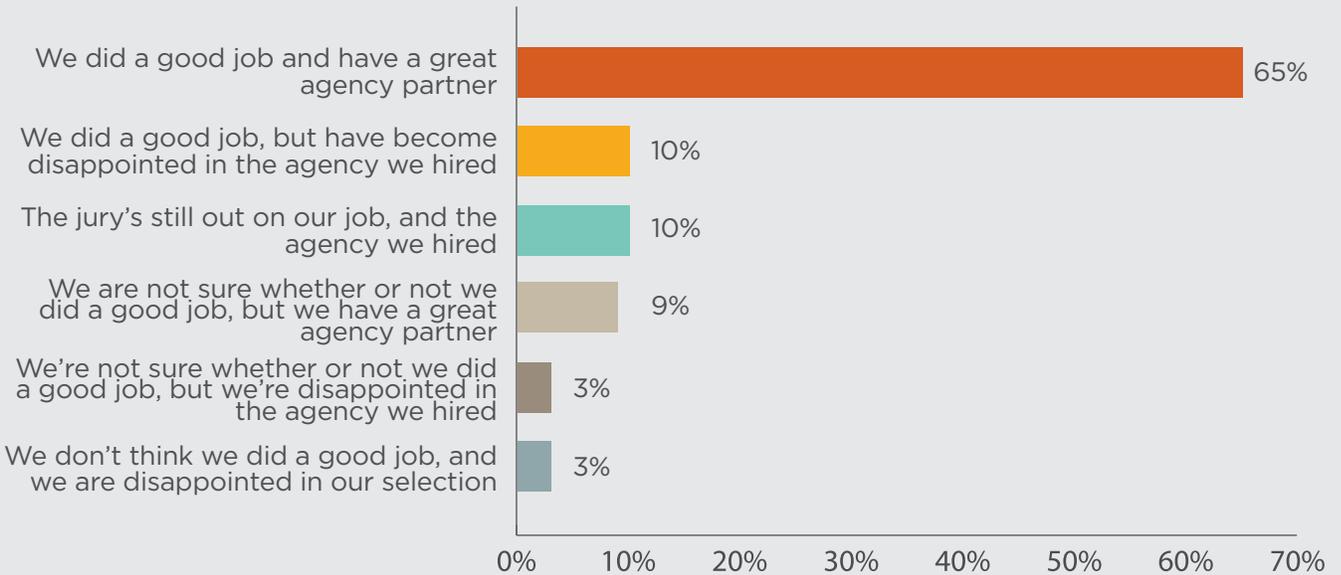
Analysis

- When an agency may get off to a rocky start, the research indicates there’s a commitment to improving relationships. There’s another potential way to look at this. When shortcuts are taken in the hiring proces, client and agency expectations may not be aligned, requiring work by both parties once the relationship has been established to get on the same page.
- It should not be a surprise that satisfaction is correlated with agency longevity. Clients satisfied with their agency relationships are likely to continue working with them. Those who are dissatisfied are likely to make changes.

Clients Satisfied with the Search Process Overall, Less So with Specific Components

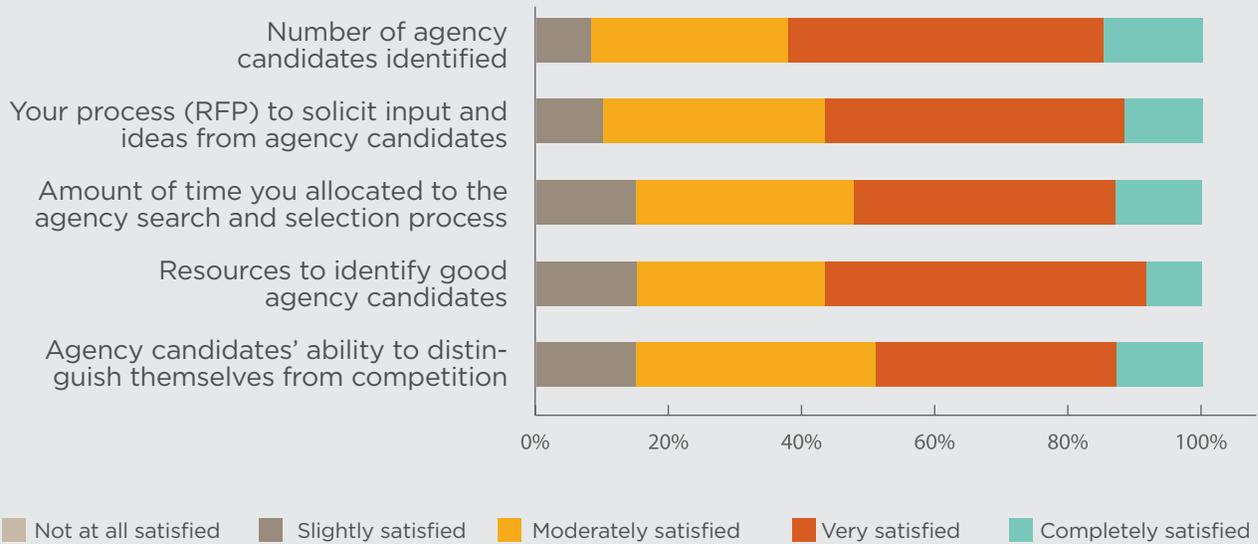
When respondents were asked to rate their satisfaction with the agency search process they gave themselves high ratings – three-quarters were very or completely satisfied.

Overall assessment of agency selection and search process



But, as with overall satisfaction, when respondents were asked to evaluate specific components of the search process, many acknowledged that neither the time allocated for the search nor the number of agencies identified in the selection process were sufficient.

Satisfaction with components of the search process



Significant numbers of respondents reported shortcomings on the part of agencies in their responses to RFPs, noting that agency proposals and presentations are often seen as boilerplate, agencies seem to be “upselling” during the process, and agencies fall short on their response to the scope of work and program goals, budgets, and staffing requirements.

Qualitative Interviews

Interviewees identified agencies in a variety of ways. Typically this included relying on their staff and their professional peers outside their organization for recommendations:



“Conflicts play some factors when I look for a firm. But I find that so many firms are consolidated under holding companies, so I don’t worry about conflicts. However, my AOR (agency of record) would never work for a competitor.”



“The proliferation of smaller firms has been extraordinarily good. Someone left a big firm and started their own. These budding new, smaller agencies will give you less cookie-cutter for your need. I would be open to trying new agencies. But I still need that field of various firms.”

“Sometimes you just need a larger firm for arms and legs. But the larger firms are always after the next piece of business – either from us or from a potential competitor.”

Analysis

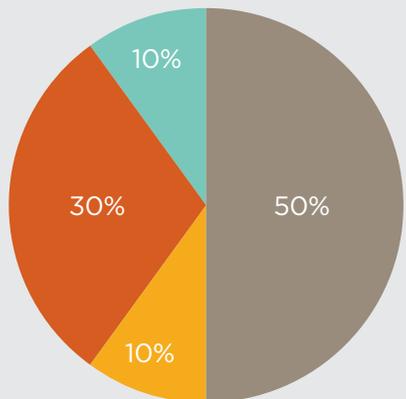
- As was the case with client satisfaction with agency performance, most respondents indicated they were satisfied overall with the process they used to search for, evaluate and ultimately hire their primary agency. But more than one-third expressed some degree of uncertainty in their selection process and the chosen agency. Respondents’ self-criticism seems to suggest a desire to implement a better process and clearer parameters in agency search and hiring.
- The recognition that including more agency candidates in the search process and taking more time would be better, highlights a gap between existing search processes and “best practices”. Drawing upon personal experience and anecdotal evidence, it’s clear that time and capacity are a significant constraint for communications leaders that result in a less than ideal search processes.
- Best practices include conducting a comprehensive search to identify qualified agencies and the allocation of internal resources or use of external agency search consultants as well as tools to support a thorough process to shortlist and select agencies.

Communications/Marketing Background vs. Satisfaction

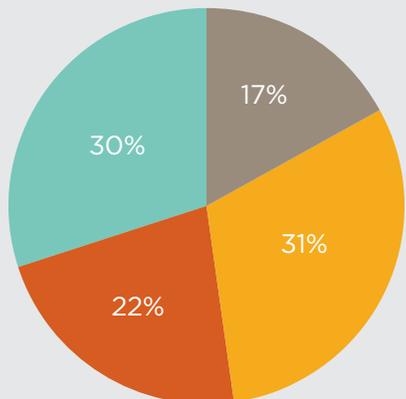
A point worth noting, because it stood out strongly across a range of questions, was the significant difference in responses when we looked at the data by department name, e.g. “corporate communications/public relations” (and related names) versus “marketing and communications” departments. There were also clear differences between those who had worked for PR agencies versus those who had not.

Leaders of “marketing and communications” departments reported being less satisfied with their agencies, and tend to change agencies more frequently, than their corporate communications counterparts.

Marketing and Communications Departments
Level of Satisfaction with Agency



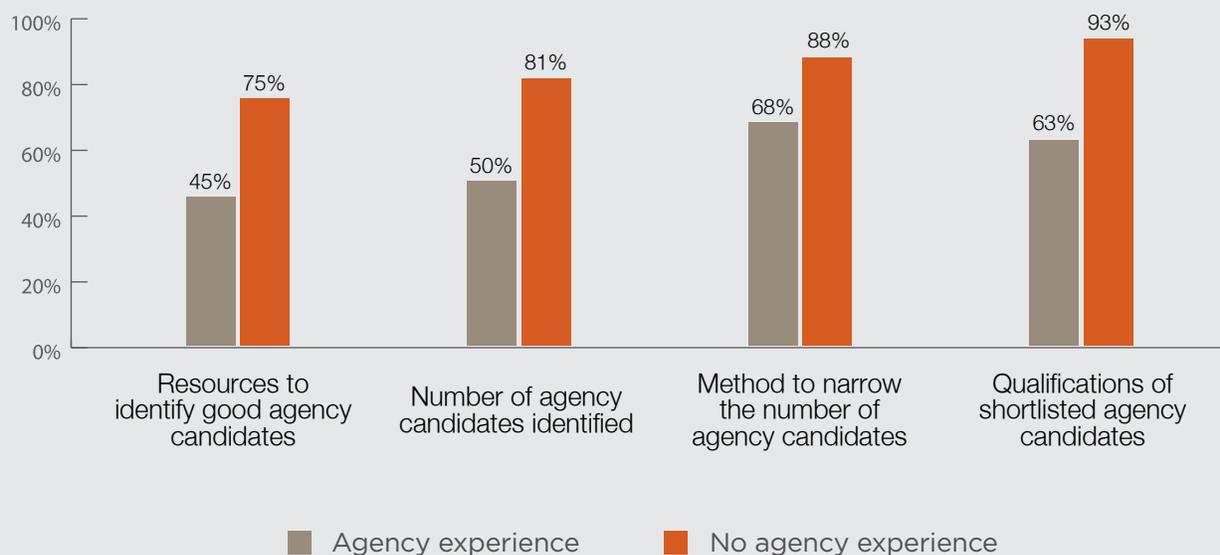
Corporate Communications/ Public Relations Departments
Level of Satisfaction with Agency



■ Slightly satisfied ■ Moderately satisfied ■ Very satisfied ■ Completely satisfied

In terms of satisfaction with the agency search and selection process, communications executives with prior public relations agency experience consistently indicated lower satisfaction than their peers without agency backgrounds on such measures as available resources to identify agency candidates, the number of agency candidates identified, the method to shortlist candidates, and the qualifications of shortlisted agency candidates.

Satisfaction as Influenced by Agency Experience vs. None Percentage of Respondents Completely or Very Satisfied



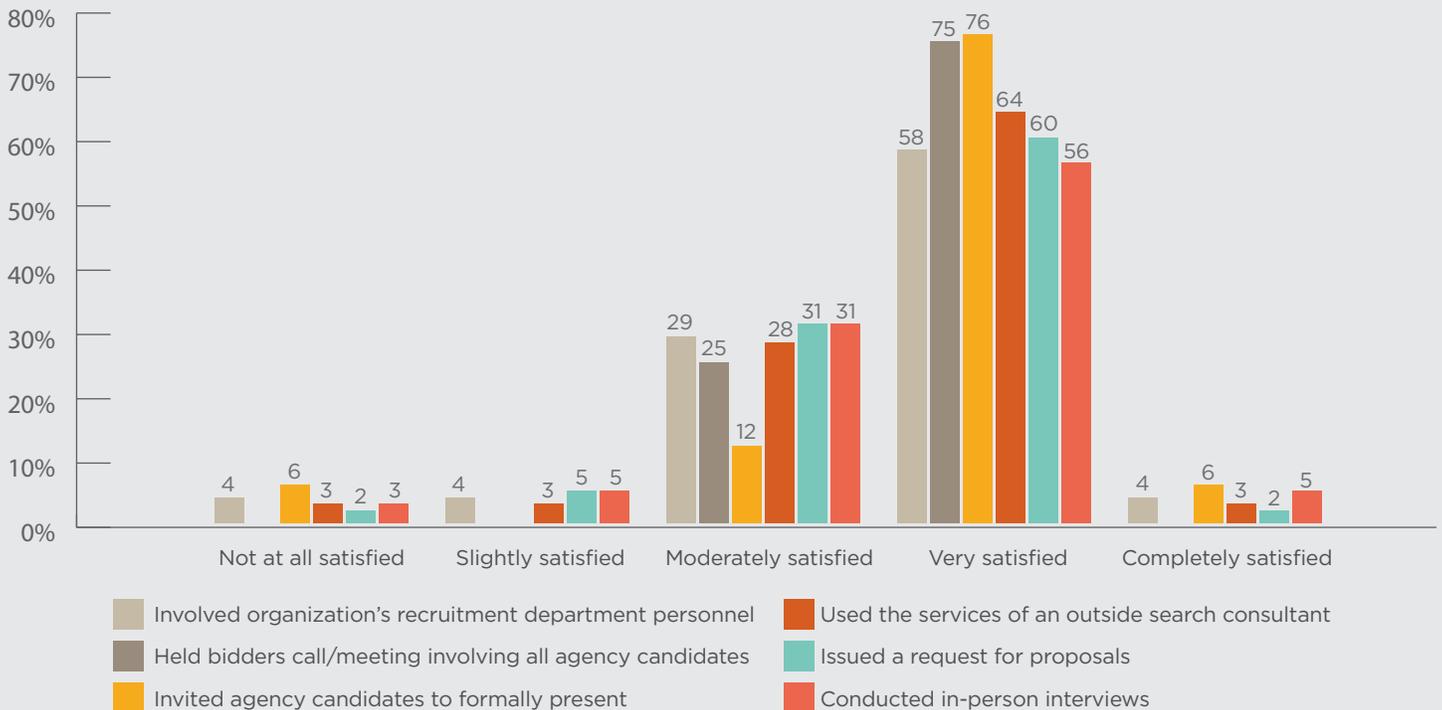
Analysis

- The background of communicators, whether marketing or PR, clearly makes a difference in how agencies are evaluated and their perceived success.
- The expertise and experience of communicators impacts the agency search process, expectations and potential longevity of the relationships.
- While we would not want to take this too far, the data suggests that leaders coming from a marketing background or who have a broader scope than a corporate communications department are less satisfied with agencies and more likely to change them.
- Communications executives with PR agency experience tend to be more demanding of agencies and of themselves when it comes to selecting agencies.

Comprehensive RFP Process Results in Better Outcomes

The research indicated that the more thorough the search process and the more a communications executive employs what can be considered agency search “best practices,” the greater likelihood of satisfaction with the agency selected.

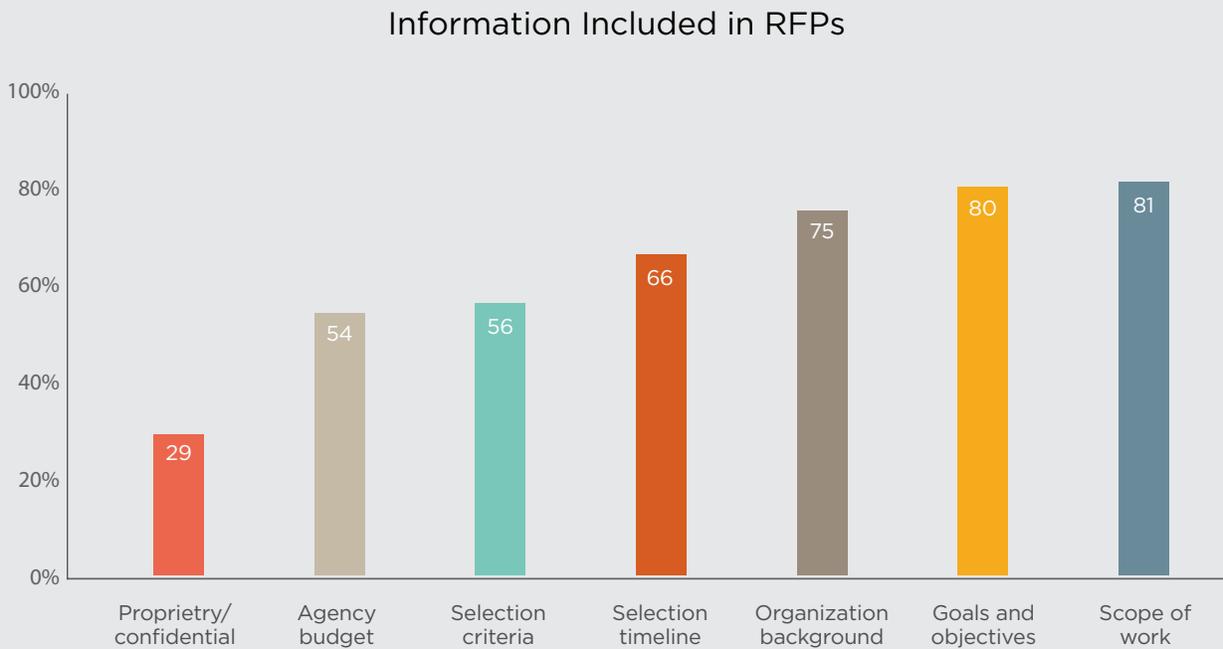
Satisfaction vs. Thoroughness of Search Process



Significant majorities of communications executives indicated they were “very satisfied” or “completely satisfied” with the selected agency when they held a bidders call/meeting with all candidates, conducted in-person interviews with agency candidates, and utilized a formal RFP process.

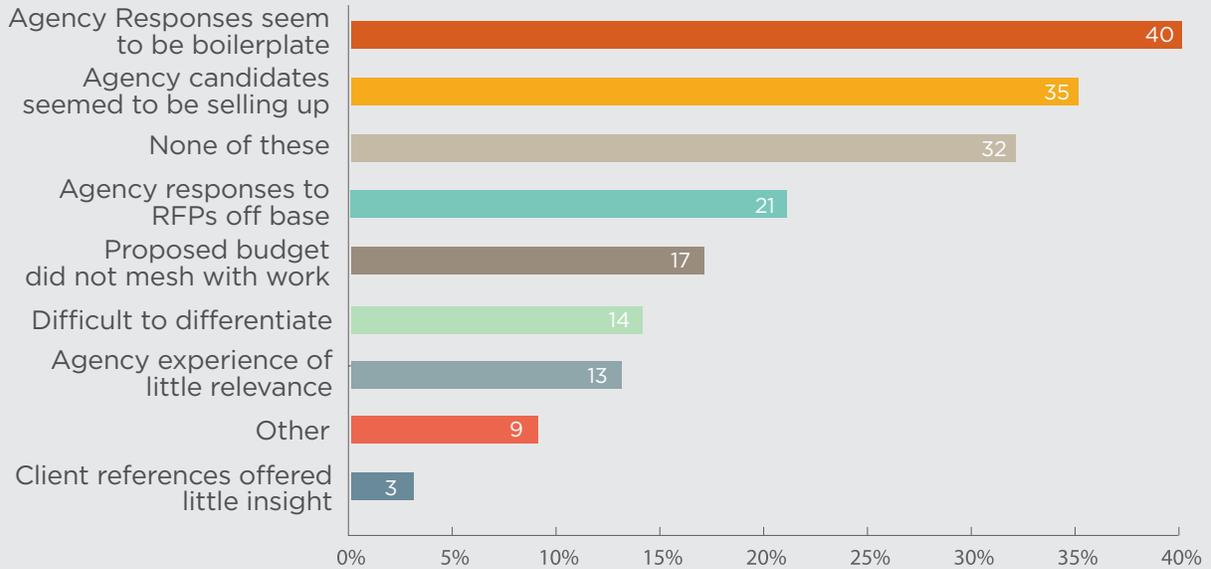
That two-thirds of those surveyed used an RFP as part of the hiring process, underscores its value and efficiency as a tool to evaluate and shortlist agencies. And while it’s assumed that agencies would rather win business without an RFP, it is clearly seen as important by respondents.

In our conversations with agency leaders we consistently heard that many of the RFPs they receive are poorly structured or often don't include key information agencies need to determine whether they are a good fit for an assignment or to fully understand what's expected of them. The research bears this out. While goals and objectives and a scope of work was incorporated by 8 out of 10 respondents, only a little more than half of companies provided budget information or selection criteria.



In terms of agency responses to RFPs, many communications executives were most critical of perceived “boilerplate responses” as well as the feeling that agencies were “selling up” during the RFP process.

Agency Responses in Hiring Process



Qualitative Interview Responses



“We don’t typically use an RFP. We typically have good networks with big and niche firms and directly reach out to them. We do provide them with scope and don’t typically sole source, but sometimes if the contract is for more than \$1 million I’ll compete but not if under that amount.”

“For \$10-20 million contracts we will bring in agencies – typically the big three and then two-three smaller firms. It could be as long as six months to find and hire an agency – due to procurement - once in system they can be brought on for one-offs quicker. This also gives us the luxury of being able to spend more time on identifying and hiring agencies. This is why RFPs are so important – helps differentiate one firm from the other.”

“I don’t typically issue an RFP and the reason we don’t (but I used to) is because I’m at the stage of my life and career where if I don’t know you or you’re not recommended, I will just look for referrals.”

“Arthur Page Society is a good source for me – we’ll see each other at meetings and trade stories.”

“By policy I have to engage procurement but they don’t get any say. I tell them what I’m doing and I follow the processes. I will send them one-page scope of work, and they will send back an estimate.”



Analysis

- While most communications executives said they use a request-for-proposal process to guide their agency hiring decisions, a significant number omit key information in the RFP, including agency budget, selection criteria and/or timeline, and sensitive or confidential information (which we believe would be critical for agency candidates proposing strategies or approaches).
- Agencies typically do not like responding to RFPs, so if an RFP prompts more questions than it answers, and/or is lacking in detail or background, the client issuing the RFP is likely to receive less-than-stellar responses. For agencies, a poorly managed or overly complex RFP process does not motivate the type of custom responses companies seek.
- A streamlined RFP process, one endorsed by the industry, with the data needed by agencies to make decisions would clearly be beneficial.
- The research highlights a number of ways a more thorough agency search and hiring process is likely to lead to greater agency satisfaction and, ultimately, to greater agency longevity.



CONCLUSIONS

In this research we set out to show the impact of the agency search and hiring process on satisfaction with public relations agency performance and public relations programs and outcomes.

From the research, a number of takeaways highlight the importance and wisdom of a thorough search process:

- Two-thirds of companies responding to the survey used an RFP process to select agencies
- When an RFP was used agencies were more likely to meet or exceed initial client expectations
- Although satisfied with their search process, many respondents noted that having more candidates and taking more time for an agency search was ideal
- Where procurement was involved in agency search, satisfaction with the selected agency was higher
- Higher satisfaction correlates with agency longevity
- The research also highlights gaps between the “ideal” search process and how searches are actually being conducted
- Communications executives surveyed overwhelmingly rely on industry knowledge, experience, and word-of-mouth to select agency candidates
- Executives typically identified only two to five candidates at the outset of an agency search
- RFPs issued by organizations do not consistently include all the information required by agencies to respond most effectively
- Respondents indicated a limited use of search consultants/tools in contrast to employee recruiting

The results also demonstrate why this matters:

- Despite strong overall satisfaction with agencies, around 40% of the time agencies are seen to be falling short in key areas important to clients
- Communications executives clearly wish that agencies would do a better job when responding to RFPs
- There is high agency turnover, even among the highest-paid agencies

The research data reinforces our experience, as former heads of communications, agency executives and now agency search consultants, that a thorough search process is likely to lead to better outcomes – namely, the retention of a better-suited agency which exceeds a client’s expectations. At the same time, the data underline the cost of getting the process wrong or giving it short shrift.

The results of this research should encourage communications leaders to follow their instincts to dedicate more time and implement a more comprehensive search process. Where time and capacity are an issue, the tools and resources we offer help companies conduct a thorough, objective search for qualified agencies, request capability information from those agencies, issue RFPs with the information agencies need, and manage the agency evaluation, selection, engagement and onboarding process.



RECOMMENDATIONS FOR COMMUNICATIONS EXECUTIVES

From 10,000 feet, the agency selection process most chief communications officers use seems to be a smooth, well-oiled method: Dial-up a few agencies, collect their credentials and some proposals, maybe a couple of presentations, and hire whichever seems best.

From ten feet, though, maybe not so much.

The research shows lower levels of satisfaction with specific components of the search process, including time allocation, the comprehensiveness of agency candidates and agencies' responses to RFPs. In fact, more than one-third of clients are not certain about their search process or that they've made the right agency decision.

Communications executives making big-budget and high-stakes decisions regarding agencies are cutting corners – and in many cases recognize that this is not ideal – during the agency search and selection process.

Our experience, this research, and our many discussions with CCOs across the country point to several factors that will assure a comprehensive, objective, and thorough search process, as well as the selection of the very best agency for your company and scope of work:

- **Start by casting a wide net** – There are thousands of agencies of all sizes, specialties, and capabilities in the U.S. alone. Taking the time to research qualified agencies provides the best path to finding the firm likely to deliver the best outcomes.
- **Pre-qualify agency candidates** – Prepare a short request for qualifications/information (RFQ/RFI) and distribute it anonymously (if possible, or do so through a search firm) to the initial list of candidates to determine which agencies fit the specific needs and do not have current clients which would pose a conflict of interest. From the responses, no more than eight agencies should qualify to receive an RFP.
- **Develop a comprehensive RFP** – Create a request for proposal (RFP) that comprehensively outlines why an agency is being sought, what is required of the selected agency, and the detailed selection criteria and a timeline. The contents of an RFP should provide a substantive base of knowledge to allow agency candidates to craft an intelligent response.

- **Use an NDA** – Rarely considered but a best practice nonetheless, RFPs should include a non-disclosure agreement (NDA) to enable the client to share proprietary details, assure candidate agencies the client will maintain confidentiality of their proprietary ideas and methods, and to confirm there are no conflicts.
- **Prepare a scorecard** – All proposals should be reviewed and judged against a pre-established set of criteria in order to compare agencies “apples to apples.” A proposal scorecard, allowing evaluation team members to “grade” and comment on a candidate agency’s work against each criterion, is recommended. Consensus from at least five internal team members (preferably from inside and outside the communications department) will provide a fair review of the candidates.
- **Invite the best to present** – If their proposals were good enough to merit finalist status, invite the agencies to present, but do not allow them to simply summarize their proposals. Instead, finalists should be questioned in detail on the content in their proposals. And, a good way to see how finalists “think on their feet” is to pose a challenge during the presentation, give each finalist 15 minutes to craft a response, and ask them to present their solution. Similar to the proposal stage, a presentation scorecard is recommended.
- **Interview references** – Only 40% of respondents told us they check agency references. Similar to the hiring of an employee, interviews with agency references should be a key element of verifying work, experience, and performance.
- **Select the agency best-suited for your organization and brand** – The best agency will become evident during the final round, particularly with this tie-breaker: “With which agency will my team have the best chemistry?”



RECOMMENDATIONS FOR AGENCIES

At a high level there's good news from this study for agencies: overall client satisfaction with agencies is high.

But a closer examination of the results points to a number of issues agencies need to think about.

Agency proactivity, account coordination, quality, staff turnover, meeting objectives, meeting budget and deadlines were all issues of concern for communications executives.

Client organizations often reported being unimpressed with agency responses to RFPs. Boilerplate responses, upselling, and off-base proposals were all raised as issues, and reasons why agencies fail to move beyond the RFP hurdle of the search process.

With a third of respondents indicating some level of concern around their search process and the agencies they had selected, and data showing clients working with agencies to align expectations after they have been hired, it's clear that client-agency relationships may not always start on the right foot.

There are clear consequences of this. We found that 70% of client-primary agency relationships were three years or less in duration. So, agency turnover is clearly an issue – and given the kind of budgets reported, agency turnover is not good for corporate communications executives or agency leaders.

How can agencies avoid missteps in the hiring process, increase the odds of being selected, and give themselves the best chance of building long-term relationships with client organizations? Here are some recommendations:

- **Build brand, visibility and relationships** – With large organizations saying they choose just a handful of agencies at the beginning of a search, agencies are not going to be invited to the party unless and until they are noticed. Join trade associations representing sectors and companies with which you would like to do business. Engage with heads of communications and their peers and ensure the agency is represented in agency rankings, and on agency databases and online platforms.

- **Be selective about RFPs** – It’s important to evaluate and participate in agency search processes that are fair, well-managed, and for which you are qualified. If an RFP contains inadequate information, ask questions or request information required to respond. If these asks are met with a shrug of the shoulders, walk away from the “opportunity” – as this may be an early indicator of relationship and communications challenges with the client ahead.
- **Be all in** – The agency shouldn’t waste its time or the potential client’s time with a half-hearted or boilerplate proposal. If the agency lacks the experience, people, or confidence to credibly serve a potential client, it should bow out as soon as it receives the RFP.
- **Bring ideas** – If a client is looking for ideas, the agency should share them. Holding back on ideas because the agency fears that the potential client might steal them is misplaced. In general, an agency’s ideas are less important to a potential client than that client’s confidence in the agency’s ability to execute those ideas.
- **Don’t upsell when pitching business** – An agency that offers “optional” ideas or services, beyond its core recommended program and for additional fees, is typically the agency that is not going to raise eyebrows but produce a frown – whether the extras are offered in the proposal or the presentation. Agencies are better served by demonstrating how they would provide more value or insight with something that was asked for in an RFP, rather than present it as an additional service and cost.

ABOUT

COMMUNICATIONSMATCH™

CommunicationsMatch is an industry-leading communications agency search services platform. Its agency search, hiring tools and resources help companies save time, achieve better search outcomes and build stronger brands. With 5,000 agency and individual profiles, companies search for PR and communications partners by location, size, clients, keywords, ownership, designations, diversity and more. CommunicationsMatch also offers agency search consulting, communications research tools, as well as programmer & developer search. Find out more at: www.communicationsmatch.com.



RFP Associates, LLC. is a communications agency search firm that has developed a specialized agency search and selection methodology which improves the process of identifying, evaluating and hiring agencies. For more than a decade, the company has worked with corporations and associations to engage agencies for agency-of-record assignments and confidential projects.



Researchscape International is a leading communications industry-focused research company that conducts PR and communications surveys and research for corporates and agencies. The company offers a range of cutting-edge flat rate and custom survey options. Its survey technology platform, which incorporates AI natural language processing, enables clients to within 24 hours of fielding research generate a results presentation and reports with key findings and correlations.

APPENDIX

RESPONDENT PROFILE

- 30% were SVP or C-Level
- 48% of respondents worked in publicly traded companies – 30% at trade associations/non-profits
- 67% worked at a public relations agency
- 36% of respondents had 30 or more years of experience – 38% had 20-29 years
- 43% of respondents worked in a “Corporate Communications” department – 24% are under “Marketing and Communications”
- 43% worked with Procurement departments when selecting agencies – 31% work with Marketing

SURVEY QUESTIONS

Respondents were asked to address 33 survey questions, as follows:

About your organization, department and current public relations/communications agency relationship(s)

1. What is the name of your department/unit?
2. Is your department/unit solely responsible for identifying and hiring outside public relations/communications agencies?
3. What other department(s), if any, do you work with on agency search and hiring?
4. Please indicate the number of public relations/communications agencies your organization has worked with during the past 12 months, including those with which you are currently working – whether for shorter term projects or longer term, ongoing programs.
5. Thinking of the public relations/communications agency with the most significant relationship with your organization, which of the following represent the principal services it provides your organization?
6. Regarding the public relations/communications agency with the most significant relationship with your organization, please indicate the approximate agency professional fee budget on an annualized basis.
7. Approximately what percentage of your organization’s overall annual public relations/communications agency budget does the budget reported above constitute?
8. Regarding the public relations/communications agency with which you have the most significant relationship, how long has it been providing services to you and your organization?
9. Where does this agency work for you?
10. How would you characterize this agency?

About your organization/department’s agency search process

11. What were the primary sources which you used to identify PR/communications agency candidates in the hiring process?
12. How many public relations/communications agency candidates did your initial search process yield?

About your organization/department’s agency evaluation and selection process

13. Which of the following measures/procedures did you employ to evaluate the qualifications of the agency public relations/communications agency candidates, shortlist those candidates down to finalists, and ultimately select and hire one agency?

14. If you issued an RFP or used an RFP-like process, please indicate what, during the process, was shared with agency candidates.

15. Considering your evaluation of agency candidates, which of the following statements reflected challenges or criticisms you may have had during the process?

16. Thinking about your final selection (the public relations/communications agency that is your organization's most significant firm), please rank how important each of these agency criteria/factors were in making your final decision regarding the agency you hired, from most important down. (Please rank at least three.)

Your self-assessment of the agency search, evaluation and selection process

17. Overall, how satisfied are you with the method you used to identify and evaluate all public relations/communications agency candidates?

18. Thinking about the method you used to identify and evaluate all public relations/communications agency candidates, please indicate your level of satisfaction with the following components/aspects of your process.

Your selected agency's performance

19. Thinking about the public relations/communications agency with which you have the most significant relationship, please indicate how it has performed overall against the expectations you had since the time you hired them:

20. In general then, how satisfied are you with the performance of your public relations/communications agency?

21. How satisfied are you with the public relations/communications agency in each of the following areas?

22. Are there other area(s) when thinking about satisfaction with the public relations/communications agency?

23. Would you recommend your agency to other organizations?

24. Why do you say that?

Your future plans regarding your agency, and agency search and selection

25. Considering how you conducted the search and selection of your public relations/communications agency, which of the following statements best describes your overall assessment?

About you and your background

26. What is your current job title?

27. Which of the following best describes your organization?

28. Have you ever worked at a public relations/communications agency?

29. How many years of communications/public relations/marketing experience do you have:

Conclusion

30. Thank you for taking this survey. If you have any additional comments please provide them in the space below:

31. Would you be willing to be interviewed in further detail about your agency selection process?

32. Are you interested in receiving a copy of the final report?

33. Name/email