

Take the long view

Last year's uncertainty has turned into this year's sure thing – recession. Inevitably, this has fed through to job insecurity and reduced salary levels, but all is not lost. **Anna Richardson** uncovers some positives. Research by **Suzanne Hinchliffe**



EMILY FORGOT FOR AGENCY RUSH

'ABSOLUTELY DIRE', 'challenging' and 'tough-going' are some of the heavy-hearted sighs emanating from the industry's recruitment agencies. The economic climate is certainly reflected in this year's Design Week Salary Survey, but it also offers some positives. The rallying impact of entrepreneurship, the creative use of talent and the continued rise of the digital market temper the gloomy outlook.

Last summer, the general outlook was still upbeat, with recruiters toying a cautious, but quietly optimistic line of 'as busy as ever'. There were still differing opinions on whether the market had become employer-driven, with Workstation's Nathan Mayatt pointing out that it was 'not there yet'. 'When you have a client-driven market, it gets up and smacks you in the face,' he said. Now, few would argue that the industry can consider itself well and truly clobbered. As Joanne Snell, managing director of Gloucester-based Gallery Resources, says, 'No one could have predicted the impact of the current downturn.'

'Labour demand and supply has turned on its head,' agrees Gabriele Skelton's Karina Beasley. 'Twelve months' ago it was a sellers' market, it is now a buyers' market. Jobs are not easy to find now, and

LONDON REGION – CREATIVE ROLES

	JUNIOR DESIGNER	MIDDLEWEIGHT DESIGNER	SENIOR DESIGNER	JUNIOR ARTWORKER	MIDDLEWEIGHT ARTWORKER	SENIOR ARTWORKER	CREATIVE DIRECTOR
Print graphics	£19 200	£25 607	£35 036	£18 571	£24 750	£32 143	£60 857
Packaging and branding	£19 796	£26 107	£37 231	£19 000	£25 214	£33 393	£65 643
Exhibition	£19 042	£25 773	£36 550	£18 400	£24 700	£32 100	£63 050
Corporate/brand identity	£19 667	£26 536	£37 250	£18 964	£25 321	£33 286	£65 071
Interiors/architecture	£19 083	£26 700	£36 500	£18 667	£22 667	£32 500	£59 500
Product	£19 750	£26 125	£34 750	£18 667	£24 333	£33 000	£59 375
2008 average	£19 418	£26 141	£36 219	£18 712	£24 498	£32 737	£62 249
2007 average	£19 988	£26 564	£36 952	£19 574	£26 132	£34 763	£69 369
Difference	-3%	-2%	-2%	-4%	-6%	-6%	-10%

OUTSIDE LONDON – CREATIVE ROLES

	JUNIOR DESIGNER	MIDDLEWEIGHT DESIGNER	SENIOR DESIGNER	JUNIOR ARTWORKER	MIDDLEWEIGHT ARTWORKER	SENIOR ARTWORKER	CREATIVE DIRECTOR
Print graphics	£17 821	£23 286	£30 643	£16 615	£22 192	£28 577	£50 808
Packaging and branding	£18 321	£23 750	£32 393	£17 462	£22 731	£29 458	£52 154
Exhibition	£17 385	£23 615	£31 500	£16 409	£22 182	£28 682	£50 136
Corporate/brand identity	£18 214	£23 625	£31 857	£17 423	£22 712	£29 192	£51 731
Interiors/architecture	£17 900	£24 900	£33 100	£17 333	£21 500	£30 167	£52 500
Product	£18 000	£24 700	£32 300	£17 125	£23 375	£30 250	£54 500
2008 average	£17 940	£23 979	£31 965	£17 061	£22 449	£29 388	£51 971
2007 average	£18 313	£23 712	£32 528	£17 406	£22 865	£28 780	£48 169
Difference	-2%	1%	-2%	-2%	-2%	2%	8%

the quality and number of candidates for each one has increased.' Job interviews are being cancelled at the last minute as clients cut budgets or cannot commit to work, and with consultancies only able to forecast three to six months in advance, the lack of confidence has led to a lack of jobs. 'The knock-on effect is continuously being felt by all,' says Bluetree Recruitment's Claire Vidler.

SALARY EXPECTATIONS

One effect is that attitudes to salaries have changed markedly, with designers becoming much more pragmatic about salary levels. 'There are far fewer unrealistic demands,' says Beasley. 'Designers realise that, particularly in the sectors that are most affected by the recession, compromise is necessary – it's a case of short-term pain for long-term gain.'

Initially, there was a general softening of salary expectations, driven by candidates' worries rather than clients' expectations, says Mayatt, while towards the end of the year, clients were also starting to make offers at the lower end of the salary range rather than the upper end. 'This has continued through the first quarter and will increase the downward pressure on rates,' he says.

Thoughts on benefits have also changed, with salary remuneration generally taking priority over non-salary benefits. 'Benefits are probably not a top priority for a candidate,' says Beasley. 'Those looking for work are more focused on actually finding a job.' However, employers are still looking at how they can reward existing staff and attract new people at a time when it's not feasible to pay bonuses, with better benefits packages likely to emerge again over the next 12 to 18 months.

Meanwhile, clever businesses are finding ways to be creative with talent, says Periscope's Kim Crawford. Hiring a senior planner for a few days a month on a retainer means consultancies get senior strategic support at an affordable price, for example. 'Account handlers can work on a part-time basis and consultancies could consider hir-

ing people on flexi-time,' she adds. 'More experienced account handlers tend to be better time managers and [recruiting them] can be a very cost-effective way of managing clients.'

DIGITAL STILL IN DEMAND

There are also calls for designers to become more integrated, with consultancies keen on multi-tasking talent. Print designers especially should gain experience and qualifications in digital software, since the dearth of talent in the digital arena is as pronounced as ever, with the market consistently bucking the downturn trend.

'There is an ever-increasing amount of business moving online, as technology and capability transforms the way we live and work. Inevitably, there is a skills gap developing as the digital workforce strives to keep up with the constantly evolving environment,' explains Sue Pilgrim of MacPeople. 'Senior digital candidates are always in demand.'

Demand for print specialists and artworkers is in decline, while jobs in brand identity, packaging and fmcg are still reasonably healthy, report the recruiters. However, brand-owners are increasingly squeezing budgets, says Beasley, and they commission less new product development and innovation work.

'It's tough-going for candidates across all areas, especially for print designers,' says Vidler. But as consultancies work increasingly hard to keep existing business and bring in new work, experienced account managers and business development executives are very much sought after.

BURSTING THE FREELANCE BUBBLE

With redundancies and squeezed budgets flooding the market with candidates, it is no surprise that the abundant days of the freelance are over for now. Freelance rates are already starting to come down, and many recruitment agencies predict drops in rates of up to 10 to 20 per cent in the next year, as freelancers are prepared to accept →

LONDON REGION – DIGITAL ROLES

	WEB/FLASH DESIGNER	ART/CREATIVE DIRECTOR	JUNIOR DEVELOPER	MIDDLEWEIGHT FRONT END DEVELOPER	MIDDLEWEIGHT BACK END DEVELOPER	SENIOR FRONT END DEVELOPER	SENIOR BACK END DEVELOPER	FLASH DEVELOPER	MOTION GRAPHICS DESIGNER
Digital 2008	£33 192	£48 577	£23 100	£29 950	£32 944	£41 600	£45 500	£39 773	£36 091
Digital 2007	£34 143	£63 214	£24 000	£32 143	£33 500	£41 571	£43 571	£37 857	£39 938
Difference	-3%	-23%	-4%	-7%	-2%	0%	4%	5%	-10%

OUTSIDE LONDON – DIGITAL ROLES

	WEB/FLASH DESIGNER	ART/CREATIVE DIRECTOR	JUNIOR DEVELOPER	MIDDLEWEIGHT FRONT END DEVELOPER	MIDDLEWEIGHT BACK END DEVELOPER	SENIOR FRONT END DEVELOPER	SENIOR BACK END DEVELOPER	FLASH DEVELOPER	MOTION GRAPHICS DESIGNER
Digital 2008	£29 731	£38 269	£20 100	£26 550	£27 600	£34 400	£36 250	£33 545	£31 708
Digital 2007	£27 200	£42 583	£20 750	£25 833	£27 917	£32 000	£34 583	£35 583	£29 700
Difference	9%	-10%	-3%	3%	-1%	8%	5%	-6%	7%

WHAT THE FIGURES SAY

The 2008 figures reflect the lack of confidence in the labour market, but indicate a pragmatic approach rather than a dramatic nosedive.

In creative roles, London rates have declined across the board. Where last year's survey showed a 4 per cent increase in salaries for London senior designers, this year they have fallen by 2 per cent. For junior designers, the drop is 3 per cent, with all roles just under the widely expected minimum entry-level salary of £20 000.

At the top end of the scale, salary estimates vary widely between recruitment agencies, making it difficult to interpret results. Nationwide, creative director rates rose by 8 per cent, with regional recruiters noting a shortage of those candidates. In London, they dipped by 10 per cent. But in light of last year's mammoth rise of 22 per cent in that role, this year's figures are likely to include a certain adjustment.

Estimates for managing director salaries also span a large range, from £60 000 to £130 000 in London alone, where rates have dropped by 10 per cent – again the previous year's rise of 45 per cent has to be taken into account. Outside London, managing directors are likely to take on more hands-on responsibility within companies

during a downturn, and salaries have risen 20 per cent in 2008.

New business director rates grew by 9 per cent in London, reflecting the need to attract new clients. The regional equivalent has fallen by 2 per cent, as consultancies tend to maximise existing positions rather than taking on specialist talent. The gulf between salaries in the capital and outside is lessening, especially at the top end, both in management and on the creative side, where the difference in creative director rates, for example, has more than halved in 2008.

The ongoing demand for talent in the digital field is not obviously reflected, with growth down in many roles. Digital art/creative director rates have decreased by 23 per cent in London, but individual survey responses show salary estimates for that position ranging from £35 000 to £70 000 – an indication that the categorisation might need to be reconsidered, as the importance of digital continues.

Responses show the value of senior experience in the digital sector, with many recruitment agencies putting premiums on salaries in the field – in some cases up to £30 000. Not only is digital talent in constant demand, real experience still pays handsomely.

WHAT WE DID

The tables are based on a questionnaire circulated to recruitment agencies active in the design arena. The figures are based on salaries for 2008, but the commentary includes their projections for 2009

reduced fees in order to continue working. But there's an expectation that the freelance market will lead the vanguard of recovery, says Pilgrim. 'There are likely to be fewer permanent vacancies in design recruitment in the immediate future, with an increase in freelance and contract work as we move to the next stage of the economic cycle,' she explains. 'We would expect to see the freelance business grow first, followed by permanent employment as confidence returns to the market.' There are already signs of a revival of freelance and contract usage, as clients win pitches and exploit the flexibility offered by freelances.

On the permanent side, salaries are expected to remain static, at best, over the next 12 months. Beasley says, 'Consultancies are not hiring unless they are absolutely sure of ongoing work levels, so if a candidate takes a permanent job in this climate, they can arguably feel more secure than in a boom, as that hire will have been thought through and planned far more carefully and cautiously than in a buoyant economy.'

Mayatt expects 2009 to be 'one of the most difficult periods we have encountered in 20 years of recruiting for the industry', but says there are still opportunities in all areas.

And recruitment agencies are echoing design consultancies in saying that the best talent will always find work. 'There is always a need for stellar talent and the best will always be employed and employable,' says Crawford.

Equally, well-run consultancies will be in a great position to pick up talent that isn't being looked after well enough by their current employers. In addition, the economic climate is a chance for the most creative and innovative to thrive, and Pilgrim expects an increase in

the number of start-ups and new enterprises. 'This is an excellent opportunity for talented and dynamic individuals to excel,' she says.

GRADUATE PROSPECTS

Talent, dynamism and enthusiasm will be particularly important for this year's graduates, as their prospects in the downturn are bleak. Beasley warns that 'only the best will survive', and that completing good work placements is vital. 'Those who will be graduating in 2010 should also be looking at getting placements this summer to get ahead of the rest,' she says.

Colleges and universities should also encourage different skill sets, says Snell. '[They] still seem to be encouraging too many graduates to leave with just graphic design skills, when there has been a clear trend in the past four to five years of needing more Web and digital technical and creative people,' she explains.

Many fear that a lack of investment in junior talent at this stage of the downturn will inevitably result in a shortage of middleweight designers two to three years' down the line, and design consultancies should invest in such talent wherever possible.

But as one design consultancy HR director puts it, 'Those [graduates] who are really determined will just have to be skint a little longer. The committed, talented ones will stick.' ●

KEY TRENDS

- **Salary** takes priority over non-salary benefits
- **In demand:** Digital, brand identity, packaging and fmcg, TV and graphics, client services, new business developers and corporate communications
- **Going down:** Print specialists, corporate branding, retail interiors, graduates (designers and account handlers), and account executives
- **Freelance rates** are already coming down, and recruiters are predicting further drops in rates of up to 20%. But freelances might lead the vanguard of recovery
- **Permanent salaries** are expected to remain frozen over the next 12 months

LONDON REGION – MANAGEMENT ROLES

	ACCOUNT EXECUTIVE	JUNIOR ACCOUNT MANAGER	SENIOR ACCOUNT MANAGER	ACCOUNT DIRECTOR	PRODUCTION MANAGER	STUDIO MANAGER	NEW BUSINESS DIRECTOR	MANAGING DIRECTOR
Print graphics	£19 731	£25 038	£34 615	£45 115	£35 846	£37 885	£57 333	£91 818
Packaging and branding	£19 962	£25 615	£35 923	£48 154	£37 154	£38 192	£57 500	£94 545
Exhibition	£19 500	£24 944	£34 556	£45 000	£37 056	£37 700	£56 667	£89 667
Corporate/brand identity	£19 808	£25 308	£35 962	£47 385	£37 115	£38 038	£57 333	£93 455
Interiors/architecture	£19 250	£24 375	£36 000	£45 000	£38 750	£40 000	£62 083	£93 600
Product	£20 250	£24 375	£36 250	£45 000	£38 000	£37 600	£56 250	£90 000
Digital	£21 083	£26 000	£38 167	£49 875	£39 231	£38 923	£56 545	£95 800
2008 average	£19 940	£25 094	£35 925	£46 504	£37 593	£38 334	£57 673	£92 698
2007 average	£22 054	£24 962	£36 043	£46 769	£38 027	£39 212	£53 143	£102 976
Difference	-10%	1%	0%	-1%	-1%	-2%	9%	-10%

OUTSIDE LONDON – MANAGEMENT ROLES

	ACCOUNT EXECUTIVE	JUNIOR ACCOUNT MANAGER	SENIOR ACCOUNT MANAGER	ACCOUNT DIRECTOR	PRODUCTION MANAGER	STUDIO MANAGER	NEW BUSINESS DIRECTOR	MANAGING DIRECTOR
Print graphics	£18 269	£22 423	£30 923	£40 542	£32 227	£32 727	£45 364	£71 300
Packaging and branding	£18 500	£22 792	£31 375	£41 458	£32 727	£32 727	£46 000	£72 800
Exhibition	£18 400	£22 500	£31 000	£40 650	£32 611	£33 150	£45 364	£68 700
Corporate/brand identity	£18 659	£22 864	£31 523	£40 909	£33 350	£33 100	£44 300	£73 556
Interiors/architecture	£19 250	£23 375	£34 250	£44 250	£38 333	£37 500	£50 800	£76 250
Product	£19 250	£22 875	£33 250	£45 000	£36 750	£33 250	£50 000	£85 000
Digital	£19 300	£23 200	£32 500	£42 900	£33 500	£33 000	£45 500	£75 444
2008 average	£18 804	£22 861	£32 117	£42 244	£34 214	£33 922	£46 761	£74 721
2007 average	£18 069	£22 445	£31 941	£42 217	£28 062	£30 171	£47 726	£62 143
Difference	4%	2%	1%	0%	22%	12%	-2%	20%

Salaries



INSIDE VIEW – INDUSTRY INSIDERS’ ADVICE ON HOW TO SECURE A JOB IN THE CURRENT ECONOMIC CLIMATE



Obfuscation. I like this word for two reasons.

First, more than is the case for many words, it needs to be spelt properly. Clear communication. Attention to detail. Second, its existence is almost an oxymoron. Nobody expects you to be a one-person design machine – evidence of teamwork is good. Many CVs I receive are as convincing (and illuminating) as that wonderful combo of alcohol and breath fresheners. Oh yes, and know your design history. I once interviewed someone who explained that they’d gone for a ‘Punky feel’, but couldn’t tell me why, or what Punk was about. Not good.
Ian Allison, Creative director, Bell Design



The main issue with the number of design candidates

applying for each design vacancy is one of quality. As the grip tightens on our industry the demand for excellence will be paramount. The jobs available will be given to the top idea-generators who can immediately have an impact on your clients’ business. Clearly, there are more designers out there looking because of the economic climate, especially freelancers who want to secure fixed-term contracts. But, regardless of the downturn, it’s the same old story – there will always be work for great people.
Glenn Tutssel, Executive creative director, The Brand Union



We all respond well to the unusual. Beyond proven

experience, I look for personality, inventiveness and even a touch of humour. Good recent examples include someone pretending to write to us from his prison cell and a young creative introducing herself with a rejection letter to us. Nice twist. Mature candidates have to be knowing, friendly and confident, turning contact into conversation. Juniors should be inventive, honest and grounded. Gut reaction still cuts HR techniques, and a more relaxed approach to trial periods benefits both parties. It’s a good time to play with casual relationships while yearning for a happy marriage.
Tim Elliott, Creative director, Jack Morton Worldwide



Finding work in the creative industries always requires

determination, and it’s important not to be overwhelmed. Stay practical – not everyone will be maximising their chances, so make sure you maximise yours. There are fewer jobs and more competition. Simple maths says you need to apply more, spread the net wider. Job mobility and recruitment often rely on your address book. In a recession many of your contacts will move around more. Establish connections with people outside of their office so you don’t lose them (but not by stalking on Facebook). Be flexible and persevere. Recessions end.
Laura Woodroffe, Education and professional development director, D&AD



At entry level, every design group needs

fresh blood. The design industry thrives on new and different ways of thinking, especially in the digital age. [As a junior designer], your energy and enthusiasm should motivate and inspire everyone around you. That’s why you can offer value for money, even in these difficult times. At senior levels, all consultancies are looking to cut costs. Try to demonstrate that you will bring a level of creativity and experience. That will mean cracking the brief quicker, with fabulous, technically achievable design.
Mano Manoharan, Joint managing director, LFH



There are still chances during the credit crunch. For

the senior, it’s freelance work. It’s not unusual for those who have been made redundant to end up in the same jobs on a freelance basis, earning more. It’s ‘human recycling’. Target the types of organisations you’re used to. If you’re young, get in there with an amazing CV: a nice, simple, leave-behind idea. Target those you really want to work for, read up on the groups before you turn up and don’t give up on those who are making cuts – they will be recruiting again. And quit smoking and start cycling. You’ll feel less stressed. And it makes you really happy.
Marksteen Adamson, Founding partner, Arthur Steen Horne Adamson