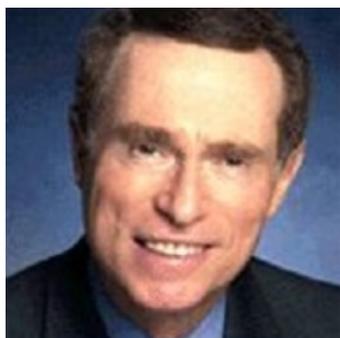


How To Get Off The No Growth Treadmill

Rich Jachetti, Senior Partner, [The Stevens Group](#)

I attended the 2019 PRSA Counselor's Academy spring conference in St. Petersburg, Fla. It was an enlightening experience to be among a group of about 150 mainly younger entrepreneurs who own PR agencies. Some came from as far away as Alaska to attend the 3-day conference. They were there to learn and to share with one another the everyday trials and tribulations of being a PR agency owner. And, of course, they were there to network. My partner Art Stevens and I were fortunate to meet many of the attendees at meal functions and in-between break out sessions. They were a dynamic group of mainly millennial-age agency owners, most of who already have distinguished themselves as top-flight team leaders, highly-skilled practitioners, and I might add (plug intended), future guests for our M&A firm's new **PR Master's Series** podcast, information for which can be found on The Stevens Group website: <https://www.theartstevensgroup.com> and at <https://www.commmpro.biz>.

The Stevens Groups was a Counselors Academy conference sponsor this year and on Monday afternoon Art moderated a panel discussion he developed for the conference titled: HOW TO GET OFF THE NO GROWTH TREADMILL that featured a trio of PR agency superstars, which included Rick French, Chairman & CEO, French West Vaughan, Peter Finn, Founding Managing Partner, Finn Partners and Lori Rubinson, Chief Integration Officer, Lippe Taylor.



Art Stevens



Peter Finn



Rick French



Lori Rubinson

No surprise given the title of the session, the lion's share of the discussion focused on issues involving agency growth and the challenges every owner faces at one time or another when running an agency begins to like feel running on a treadmill.

Each panelist weighed in with his and her own thoughts on how to jump-start growth when owners feel their firm has hit a wall. The panelists stressed the importance of maintaining a robust company culture that owners have worked so hard to achieve, especially when it feels to an owner like the wheels of growth have been gradually grinding to a halt.

Lippe Taylor's Lori Rubinson told the packed house to be especially cognizant of clients increasing demands for proof that the money they are spending on fees for services from their PR agency is actually achieving the desired results. She said the onus of responsibility to provide proof of performance, a key to agency growth, is sitting squarely on the shoulders of each and every owner sitting in the room. She made it clear that in this day and age the number of earned media impressions an agency generates for a client alone will no longer cut it with clients. "To fuel growth," Rubinson said, "you need to take a builder's mentality (just like you did when you first opened your agency) and keep investing in talent in areas that differentiate your agency."

Rubinson also recommended newer agency owners bring on a CFO as soon as possible, even if it means digging deep and making

an investment hire. And to make sure whoever is hired is someone who understands what makes a [PR agency](#) tick.

A number of session attendees spoke of the challenges of managing an increasing account workload and concurrently trying to find time to keep the new business pipeline full. There was near universal consensus that finding top talent, especially in the digital and analytical categories, can be a lengthy, expensive process that involves tedious administrative tasks such as placing ads on job sites, hiring individual employees one at a time, communicating with and paying for executive recruiters and much more.

Art Stevens counseled owners against trying to do it all alone. "When I had my firm," Stevens said, "I knew if I was going to grow I would have to hire people who could manage the account work, while I focused most of my time and attention on bringing in new business, making agency acquisitions and tending to the all-important task of marketing my firm to those companies in industry categories I most wanted to have as clients." He also admonished agency owners to learn how to read a financial statement, a P&L and a balance sheet and to take an accounting course, and a business management course, if necessary. "Being good at PR, and running a successful business," Stevens said, "are two entirely different skill sets."

From their perch as CEOs of their eponymous firms, Rick French and Peter Finn spoke of the role mergers and acquisitions have played in the growth of their agencies.

Finn told attendees his firm has relied on a combination of organic growth and agency acquisitions to increase revenue over a 5-year period in which his firm has skyrocketed from \$18M in fee billings at its inception in 2014 to what is shaping up today to be a firm that will generate \$100M in revenues by the end of 2019.

Finn also dispelled a common myth that agency owners lose control of their firm, and their independence, if they decide to sell their firm to a much larger firm like Finn Partners. "Quite the contrary," he said. Finn said a big upside for him when making an acquisition is having the good fortune to add an already successful entrepreneur to his organization. "PR agencies are driven by entrepreneurs," Finn said. "When we buy a firm we do everything we can to nurture the entrepreneurial spirit of the seller. It's that spirit that has been the key to helping drive our agency's growth." Finn Partners has made 17 agency acquisitions over the past 5 years.

"If you want to be big, you have to think big," Rick French said. He said for an agency to grow, apart from doing great work, owners must keep their ears to the ground and be flexible enough to adapt to changes in the global marketplace. "A successful agency CEO," he said, is someone who sees change coming and then takes the actions necessary to adapt to that change.

"Agency owners," he added, "also must be prepared to dedicate the time and take on the responsibility of balancing the scales of integrating every single new hire and every new agency acquisition the firm makes so each and every member of the team feels a sense of ownership and a responsibility for the agency's growth."