

The Marketing Society Forum

Do the COI's plans to cut staffing numbers by 40% go too far?

The coalition government's freeze on all spend by the COI, its marketing and communications division, will lead to 287 job losses, but the move has resulted in a saving of £6.5m since June



No

Laura Bayford
Director, Verdant Consulting

The cull of jobs at the COI will be painful for people who work there, but many suppliers and clients will sigh with relief that change is finally coming.

A 40% staffing reduction is in line with marketing spend, but assumes that the COI was an efficient and strategic organisation in the first place. If spend is to be significantly lower in future, it needs a radical rethink. Demonstrating efficiency is the name of the game. A smaller strategic team based in the Cabinet Office could drive an overall approach, run gateway reviews and ensure value for money. Frameworks could be re-allocated to Buying Solutions, the national procurement partner for UK public services, reducing duplication and cost.

Many departments have experienced in-house teams who want to own their agency relationships without interference, and GovGap can already provide marketing communications specialists to help deliver projects.

This is a difficult time for the COI, and developing a business case for its survival at all will be key.



No

Chris Arnold
Creative partner, Creative Orchestra

Just as ad agencies have had to tighten their belts and become more efficient, now the biggest-spending client in the UK has had to do the same.

I'm no fan of bureaucracy or the COI. As a taxpayer it appals me when I see money being wasted on campaigns telling people how to cook a turkey, when it could be spent on dealing with real social issues. Do we need a middle man anyway? I suggested to Ed Miliband that government cash would be better spent if given directly to organisations that better understand the issue.

Of course, armed with millions and some very good ad agencies, the COI has helped deliver some very successful campaigns. But there are failures as well. Its condom campaigns have not reduced sexually transmitted infections or teenage pregnancies. If those millions had been given to the likes of the FPA and Brook, would they have done a better job? Yes, and for less.

My view is close the COI down and let individual government departments deal direct with agencies. That would save 25% alone.



Maybe

Debbie Smith
Managing director, Meteorite

It really is a hard one to call. On the one hand from an agency point of view, we know that working with a smaller marketing budget rarely results in a proportional reduction in the time needed to conceive, plan and deliver the campaign.

On this basis it is therefore highly unlikely that cutting the marketing spend by about 50% will produce efficiencies of such a magnitude to enable a reduction in the resource by 40% without quite a lot of pain.

On the other hand, there are a number of dependencies and questions that influence this. First, how much inefficiency or capacity has been identified within the COI, and second, how will it cut the campaign budgets in the future – for example, fewer, bigger campaigns rather than the same number of smaller ones would enable a more efficient, slimline COI.

The final question, of course, would be how it intends to use external agency resource in the future.



No

Ian Twinn
Director of Public Affairs, ISBA

This is but one area of public spending to face cuts and no one will find it easy. However, given the staggering level of debt, and the clear signals from the coalition government of the need to reduce it, the COI announcement cannot come as a surprise.

The tightest of limits has been set on government advertising and communications. There will simply not be the work for all those who were taken on to oversee the growth in government communications spending before the last election. It is uncomfortable, but it is a fact.

What is important is that the COI survives and continues to play the role of strategic adviser to government. Individual departments, civil servants and – dare I say – politicians are ill-equipped to take over where the COI has led in best practice and savings. There is even a good case to ensure all departments are required to buy into, and support, the new COI.

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