

AGDA

STUDIO MANAGEMENT 101 WITH SHARON MCNAMARA

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for AGDA Members

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Having a studio is one thing, but getting it working at its optimum with happy staff and good cash flow is a whole other ball game. As Creative Services Management Consultant, Sharon McNamara says, "Managing creative processes can be really tricky. If only creativity could be turned on like a tap at 9.00am when we start work and turned off at 6.00pm when it's time to go home." Sometimes ideas come quickly and sometimes they don't, thus it's vital to build flexibility into studio management planning. It's also important to remember that designers are not machines, they need to eat, drink and rest. They also need quiet time for reflection and research. Below Sharon shares some of her tips on how to have the working studio you've always dreamed of.

Good studio management practice is at the heart of any enjoyable and successful studio environment. It may seem like you need a crystal ball to manage a studio and its resources, but good studio management just needs to make allowances for the unexpected. When things do inevitably get stressful or go wrong, good processes, systems and disciplines will get you through, reducing stress and allowing the studio to make a good consistent income.

THE RELAXED AND HAPPY DESIGNER?

A relaxed and happy designer is paramount to good studio management. Creativity will stagnate when there is stress, time pressures, budget pressures and too many people wanting things from you all at once. Keeping a designer focused on what they do best is the key. Again it's about knowing your team's strengths and skills, making sure everyone is doing what they should and not struggling with unfamiliar work. That being said, adrenaline can have quite a positive impact on productivity. But after a high there is always a low, so you can't have people running on adrenaline all the time, you've got to allow for the cool down period. Designers aren't machines, though the experienced ones get very good at delivering their work quickly, on time and demonstrating amazing problem solving and craft.

PRODUCTIVITY AND WORKFLOW

If you want to look at overhauling the way your studio is run it's a good idea to start with an understanding of the skill sets of each individual in the studio, their experience and what motivates them. That allows you to place projects with the right people, not just with who's available to take on a new project. If you match the right projects to the right people, you play to their strengths and you get instant productivity. Sure it's important to give people challenges and to encourage them to step outside their comfort zones, but you need to choose those opportunities wisely, based on the budget for the project, the project schedule and how confident you are that the designer will be able to get the right result.

If you're the person who controls workflow and the operations of the studio then you need to know everything that's going on. You need to be in constant communication with your team (designers and managers) about whether projects are being completed on time or if they are going beyond the allocated hours and resources. Going over time creates a snowball effect, and you need to be able to deal with it. You need to know where you can be flexible and where you need to say no. Remember, not every designer is the best judge of how much time they'll need for any given task, especially juniors who are often still learning about their own productivity and capacity. Always build in contingencies so you're not the one explaining to the client why their work isn't ready when you said it would be.

Workflow management is the major thing that studios most often overlook when addressing studio management. At its most basic this is planning who is doing what and when. It's imperative to know how busy (or not) your team is next week, next month and even next year. In the quiet times you can plan for new studio projects, or it's a cue to chase those projects that have stagnated and should be brought to completion. It's also critical to enable planning for 'house' projects like updating your website and preparing credentials for new business proposals, tenders and so forth. You've got to be able to see the gaps and then fill them wisely.

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Allowing time for clients to review work and for the designer to handle any changes or corrections is also an often overlooked part of workflow management. We're in a service industry and we need to work in partnership with our clients. This means effectively managing them so you can work efficiently, and within the agreed project schedule. Part of this is giving clients time to consider what they are really looking at before providing constructive and detailed feedback. If this time isn't planned into your project schedules and your studio workflow plan, it can place you under often unnecessary pressure when a deadline is looming.

BUDGETING PROJECTS

Budgeting projects and managing cashflow can cause real headaches, especially if you are doing your own books and invoicing. Cashflow can be challenging for a lot of small design studios. Keeping on to your debtors (the clients that owe you money) and making sure they pay on time, and paying your creditors (your suppliers, freelancers) within agreed terms is a tricky balancing act. You always need a steady flow of cash into the business to keep it running smoothly and regular billing is incredibly important for maintaining good cashflow. If you don't like asking people for money then find someone in your team who does, or hire a bookkeeper to do it. Another typical budgeting problem is not knowing how much it's going to cost you to do a project. Not every studio has project management software, or even uses timesheets, and these are the studios that will struggle to know their costs and therefore their profitability. If you can't access a history of past projects when you are estimating new ones, then you can't learn from past mistakes. Keep good records and go back to old project information as much as you can. It helps to build your instincts for how long things should take, and sometimes it's worth reminding yourself that they often take longer than planned.

Another vital aspect of budgeting is the estimation of project fees and their direct relationship to how much work is actually being done to complete a job. Following on from this is the way that these budgets are then managed. It is often very hard to stick to an agreed budget when there is the ever present desire to work on something until it's right. There has to be a discipline around how much 'love' you give a project, and whether that project deserves your investment. When you go over your budget, you are subsidising the work, especially when you are using time you can't bill to the client or use for other client projects. As everything else gets squeezed into a shorter timeframe you start to reduce your profitability, your productivity and the morale of the team. Getting the budget right is paramount to good profitability and smooth studio operations. If you are lucky enough to over estimate the time you need for a particular project and you end up with some spare, use it to bill some more hours to another client, or catch up on that studio project that gets inevitably pushed aside when things get busy.

Profit equals power. Profit equals more staff, salary increases, new equipment, software upgrades and even how good the studio Christmas Party is going to be!

ASSET MANAGEMENT

Ask yourself how much work you are prepared to lose on your computer. If your answer is "none", of course you should be backing up your work every day. Why wouldn't we protect the things that we invest so much time, energy and creativity into creating, and then selling. Assets are your product, they are the things you sell, the manifestations of your creativity. You need a system that can manage the amount of data your studio creates and you need strong disciplines in place to protect it. So do you back up everything every day, or just some things? Do you back up your admin files as well as your design files? Do you create a copy of your back-up and store it off site somewhere secure? Do you know that the back-up software you use can restore the entire contents of your computer or server in the event of a fire or theft? If it can't, get that software now!

Great studio management is about about balance. You operate in a commercial environment, you sell design and ultimately you need to build the disciplines that allow you to deliver the work consistently and without killing yourself. Good planning and process is the key.

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3 LIFE SAVING TIPS FOR STUDIO MANAGERS:

- 1/ Communication
- 2/ Communication
- 3/ Communication

SOME OTHER TIPS:

Always have a list of odd jobs handy so you can keep people busy when plans change.

Ensure your tools are working efficiently, your computers, your server, your printers etc. If you can't rely on your tools, then productivity will suffer, so have reliable IT support in place, and someone in the studio that can help out with troubleshooting.

Sharon McNamara is a Creative Services Management Consultant. In the past she has worked as General Manager for Fabio Ongarato Design and Senior Design Manager for Cornwell Design.