

BGP Stories from the front-line

Katie Macaulay on transforming her business from top to bottom

“I arrived on the first day of the programme, in a heightened state of excitement. I was going to change everything about the business. I left BGP with a plan for doing it!”



On Friday 31st March the January 2023 BGP cohort was joined by our fourth alumni guest speaker, Katie Macaulay, owner and Managing Director of communications agency AB. Katie is also well-known to an international audience as the founder of the podcast series Internal Comms, which has

recently launched its 67th episode. Podcasting is just one of the numerous initiatives she has put in place as part of her mission to transform AB in the six years since she took part in BGP.

Katie took over as owner and MD of AB through an earn-in in 2015. Her career had come full circle, AB provided her with her first job after graduating from Manchester University in 1990. The company was named after its founder, Anthony Buckley, a man described by Katie as a visionary. Until 1964 he had been responsible for printing the Financial Times. The opportunity Anthony spotted was to provide an internal communications service to large, dispersed businesses, deploying the same high quality journalism and print standards as used by the FT. He recruited a workforce of journalists and print specialists, and over the decades built an impressive list of big corporate clients with workforces scattered across multiple locations.

When Katie resumed her links with AB in 2004 it was initially as an external consultant, rising to the role of Deputy Managing Director. The firm was still family controlled and when she was offered the chance to acquire the business through an earn-in, Katie jumped

at it. She knew however, that things had to change. Buckley was a pioneer and the firm had for many years traded on its history and longevity. But its market was being transformed along with the communications industry, as the world moved from analogue to digital. On taking over the business Katie was mindful of the words of two leading management gurus: “What got you here, won’t get you there” [Marshall Goldsmith]; and “The need not merely to be better than your competitors, but the imperative to be different from them” [Michael Porter].

On BGP she worked on a comprehensive plan to change the business. It had two main components: the offer to the customers, and the composition of the staff. In 2015 AB was a company with high sales but pitifully small margins. Katie took up the traditional challenge put to participants at the start of the programme: raise your prices! She mustered her courage and did, and to her surprise there was no mass defection. AB clients started paying a realistic price for the value they received, and fees are now reviewed every year. Customers were also hungry for new modes of internal communication, built on digital technologies, which meant they were receptive to a transition to the new full service offer proposed by AB. This went hand in hand with improving profitability, as the historical reliance on printed materials meant that much of the firm’s margins were lost to print, production and postage costs. Katie’s BGP business plan, aptly branded “Breaking free from the pack”, set out her aims of doubling sales but trebling profit. In its pursuit of growth from new business AB would also rely less on its heritage and much more on positioning itself as an industry authority, an innovator and a generator of new ideas.

Internally, there was a huge job of work to be done. Katie had inherited a management accounts process that used Excel spreadsheets, which were up to six months late in arriving, meaning important decisions were endlessly delayed. Now the business's financial performance data is held on the Cloud, and is available in real time. HR is also outsourced to a Cloud-based system. Systems change is one thing, but the most difficult challenges Katie found were behavioural and attitudinal. Much of the old workforce of journalists and print specialists has been replaced by new hires with skillsets such as, web design and content management, that meet the needs of today's clients: indeed, one of her major regrets is not facing up to difficult people problems earlier.

Katie shared a number of hard-earned lessons with her audience:

- The truth of the PICNIC adage, [Problem In Chair Not In Computer] a problem solved largely by getting new people into the business.
- When people start repeating what you have told them, you know your message is finally getting across. You cannot communicate too much within your own business.

- Finding and promoting an internal advocate for change has hugely disproportionate benefits.
- Employ headhunters to "Hire what you don't know". Outside your area of expertise, recruitment is hard. Using specialists may be expensive, but it saves money in the long run. Katie has the scars from doing it herself to prove it.
- Creating a business that can run independently of the owner/manager is vital in the face of the unexpected. Katie was forced by health issues to take four months out of the company. It ran perfectly.

Finally, the transformed business has allowed Katie to return to her first love – journalism. The podcasting series she hosts reaches an enormous audience for internal communications which she had no idea existed. The latest episode has been downloaded from 65 countries over 300,000 times!

AB's client list includes the Amazon, London Underground, KPMG, Kimberley-Clark, Royal Mail and Network Rail. To find out more about the company and the internal comms series of podcasts, visit www.abcomms.co.uk.

Much of the old workforce of journalists and print specialists has been replaced by new hires with skillsets such as, web design and content management, that meet the needs of today's clients: indeed, one of her major regrets is not facing up to difficult people problems earlier.

About the companies

Cranfield Executive Development

Cranfield Executive Development is consistently ranked as one of the top two providers of customised learning development in the UK, and among the top 10 in Europe. Its programmes draw on the expertise of faculty from Cranfield School of Management, which is one of an elite group of Schools worldwide to hold the triple accreditation of: AACSB International (the Association to Advance Collegiate Schools of Business), EQUIS (European Quality Improvement System) and AMBA (the Association of MBAs).

W: www.cranfield.ac.uk/som/execdev

T: +44(0)1234 754500

E: execdev@cranfield.ac.uk

AB Comm

AB Comm help organisations reach their full potential by creating informed, engaged and connected employees. A spirit of collaboration infuses everything that they achieve. AB Comm believe in the power of participation and involvement. When people join forces to pursue a common goal, amazing things happen – workers become a workforce.

W: www.abcomm.co.uk

E: info@abcomm.co.uk

