# EXPLORING CULTURE: AGENTS, STRUCTURES AND DIVERSITY WITHIN CHICAGO ADVERTISING AGENCIES

The advertising and public relations industry is historically an overwhelmingly white and overwhelmingly male industry, especially when looking at the upper levels of these organizations. In recent years, however, as conversations around diversification, race, and representation have received more mainstream attention, the advertising industry has a long-standing problem to solve: figuring out how advertising agencies can successfully foster diverse, equitable, and inclusive work environments.

To explore this, one must evaluate the social structures that are in place within the advertising industry – culture, values, assumptions, and other facets – as well as how individuals who work in the industry are both influenced by and responsible for the existence of these social structures. Giddens' structuration theory posits that one cannot study the autonomy of an individual without also studying the social structures that influence that individual's behavior, and simultaneously, how individuals' behaviors reproduce and strengthen those social structures.

Stuck in a cycle fueled by gaps between organizational culture and DEI efforts, it is important to shed some light on the social structures that are in place, the advertising professionals within those social structures, and the relationship between the two. Leaning on Giddens' structuration theory, this research study aims to explore the attitudes, opinions, and behaviors of individuals operating in advertising and public relations agencies in Chicago, as they pertain to topics of diversity, inclusivity, equity, culture, and individual autonomy. This analysis will also provide insight into some barriers to progress, as well as potential strategies that advertising and PR agencies can use to improve their DEI efforts.

As this is a small-scale research study focused solely in the Chicago metropolitan area, there is no intent to generalize these results or extrapolate them to the entire advertising industry within the United States or the world. This report simply aims to explore the attitudes, beliefs, and opinions, and characterizations of nine professionals across three agencies in Chicago, provide some analysis, and identify limitations, challenges, and opportunities for future research.

This study aims to address two main research questions:

**RQ1:** What social structures are conducive to supporting a diverse and inclusive environment, and which are not? Which elements differ between the two?

**RQ2:** Do structural barriers exist that hinder the DEI efforts of the advertising agency? What strategies are employed by advertising agencies to combat this beyond the hiring process?

In short, what factors and practices contribute to a diverse advertising agency culture? What strategies are advertising and PR agencies using to create more diverse, inclusive and equitable cultures in advertising and PR agencies? And what gets in the way of that progress? These questions were explored through a series of interviews with professionals at multiple agencies in the Chicago metropolitan area – though it should be noted that most participants were working from home.

## **Methodology:**

Using semi-structured interviews, I spoke with nine advertising and public relations professionals in the Chicago area about their identities, experience in their agencies, the

existence and impact of diversity, inclusivity, and equity programs or initiatives, and their own evaluation of the company culture through a DEI lens.

As Roulston states, the role of the interviewer should be viewed as a) a neutral party working to gather objective data about the attitudes and experiences of the interviewee and b) a co-constructor of knowledge working to deepen relationships with interviewees in order to initiate some notion of social transformation (Roulston, 2010). This description helped inform how I structured my discussion guide and completed the interview process. Due to the sensitive nature of the topic, it was important to be open and honest with participants about the ways that I would be using their responses, establish a rapport with interview subjects before delving deeper into the research questions I was attempting to answer, and ensure that no personally identifiable information (PII) would be shared outside of our conversation.

While I originally attempted to schedule interviews to be conducted over Zoom, many participants requested to do the interviews via phone call after work hours. After interviewing three participants at each agency, I felt that I had reached saturation and, while there were areas for future research to explore, I had sufficient data to answer my research questions and no reason to expect that other participants would yield vastly different responses. Interviews were transcribed as they were completed, and phrases such as "um" and "you know", as well as speech mistakes and misspellings were corrected or omitted from quotes in this final report.

Participants in this study comprised nine professionals from three separate agencies in Chicago. Before the interview, participants were asked if they were specifically engaged in any DEI initiatives at their organization in a professional capacity – if they were, they did not qualify to participate in this study.

Due to my ability to access participants in a completely virtual manner, I relied on an existing network of connections to get inside each of these agencies. Through mutual connections within my professional network, I was able to source participants that were primarily entry-level, as most of my connections also operate at that level, though a few participants held mid-level roles as well.

Participant titles included: associate account executive, account executive, account manager, media manager, associate strategist, strategist, etc.

Organizations were selected based on similarity and research accessibility. Each organization, herein referred to as Agency A, Agency B and Agency C, had roughly 100 professionals based in their Chicago offices, almost all of whom were still working virtually, but existed as part of a larger organization with multiple office locations in various cities. Agencies were also selected based on similarities in clientele – for example, no agency served only small, local businesses while another only served global clients.

The data from the interviews was analyzed using analytic induction, serving to bring forth the ideas and beliefs of individuals and pair those with concepts and themes that answer the research questions at hand.

#### **Findings:**

Analysis of the interviews conducted for this project yielded five overarching categories, defined below:

<u>Social structures</u> – participants speak about the ways that their agency operates, discussing concepts of cultural and behavioral norms, operations, and social interactions.

<u>Identity</u> – participants speak about their individual identity, the characteristics that make them who they are and how they fit into their organizations.

<u>Autonomy</u> – participants talk about how they fit into their organization, their individual roles and behaviors, and what factors dictate their actions on a day-to-day basis.

**<u>DEI</u>** – participants discuss topics of diversity, inclusivity, and equity, including demographic breakdowns of their organizations, strategies employed to improve DEI, and how to address issues of race and representation at their agency.

<u>Barriers to progress</u> – participants share their personal opinions on what gets in the way of DEI efforts, what hinders progress, and how these might be addressed.

# **Social Structures and Diversity**

The first part of this study aims to explore the social structures that impact cultural norms, behaviors, attitudes, and opinions of advertising practitioners.

Participants were asked to discuss the culture of their agencies, their personal experience there, as well as what elements they thought contributed to diverse, inclusive, and equitable corporate environments.

## Virtual Work and its Impact on Culture

One important factor to note is that every single participant in this study was currently working virtually. While some had experienced their organization's culture in person prior to the pandemic, most of their comments came through the lens of the virtual corporate environment. Even for participants who had previously been working in-office, discussions of culture and social interaction were primarily limited to what they were experiencing virtually.

Participants that were hired in March 2020 and beyond, then, had no practical in-office experience. Participants 1, 2, and 9 all completed the hiring and onboarding process virtually, with two of the three having visited their office in person but never working from the office. Participants 7 and 8 had been at their agency since before the pandemic began, but shared that many members of their team had opted to move to new cities under the freedom of remote work, which changed the team dynamic and culture.

Virtual work is an interesting element in this study, as social structures are arguably less visible in remote work. Participants are unable to observe much behavior that they themselves are not involved in, and most of their social interaction is limited to their immediate teams, generally just a few individuals at their agency.

"For my account service team, there's just the four of us right now. That being said, there's a wider team, just with the account that I work on, specifically. I think probably 20 or 25 others that also work on the account in different capacities, the experiential marketing events, and we have the creative art directors, finance, and we all make up that collaborative team on the account. There's definitely that smaller pocket that I directly talk to more on the day to day."

- Participant 1, Agency A

In terms of evaluating social structures, culture, and diversification efforts at these three agencies, participants are experiencing and evaluating these elements through their computer screens within the walls of their own homes or the nearest coffee shop. When asked to estimate the level of ethnic and racial diversity in their agency, younger participants with only virtual experience tended to share higher estimates, while individuals with in-office experience or

experience on multiple, larger teams shared lower numbers, though both were informed by individual experiences.

Participant 2, for example, began working at Agency A during the pandemic. Working on a small team and not having been exposed to multiple teams and clients yet, her experience and observations of the virtual workspace informed her response:

"From what I have gathered, just from people I've met, I'd say the agency is at least probably 40% to 50% nonwhite or people of color. I feel like once we're back in the office, I feel like I would have more information."

Participant 1, a more tenured member of Agency A, has had more exposure to the agency and filled in some of the gaps:

"On my small, immediate team of four, half of us are people of color. In the larger scope, looking at the whole team for this big client account, there's probably two more people out of the 15 total people on that team."

# Identifying Core Tenets of Agency Culture

Beyond simply identifying the level of diversity within their company, participants struggled when asked about their company cultures, with most referring to social interaction as the main identifier of a healthy or unhealthy culture. Of course, skimming any trade publication will likely yield a few articles about how to build and maintain company culture in a primarily virtual environment, but in practice, discussions of culture tended to include how being back in the office would provide the missing cultural elements.

Other participants mirrored the same sorts of responses – those with relatively short, fully virtual experiences use their immediate surroundings to evaluate their agency's level of diversity,

cultural norms, and social behaviors, while those with more experience are able to produce more realistic characterizations of their agency's social structures. Without a doubt, the lack of inperson observation is a major issue when it comes to participants' ability to fully evaluate the social structure that they are operating within. That said, it is likely that they are not able to provide much insight into their own autonomy in that space because behaviors and norms are unconsciously accepted.

To summarize, participants felt that cultures of transparency (often referred to as "openness") and curiosity, with a strong push from top-level leadership, were conducive to promoting diversity and inclusivity at all levels of the agency. Participants also felt that incorporating diversity into company events doesn't require every event to be a hard-hitting panel of diverse voices discussing social justice, trauma, and DEI initiatives – instead, incorporating cultural events that are light, entertaining, and work towards passive education are potentially more favorable and may result in higher satisfaction and information retention.

While events that foster open and honest conversation are appreciated by employees, participants shared that when agencies only focus on these types of events, they can become fatigued and less interested in participating in company culture events, which may give way to complacency in changing the social and cultural behaviors of their agencies. Of course, culture goes far beyond events, however, in a completely virtual workspace, these are among the most observable and impactful drivers of agency culture, and were the primary focus of participants' responses in terms of culture and DEI initiatives.

## Barriers to Diversification and Cultural Change

The second aspect of this study delves into the strategies used by advertising agencies to make progress in terms of diversity, inclusivity, and equity initiatives, and what stands in the way of that progress.

Overall, agencies appeared to have similar approaches to diversity, inclusivity, and equity. Particularly since the beginning of the pandemic and the events of summer 2020 and beyond – heightened awareness and attention around social justice issues, particularly racial justice and the Black Lives Matter movement – advertising agencies have had to take a more public stance on their efforts to improve diversification in their organizations.

Strategies for doing this differ from agency to agency, but based on participants' responses, it appears that the goals remain largely the same: increase visibility and transparency of DEI programs and initiatives, hire from more diverse talent pools, and bring in third-party experts to educate employees and facilitate training sessions.

More specifically, within the agencies surveyed, DEI work manifests itself as unconscious bias training (though this is not new), recognition of cultural groups by way of facilitating events and resources around Asian/Pacific Islander Month and Black History Month, for example, and company newsletters or aggregated resources sent out via email. Additionally, all three of the agencies in this study had some sort of company-wide listening session or town hall-like event that served as an open forum for discussions of DEI to take place.

"We do a lot of panels, and I love it. During API month, they did a panel of a few different people from our agency, and they talked about experiences, what they went through, experiences where they felt marginalized. And then they always provide resources about podcasts you should listen to like, Asian American podcasters, or like here's some music, or these are restaurants you should go to and these are places where

you can donate, which I think is really great. And they do that throughout the year. But during those months, obviously, it's a little bit higher."

- Participant 1, Agency A

"There's always been a culture of learning. We weren't required to go to events surrounding diversity, inclusivity, and equity when everything happened in 2020, but our work was excused. During that time, we could go, if we wanted to – that was also kind of a phenomenal place for people in marginalized communities to talk about experiences that they've had, share, and help us understand what they were going through."

- Participant 4, Agency B

"There's a bunch of employee resource groups, like many agencies have, and they do a lot of panels and different programming for awareness in like, these employee resource groups are mainly driven by allies and people that identify with those communities.

We're certainly doing a lot more of that than we used to be."

- Participant 7, Agency C

Alongside positive comments about these resources, events, and initiatives, some participants felt a sort of dissonance – torn between the idea that their agencies were "doing the best they can," the understanding that "change takes time, and these things don't happen overnight," and the fact that DEI efforts are almost entirely confined to scheduled, regulated company meetings, events, and trainings.

## Differences in Opinions and Approaches

Participant 5 shared a unique insight surrounding large-scale change in social structures, mentioning that there's often a difference in opinion where there's a difference in levels of experience. As someone who is well into her career, has spent multiple years at Agency B and worked on a variety of teams of various sizes, she characterized the hopeful naivety of some individuals who have just entered the workforce:

"I do think it's different when you've been here for a few years. I see people, mostly the oldest members of Gen Z it seems like, I see them enter this industry and approach issues from how things appear on their face, but they don't seem to grasp how deeply-rooted these systems are, and it goes back to policy and how these organizations were founded and when they were founded, so of course it's going to take more than just talking loudly and sharing things on Twitter to make some change."

- Participant 5, Agency B

Other participants did not bring this specific issue up, but responses showed that other areas suffered from the same lack of universal understanding – specifically the idea of identity.

"Professionally, identity has been an interesting thing to explore. I definitely, as a white man, have understood my privilege. As a member of the LGBTQ+ community, I've been able to tell where I can and can't completely lean into my identity."

- Participant 5, Agency B

"Well, I'm Asian. And I think that's a big part of my personal identity. And in a big way, probably my personality."

- Participant 1, Agency A

"I would say hard working. Kind and compassionate. I feel like that's a lot. I don't know. How many do you need? This is hard. I would say maybe innovative or eager. So I was eager to learn and try new things."

- Participant 6, Agency B

The idea of identity appears to manifest itself in different ways – differing opinions and approaches on the individual/agent level might impact how social structures are either changed or reproduced. Different understandings of what needs to happen in order to foster a more diverse workplace may actually be a barrier to progress, rather than a wealth of ideas that can be combined to enact some large-scale change.

#### Time

One large barrier to progress that was shared amongst almost every participant: time. It's no secret that the advertising industry is known for tight deadlines and long weeks with a few late nights. In a world with deadlines growing ever-shorter and the constant increase in work pace, some participants feel that there's not enough time to take on things outside of their job role.

Participants shared that the majority of DEI-focused events and initiatives were not mandatory, outside of company trainings and hiring. In addition to that, several participants shared that they are very likely to participate in company events when their workload is light, but when they're busy, engaging in these types of initiatives and gatherings is not a priority for them. While trainings do exist and agencies do provide time for employees to meet those requirements,

it does seem as though there is room for improvement in terms of improving employee engagement around culture, especially while operating in a fully virtual environment.

#### Value-Add vs. Job Requirement

Most roles don't include any sort of DEI requirement, and participants' responses showed that DEI knowledge and engagement didn't hinder their ability to be successful in the agency setting.

"You can, you know, <u>not</u> have the diversity piece as part of your identity, <u>not</u> be a member of a marginalized community or group, and still do good work, but you would likely struggle on brands that are always trying to challenge themselves to bring DEI principles to the table and do things that are challenging societal norms. I don't think you'd be successful on those brands without any knowledge of DEI that goes beyond the basics. I wholeheartedly believe that you have to have some different interests, curiosities, experiences...I think part of being really good at your job in this industry is bringing lived experiences to the table and telling those stories in meaningful ways."

– Participant 5, Agency B

"I'm not an expert on race or DEI, and I don't claim to be. We do company trainings, as most agencies do, and we've got some culture events, but I don't think you need that to be successful."

- Participant 7, Agency C

While a lack of engagement with DEI principles and knowledge doesn't necessarily keep one from being successful in an agency setting, it may put a cap on *how* successful you can be. Especially as brands are becoming more socially-conscious and taking stances on more issues,

it's essential for advertising professionals to understand how to craft those narratives and stories in meaningful, compelling, and culturally respectful ways.

It's important to consider how the approach advertising and PR agencies take towards

DEI impacts the development of diverse and inclusive environments, and how they contribute to
reproducing and strengthening the social structures that are in place. In essence, participants felt
that DEI was a value-add, but largely didn't consider it to be a core tenet of company culture. In
fact, very few participants mentioned diversity, inclusivity, and equity when asked about culture.

#### Discussion

Building off of these findings, I would like to propose a few strategies that advertising agencies could employ to improve their diversity, inclusivity, and equity efforts, and ultimately, contribute to improving agency cultures.

First, agency culture is dependent upon the advertising professionals within it. Agencies are investing in diversity, though this tends to happen primarily at the entry level (Bendick and Egan, 2009). By working with programs that are centered around hiring and placement, such as the Multicultural Advertising Internship Program (MAIP), agencies can access a more diverse pool of talent. However, leadership should evaluate post-hiring opportunities as well – while diversity may improve at lower levels, drivers of policy and organizational change tend to be the individuals with decision-making power, those in the upper levels of the agency. Finding ways to elevate diverse voices and source diverse talent internally may improve agency culture over time.

Secondly, time is a major constraint and possibly the biggest obstacle to improving individual autonomy and ability to impact company culture as an agent. When involvement at an agency doesn't go outside of the job requirements and DEI is seen as an extracurricular activity,

it's no surprise that agencies still struggle to improve their organizational makeup. Additionally, agency clients are brands – and brands are increasingly under public scrutiny when it comes to social issues like race and diversity. In order to best counsel agency clients and provide culturally-sensitive creative and strategic work, advertising professionals need to be educated on and engage with DEI topics. This likely will improve open-mindedness among individuals, inject DEI into the cultural fabric of the agency, and improve agency ROI from client work.

Thirdly, social interaction and cultural events outside of the work sphere are the main way that participants identify agency culture – the idea of what the agency is outside of the work alone is important for individuals to assess how they fit into the organization. When it comes to company events, participants felt that events centered around DEI tend to be more conversation and town hall-focused, which caused some participants to share feelings of exhaustion and fatigue. On the other hand, events that used culture as a backdrop, such as a cooking class for National Hispanic Heritage Month, were more positively received and may be a means to addressing topics of culture and inclusivity.

Lastly, and perhaps most obviously, virtual work has taken a toll on agency culture. High-stress, fast-paced work environments do not mesh well with feelings of isolation, disconnectedness, and limited exposure to many positive aspects of company culture. There is one clear (albeit not helpful) solution: wait for the pandemic to end and return to the office. For continued work in a virtual environment, however, agencies may consider hosting company events during the workday and ensuring that participation is not mandatory, but also isn't hindered by meetings, client calls, and pressing deadlines.

In short, advertising agencies are facing difficult cultural issues that stand to define the future of their organization and the advertising industry itself. Rather than waiting for other

agencies to make moves and see results, agencies should work towards implementing solutions that address the formulation and reproduction of their agency's culture – that means investing in the individual agents who are reproducing it. By improving diversity, inclusivity, and equity at *all* levels of the agency, the social structure itself will improve rather than simply being reproduced. An industry that has long been stuck in its ways, there is a clear opportunity for improvement that needs to be seized.