

# BROADCAST MANAGEMENT

A handbook for Asian Broadcasters

By Gareth Price



## PERSONAL BIOGRAPHY - GARETH PRICE

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Gareth Price

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## FOREWORD

Our job as Broadcast Managers is different from other jobs because it makes us close to the people. In the meantime, it makes us responsible before the audience and the society. We are responsible because we have the mandate of being the Watch Dog of the people; to always ask what and why and again what and why? Our Journalistic effort is our passion to serve people.

Our existence depends on our credibility among the people and nations at large. Our credibility depends on our impartiality, independence and accountability towards our audience, which could result in people's trust and confidence in us. Our credibility is also our attempt to be people's network, people's platform, and people's meeting place. Our credibility is to serve the audience as viewers and not consumers. Such a task brings so much responsibility to us as Broadcast managers.

The dominance of commercial interests tends to erode the public sphere by creating a "Culture of entertainment". Under the commercial model, media outputs are often commodified and designed to serve the needs of the market more than of citizenship. Again in such a highly commercialized broadcast environment, our challenge is how we find our way to be part of people's daily life. Public has to know what is going on and what options they need to weigh, debate, and act upon – when, where, why and how.

The emergence of media conglomerates and intense market competition are creating new organizational priorities in which profit growth is replacing service as the principal mission. Sustaining profit growth often requires reducing the resources for news gathering, thereby diminishing the role of the news media, as a public trust. This calls for Broadcast managers to have a clear understanding of what actually is happening in the media landscape with regards to globalization, media law, new

technologies, digital gap, and what could be the possible solutions to meet the challenges.

All that have been said is just a small part of many challenges managers of Radio and Television are facing.

For being a successful Broadcast Manager, other crucial elements are required apart from the top management skills and broadcast knowledge. Dealing with challenges in this region requires: a sense of leadership and influence; ability to analyze the needs of the time and finding solutions, taking the organizational culture into account; ability to work in a team; developing consensus; translating the vision, mission and objectives of the organization to a clear programme of work based on its Strategic Plan and implementing them with the best possible management skills to provide benefits to all members of society.

I should place my sincere thanks and appreciation to Gareth Price for accepting my invitation to write this Broadcast Management Handbook and for sharing his invaluable knowledge with broadcasters in this region. I should thank Janet Boston the new Director of Thomson Foundation for her consent and support of this publication and Manil Cooray, AIBD Programme Manager for putting everything together to publish this book.

I hope this Handbook could best be used by broadcast managers in our region in strengthening the role of Radio and Television in Asia and the Pacific and to serve the members of the AIBD to fulfill their role in their societies as diverse as that may be.

**DR. JAVAD MOTTAGHI**

**Director**

**Asia-Pacific Institute for Broadcasting Development (AIBD)**

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# INTRODUCTION

This handbook is intended for broadcasting managers in the developing world and emerging democracies of Asia. It is sponsored by the Asia-Pacific Institute for Broadcast Development (AIBD) and the Thomson Foundation (UK).

The author's involvement with management consultancy and managerial training for both organisations suggests that, with the exception of a handful of countries, newly appointed managers in the region's broadcasting companies are often recruited without any previous experience of managing people, resources or programmes.

Management training is limited to the fortunate few since only a minority of organisations have a budget line for training at all, while international funding agencies have their slim resources extended beyond any possibility of fulfilling this particular need.

This handbook attempts to provide senior managers who are unskilled in various key sectors of the industry with the main areas in which to concentrate attention. A senior manager is required to be "a Jack of all trades and a master of none". But at least he/she should always be in a position to question the activities of every department in the company on critical issues of the highest priority to the broadcaster's aims and objectives.

The author is aware that many readers have English as a second or third language and every attempt has been made to avoid academic or technical jargon. No provision is made for in-depth knowledge of any single branch of the industry but the manual offers a broad perspective based on the concerns expressed by dozens of senior and middle managers in seminars all over Asia in recent years.

Senior managers require very different levels of expertise in their executive team. The chapters on news management, finance and human resources have benefited from additional perspectives of experts in those increasingly technical areas. I am grateful to Philip A. Davies and Jeff Dawes, both of whom were managers of BBC departments of Finance and Human Resources respectively, as well as Russell Lyne, the experienced journalist and Head of Regional Development in the Thomson Foundation. I also thank Graham Mytton, a former head of BBC World Service Audience Research, for his Appendix on this subject and Michael Betton, Manager of Lincs FM, a British commercial radio group, for his thoughts on raising advertising revenue. Finally my thanks to Javad Mottaghi for encouraging me to write this handbook; to Janet Boston, my successor as Director of the Thomson Foundation for allowing me the use of the Foundation's facilities; to Manil Cooray, Programme Manager of AIBD who has seen the book through to publication; and to Poranee James, my personal assistant at the Foundation for 15 years, for typing it all for this technical dinosaur.

**GARETH PRICE**  
**Former Director**  
**Thomson Foundation**

# CHAPTER I - LEADERS AND MANAGERS

Senior broadcast managers may have a variety of objectives but the basic mission of the managerial team should be the same – to make quality programmes for selected target audiences. The commercial broadcaster exists to make a profit but even in order to maximise profits it is necessary to create programmes of quality, with the highest possible degree of professionalism. Otherwise the audience targets required to satisfy the advertisers will not be achieved. This in a highly competitive multi-channel environment is a growing challenge. Audiences are proving to be more selective as the viewing choice grows.

The days of the State broadcasters' monopoly of the airwaves has given way in most countries to an explosion of commercial TV, its populist offerings forcing a slowly growing realisation even amongst politicians controlling the media of the need to create public broadcasting corporations. It is a milestone marking the road to please the audience while not necessarily loosening control of the levers of power.

The great management challenge is to cater for all of the audience at least some of the time in a constantly evolving scenario involving massive changes in the industry. That challenge demands leadership and managerial abilities at several different levels of the industry.

But what makes a good leader? And is it right to claim, as one advertisement stated, “a company is only as strong as its leader”? Such an oversimplification ignores the fact that modern media requires a raft of senior, middle and junior managers who exist to execute corporate or company policy as delegated to them by their governing bodies. One of the greatest problems inherited by post-Communist countries is

the lack of responsible middle management. In many countries they are still messengers rather than managers.

Senior executives have to delegate the responsibility for the actual production process to their programme departments. Director-Generals may have an expertise in technology, in accountancy or in production but rarely in more than one such area. It is their management teams who actually carry through the details of the policy while reporting back on the success of their respective units.

Leadership at its simplest level means leading a team, whether large or small. The qualities required of leaders are far from simple and ideally require a range of attributes which can be frightening in their sheer scope. They include:

- self-confidence, self-belief and self-motivation
- the appointing of individuals with the necessary talents required for designated responsibilities and mould them into a team
- a personality strong enough to lead a team by example or by earning respect
- a vision of what the management job should be
- the development of a strategy to fulfil the vision
- understanding the need for and ability to execute change
- the inter-personal skills to allow for easy communication both as listener and speaker
- trusting enough to delegate responsibility
- being firm but fair in dealing with the team
- encouraging and disciplining the team when appropriate
- excellence in administration
- creative in thought and deed
- sound judgment in decision-taking
- diplomatic in sensitive situations
- common sense, a much under-rated attribute
- last but not least – a commitment to broadcasting

It is, of course, impossible to find paragons of virtue who fulfil all these attributes. Much depends on the particular responsibilities

demanding of the individual manager. One can be a good junior manager but unable to undertake the stress of decision-taking at a higher level. Creativity is much more important in production areas than administrative posts.

More problematic is management style. Successful managers can be authoritarian or democratic in attitude. Some are bullies, others are reflective and reserved. Some lead from the front, others prefer to stay in the background. Modern management methods tend to be more democratic and consensual than autocratic. Listening and discussing with the team precedes the decision-taking process but such consultations should not be long drawn out. Many decisions are required very quickly and managers have to avoid prevarication and uncertainty.

In the end all managers have to be leaders but not all leaders are managers. In India, Gandhi was a charismatic leader but no manager. In a media context, senior management needs the vision to lead the industry, allowing middle management the delegated responsibility for executing the strategy. However even senior managers have their bosses, the members of the Boards or Authorities which have control of the industry. They are the leaders who can influence the broadcasting environment – if they are allowed to do so by the political powers.

## CHAPTER II - THE BROADCASTING ENVIRONMENT

The success of managing broadcasting in any country depends not so much on the structure of the industry as the environment in which the industry is allowed to operate. Two contrasting examples illustrate this point.

Managers the world over want to know how they can copy the excellent brand name of the BBC. In fact, it is the British broadcasting environment which deserves the praise rather than the BBC, which despite the high quality of many of its channels suffers from an outdated corporate structure,. The UK media has prospered in a country which allows for free speech with few limitations. Broadcasting licences were allocated to cater for increased choice both slowly and sparingly so that even today only five terrestrial channels still dominate the audience figures despite the availability of many more digital channels. Above all, however, the broadcasting quality remains high on the whole because the BBC and its commercial opponents compete for audiences but not for funding. The internal services of the BBC exist on a generous licence fee or tax paid by the viewers, supplemented only by the sales of its programmes overseas, its archive material and the spin-off of merchandise associated with the programmes. The commercial channels, which also have public service requirements defined by the regulator (OFCOM), are allowed to retain all advertising income. That equilibrium situation would be destroyed if the BBC were allowed to take advertising. It would undermine the commercial sector's revenues and lead to an erosion of the BBC's licence fee. It is the combination of these factors that gives the UK an excellent broadcasting environment.

At the other extreme are several countries where the political and commercial pressures limit the possibility of impartial news services, where the economy is too weak to support many flourishing commercial broadcasters, where too many licences have been issued to too many companies in too short a time, and where the state broadcaster also depends on advertising revenue.

The role of management therefore varies enormously with the nation's media environment as well as the structure and objectives of the organisation. In the beginning, three different types of broadcasters emerged from very different political scenarios:

- the state broadcaster – in countries where Governments control the media;
- the public broadcaster – which first emerged in Europe as a cultural entity;
- the commercial broadcaster – for which the US free-market philosophy was the initial driving force.

Considerable confusion exists over the meaning of the term 'public broadcaster', usually because countries which still control content through government like to portray themselves as acting in the public interest. In reality the state broadcaster acts in the interest of the government of the day. The public broadcaster serves the audience. In a democracy, it is the audience as the electorate which votes parties into power and also dismisses them from office. Public Service Broadcasting is therefore an essential agent in the development of democracy. The audience requires to be informed of the opinions of all parties and not only those in power. Managing the news in a public broadcasting organisation is a very different activity from that of the state broadcaster. Managing general programmes outside the newsroom, however, should be the same in whatever organisation one works. Similar production values apply to directing a sports programme or a drama all over the world, namely the need to strive for professionalism, quality and efficiency.

The commercial broadcaster has to make a profit in order to satisfy the shareholders. In order to do so it is generally recognised that advertising income has to be maximised either through the provision of as much popular programming as possible, or by deliberately targeting key sectors of the audience e.g. the young, the opinion-formers, women and so on.

By today, few countries have a clear distinction between channels funded by a licence fee alone and those funded by advertisements alone. What therefore exists in most parts of the world are hybrid forms of broadcasting in which everybody – whether state, public or private broadcasters – competes for advertising income. This situation weakens the private commercial operator who can often ill afford to produce the expensive drama or documentary. On the other hand in many countries the commercial company has been the catalyst for positive change - the organisation which offers a news service which is partially independent of government. The word ‘partial’ is important in this context because of the constant danger that truly impartial news programmes can lead to the political threat of the withdrawal or non-renewal of the licence to broadcast. Editors are fully aware of how far they can go and operate varying degrees of self-censorship.

Hybrid or ‘mixed economy’ broadcasting structures can lead to the worst of all possible worlds. There are few countries in which the political pressures on the newsrooms are withstood. There are constant financial pressures through inadequate funding from the licence fees, even in countries where such a ‘tax’ has been added to the electricity tariff. Few public broadcasters exist without advertising revenue, and commercial pressures operate adversely on the programme schedule in favour of the popular and at the expense of more serious programmes.

Several examples also exist of State companies given public corporation status while still dependent on Government funding. In these circumstances, managers find it extremely difficult to determine who the paymasters are – the government, the advertisers or the audience. This rarely leads to an encouraging working environment. Changing

the name to a public corporation is often meaningless. However, while the development of Public Service Broadcasting channels (PBS) is problematic, there are distinct signs of the growth of Public Service Programmes (PSP) on a variety of channels. The growth of competition has improved news programmes. Educational, women's and 'nation-building' series are more prominent even if these are rarely entertaining to watch. The broadcasting environment is improving in the developing world slowly and painfully, offering very different challenges to managers at all level.

# CHAPTER III - LEVELS OF MANAGERIAL RESPONSIBILITY

## 1. THE REGULATOR AS MANAGER

Public service broadcasting is weak in many countries. Yet the industry's national regulator has the power to change the broadcasting environment of the nation through its remit to manage the distribution of licences. Regulatory authorities are appointed by Governments through Acts of Parliament to oversee the broadcasting industry of the nation in whole or in part. Sometimes the regulator is given control of the commercial sector only and the public broadcaster may be self-regulating, publishing an annual report on its activities, its programmes and finances, for the general public.

Regulators are statutory authorities, their policies executed by senior managers who have several extremely important powers at their disposal, including:

- offering licences to broadcast through tenders
- setting the qualifications required of applicants for licences
- imposing public service quotas on programming
- warning licence holders of breaches of the licence
- approving the numbers and types of licences
- they may also have control of telecommunications
- some issue guidelines on best practice, ethics and compliance matters (see Chapter IV - Managing Programmes)

The powers least known in some Asian countries relate to imposing public service quotas on various forms of programming. For example, a commercial licence can be offered subject to a percentage limit on purchased programmes or a percentage minimum of public service

programmes such as local news or education series. Radio licences can be offered on the basis of minority talk or music channels. Warnings, fines or even loss of licences can be imposed on those who fail to meet the terms of the contract.

The creation of a competitive industry is healthy if the licences are limited to fit the ability of the economy to cope. Issuing too many licences can likewise lead to the law of the jungle in which the licence-holders struggle to survive with low budgets and low quality programmes.

Choice and competition is good for the audience – but only up to the point where the economy can allow for quality programming. As for the competition from satellite TV, the answer lies in the provision of community radio and an increased number of local radio and regional TV programmes which offer the opportunity for the audience to get ever closer to the programmes and participate in them. There can be no better way to win an audience than to feel that it is an integral part of the broadcasting scene. Such developments require a remit from both the regulator and the company or corporate boards.

## 2. BROADCASTING BOARDS

Managerial responsibility in the licensed companies or corporations depends on the degree of delegation given to each individual manager. However, even top managers have to be accountable to a company Board or a corporate Authority.

Board members in the public sector, usually 10-12 in number with the Chairman having a casting vote, are drawn either from “the great and the good” who are respected in their professions (e.g. the law, medicine or university academics) or, increasingly in the developing world, from NGO’s which provide services to the public in a variety of social and professional fields. Sometimes the Chairman is appointed by Board members themselves but more often Governments appoint all the

members. Unfortunately, some Board members behave as the ‘place-men’ of the political power-brokers, which automatically limits the autonomy of the broadcaster as well as the development of democracy itself. The test of the integrity of the Boards then becomes the degree to which they can become independent of political pressures. It becomes an issue of credibility both with the public and the staff, who will mirror the Board’s attitudes as employees of the Board. Even top executives are employees of the Board, which has the power to hire or fire them.

Normally, a Board of Governors:

- has to develop a strategic plan outlining the mission, vision and objectives of the organisation in association with the top management team. A long-term five-year plan is crucial for the future of every broadcasting organisation.
- should allow the senior executives to execute the strategy on a day to day basis and with minimum interference in between the regular meetings of the Board
- Should ensure that the organisation makes the most effective use of its resources, eradicates overstaffing and uses its finances wisely.
- should resist the temptation to view programmes before transmission and offer constructive criticism at regular Board meetings
- should promote and encourage the development of impartial news programmes independent of political and commercial pressures
- has to appoint sub-committees to cater for monitoring financial control and ethical issues.

It is important that individual members see themselves as lay members representing the needs of the audience rather than the politicians who appointed them. Keeping the distance between the Executive on one side and the politicians on the other requires diplomatic skills of a high order as well as an independent mind. The role of the Board Chairman is central to the success of the whole organisation and is usually a hands-on part-time post. A good working relationship between the Chairman and the Director-General (or Managing Director) is crucial to the success of the organisation, and is often helped by the

appointment of a Legal Secretary to advise both the Board and Executive on statutory matters, legal problems and interpersonal tensions between both bodies.

Commercial companies form their own Board with a mixture of executive and non-executive directors. Sometimes the Chief Executive is also the Chairman, sometimes not. The Board answers to the shareholders. State broadcasters have a Director-General who reports to the Minister of Information who, in turn, is usually a member of the Cabinet.

### 3. SENIOR MANAGEMENT

The Board of the Governing Authority has the power to appoint (or dismiss) the Director-General/Chief Executive and also be represented on the appointment boards interviewing the members of the top management team.

All such appointments are usually advertised externally and internally to satisfy best practice and transparency in public appointments, as opposed to the Board of Directors of a commercial company which sometimes advertises openly for top executives but often do their own 'headhunting'. Increasingly, professional agencies are hired to sound out people for their suitability for very senior positions.

It is seen that state broadcasting Director-Generals are often appointed and sacked with each change of State President or Prime Minister. Some Director Generals have little professional experience of the industry and do not last long enough to learn, a situation which is unsettling for the whole organisation. It leads to regular and often unnecessary changes at lower levels of senior management.

Whoever the Director General or CEO, there is always a need for a team of as many talents as necessary including the following:

- Director of Programmes

- Director of News
- Director of Finance
- Director of Personnel/Human Resources
- Director of Resources including Technical Resources, Transport, Buildings and all capital items
- Head of Commercial Department including advertising, sponsorship, promotions and marketing, who often reports to the Director of Finance in the first instance
- Legal Secretary to the Board and the Executive

These are the seven 'core' posts for any broadcast management team and are usually supplemented or co-opted when necessary by managers representing

- the Regions and Local/Community Programmes
- public relations
- other experts or senior managers as required.

Management teams should be restricted in number and meetings kept short in order to encourage team members to hold their own middle management staff discussions and promote good communications throughout the organisation. In state broadcasting companies, the situation in which several people are given the status of Deputy and Assistant Director General leads to levels of bureaucracy which choke communications at lower levels and where the programmes become secondary to the internal politics.

There should be no doubt however that the heaviest managerial responsibilities are carried by the top executives, who should meet weekly to decide on recent past, present and future concerns in achieving the Board's strategic objectives. A key part of their work is executing those objectives and reporting to the Board and its sub-committees on matters relating to programme output, audience figures, financial accounts, political pressures and so on. As little time as possible should be wasted on car parking or office space for individuals!

It is equally important, however, to build the managerial structure around the quality of staff available at any one time rather than appointing people to fill a set number of posts. For example, if the Director of Programme is a journalist and there is no-one else good enough to be the Director of News, it is better not to appoint and allow the programme chief to run the whole output with relevant changes to the responsibilities at the next level down in the company.

#### 4. MIDDLE MANAGEMENT

This is the level of management which is least understood or appreciated in the developing world. Senior management in a large company is incapable of direct and detailed control of the production and administrative teams working for them because of the sheer numbers involved and the need to delegate responsibility for detailed activity to a lower level of management. Unfortunately that middle management role is too often interpreted as a promotion to a higher status post without the added responsibilities.

Modern management control requires a balance between a top-down and bottom-up approach in which senior executives fully understand the problems facing workers on the studio floor and on location. In turn, the very term 'middle management' implies that people given that position have to report to the bosses above them and be responsible for the workforce below them. Middle managers are essential for a range of very different outputs - whether manager of a documentary production unit or the Human Resources' salaries unit or the technical transmitter department. Every news editor is a manager as is every different producer. There are therefore more middle than senior managers as the delegated responsibility 'cascades' from the top levels downwards.

The two key areas of middle management responsibility are for people and money. Overstaffing is a particular problem which wastes money and lowers morale amongst those who are most productive in their work. It is only the middle manager who can identify where such overstaffing is inhibiting the effective use of limited financial resources.

## 5. LINE MANAGEMENT

This delegated responsibility to middle managers requires a balanced attitude in reporting to senior bosses – a referral system. A middle manager is required to work on his/her own initiative and to report to superiors only when necessary. But what is the meaning of ‘necessary’? If a manager reports to the boss on every single decision, that could be regarded as a lack of confidence. If one never reports to the boss, it can be regarded as a lack of communication or even arrogance. The whole organisation benefits when a balanced referral system works well.

The commonsense approach to this line management problem is a mutual agreement on what each individual boss requires to know, which can vary according to the individual, and work as a team on that level of understanding. One particular point should be noted, however. Never put the boss in a position to be surprised unless it is unavoidable. Always be the first to communicate the good or bad news.

All management is about teamwork and good middle management is about balancing the degree of knowledge required by the bosses with the degree of delegation to the people who work for them. Such teamwork is successful where there is not only a mutual respect between people holding the different levels of responsibility but where there is trust in delegating as well as knowledge of everyone’s strengths and weaknesses. Few people have got equal all-round skills and managers have to recognise individual weaknesses requiring support and encouragement in order that the whole team benefits from that person’s abilities.

The most effective organisations are those where every person works to a level of responsibility for which one is properly rewarded in relation to one’s status and salary in the organisation - a topic discussed in Chapter VI “Managing People”

# CHAPTER IV - MANAGING PROGRAMMES

Broadcasting is about serving the audience with the highest quality programmes while bearing in mind the differing objectives of the paymasters. Commercial companies have to show a profit for their shareholders. State broadcasters are civil servants. Only the few public broadcasters are solely concerned with the audience.

As already stated, however, they all have in common the need to recognise that good quality programming is essential to attract an audience. In turn, the audience attracts the advertisements. Even the politicians controlling State broadcasting need an audience in an increasingly competitive world. Addressing the audience, whether as citizen or consumer, is the primary concern of senior management teams, whatever their individual responsibilities.

‘Quality’ in the context of programming does not mean they have to be serious in content all the time, merely that every programme should be made with the highest possible production values. Each programme department faces the same managerial challenge, namely moulding a team relevant to a professional product. Professionalism is necessary whether the broadcaster is making a serious drama or a light entertainment quiz show and every genre requires very different skills including research, organisation, costing, directing, camerawork editing, graphics set design, make-up and wardrobe.

In turn, one definition of the word ‘professional’, is a commitment to doing the best possible work for one’s employer as well as taking personal pride in one’s involvement in making programmes for a mass audience.

## MANAGING THE SCHEDULE

Each broadcast channel is controlled by a senior manager in different ways. The commercial TV senior programme manager normally organises a competitive schedule in order to maximise the audience and advertising income, although in some countries the regulator's remit compels the scheduler to include a certain proportion of public service programmes in addition to news e.g. regional programmes or education. The public broadcaster, however, is expected to justify the licence fee and cater for all of the audience, including minorities at least some of the time, through a mixed schedule of popular and 'responsible' material which may be serious in intent but made in as entertaining a way as possible. The old adage 'to inform, educate and entertain' still holds good but there is no reason why informing and educating audiences should result in dull or boring programmes. Mixed schedules occupy the core channels of every country and are now being supplemented by channels dedicated to one type of programme – 24 hours news, sports, movies, shopping, travel, history, arts, education and even pornography to name but a few. The main mixed channels are usually transmitted "free to air".

Scheduling requires special skills in identifying an audience for various programmes at different times. Placing a show after a popular news programme can provide it with an audience inherited from the news. If the news programme is losing an audience, placing a popular programme before it can benefit the news with the same 'inheritance' factor. The anchor of all mixed schedules is the timing of the news programmes around which the rest of the schedule is built. In TV this means that the peak-hour viewing between the early-evening news and the late evening news can be allocated to programmes suitable for family viewing.

Such a skeleton schedule would read in time order:

1. Day-time Programmes
2. Children's Programmes
3. Early Evening News
4. Family Viewing

5. Mid/Late evening News
6. Adult Viewing

## AUDIENCE RESEARCH

Since the need to satisfy the audience is paramount, the requirement for audience research is vital. Many managers claim they cannot afford the costs of independent commercial audience research but Graham Mytton, a former head of the BBC World Service Audience Research Department, has written a first class handbook on how to conduct statistically significant material with small samples incurring minimal costs (see Appendix). At worst every broadcast company should ensure it organises at least one annual audience ‘sweep’ a year.

A creative industry has to be judged not only by the size of the audience but also by the quality of its programmes. Judging quality is often a matter of personal taste which requires experience in what an audience is likely to appreciate in the style, presentation and pace of the content. It is easy to have a “great idea”, much more difficult is developing a different angle on a well-known subject and finding an original method of presenting it at a reasonable cost. Modern channel controllers add audience appreciation appraisal questions to their audience research sweeps and/or establish panels drawn from different target groups who can give qualitative feedback on the impact of various presenters or subject matter.

The placing of the mid/late evening news dictates the length of time available for the peak audience between the two news programmes. If the early evening news finishes at 7 p.m. and the late evening news starts at 10 p.m., three hours are allowed for general programming such as soap operas, quizzes, consumer and lifestyle magazines as well as light entertainment for the whole family. A different schedule might show the news dominating the peak hour of the evening with family viewing before the news and adult viewing after the news. In an age of channel expansion, it is easier for a public broadcaster to please the

wider spectrum of a national audience through offering one popular channel and a second with more serious programmes such as single subject documentaries, opera and drama. This gives not only greater choice but also a better chance of targetting audiences with different interests and educational backgrounds. Care should be taken to offer viewer choice, placing very different types of programmes against each other.

The range of any channel with a mixed schedule is expected to produce programming on:

- News and current affairs, including investigative reporting
- Children's programmes suitable for different age groups
- a 'soap opera' reflecting on everyday life in the national community transmitted at least once a week.
- sporting events, results and analysis
- documentary series on contemporary or historical life
- serious drama, opera or ballet to provide serious cultural events
- lifestyle programming, including consumer issues
- light entertainment comedy, quizzes and satire
- religious programmes
- regional and local programming
- purchased programmes including films
- minority programmes for different racial and linguistic groups
- formal educational or 'nation-building' programmes

## THE COMMISSIONING PROCESS

The senior manager or Channel Controller responsible for a schedule based on this range of output would expect to decide on offers from different heads of department or executive producers responsible for the production teams in each of these categories. Only the Channel Controller can calculate how much money to allocate to the different programme types within the schedule given the pot of money available to him. Experienced programme managers know the average total cost of expensive outside broadcast compared with a cheap quiz show and

have a skeleton schedule in mind before putting flesh on the bones. This is usually done by careful planning a year ahead of transmissions and longer where expensive drama productions or sports contracts are concerned. One example is where discussions about future programme ideas take place in March and decisions in June for the start of a new financial year in January. The March meetings for each department would allow for ideas to take shape in discussion between Channel Controllers, schedulers, the relevant Head of Department and the departmental programme producers. The Channel Controller can indicate preferences for new or ongoing series based on potential audience interest, offering guidance to the department on what is expected in the final offers meeting. The decisive meetings in June will finalise the Channel Controller's requirements for a skeleton schedule and the costs of each series. Ideas are normally acceptable only if fully costed (see Chapter on Managing Finance) The annual schedule is usually broken down into a more detailed quarterly schedule and a very detailed monthly and weekly schedule as the transmission dates get nearer.

## CHANNEL IDENTITY AND PROMOTIONS

Each broadcasting station should develop its own station identity through the 'branding' of its output. Each channel should have its 'logo' which marks it out from every other channel both in vision and sound.

Modern schedulers also insist on promoting as many upcoming programmes on the same evening, the following evening, the following week, indeed in-between every show in the schedule. Every production is required to prepare 'trail' material of different short durations which can be fitted in to each evening's schedule in a flexible way by the duty presentation controller. This ensures that a viewer or listener who may not be interested in the next programme will at least be reminded that there is something they wish to watch available later in the evening or the next night. If nothing else it allows the audience time for a cup of tea in the break.

Promoting the station's programmes is not confined to on-air advertising. Press launches are organised for new series and special anniversaries. Newspapers need to be provided with detailed programme schedules and articles on major programmes. Good PR requires that programmes made in a particular town should be launched in that town.

## PROGRAMME CATEGORIES

In any consideration of the different categories of programming, particular attention has to be given over to the following key departments.

News programmes are discussed on the next chapter. "Managing the News". However, all programmes share the common aim of good storytelling.

### 1. DRAMA AND 'SOAP'

Drama is the most expensive programme area but offers an output ranging from the prestigious single play to the very popular 'soap', with shorter series and serials of about six episodes somewhere in the middle in terms of both costs and audience attraction.

Soap operas are transmitted at least once per week with omnibus editions repeated at weekends and they are expected to run for years on end. Because they use the same studio sets and actors for lengthy periods of time, unit production costs are lower than for a six-part drama series. The key factor in their popularity is that the story lines revolve around everyday life in the community, with recognisable characters acting out familiar scenes of family life, neighbourly relationships under strain, young love, middle-aged unemployment, old age infirmities - all the trappings of ordinary daily life found everywhere in the world. At best, the audience identifies itself with the characters and thinks of them as real live people who appeal to a wide age-range. In launching such a series the editor, producer and script editor have to mould their

own support teams of directors and scriptwriters in order to cope with continuous pressure on all concerned. This requires a high degree of teamwork including scriptwriters who are adept at writing natural dialogue.

The best way of launching such a venture is to try different formats out on radio or a short single series on TV to test not only audience reaction but also teething problems in the development process. Success can lead to longer series for one day a week before moving on to twice or more weekly. Some of the best soap operas have served audiences for decades first on radio and then on TV. Many 'pilot' programmes have failed because of the weaknesses of the scripts or elements of the characterisations. Just as often is management failure to confront a lack of tradition in team-building. Successful soaps bring big rewards in both audience appreciation and size.

## 2. SPORT

The coverage of leading national sports is well recognised by all broadcasters but much more attention could be paid to the quality of camera direction of live sporting events. It is an area in which there is a big divide between experienced and inexperienced directors and not merely because of the differences in the available technologies. The best coverage can often come with fewer cameras and directors who plan camera shots with a view to giving the audience the relevant close-up without losing the geography of the event. Managers need to find and train directors who have a cool temperament as well as the sporting knowledge necessary for live sporting events. Also, commentators who suit the very varied demands of fast-talking radio commentaries as opposed to TV, which requires fewer words but more analysis of what the viewer sees.

Sporting contracts have become an expensive item for all broadcasters. Considerable managerial time is taken up in negotiating long-term contracts as well as calculating the time and costs of the supporting

outside broadcast equipment, including provision for live coverage. Skilled negotiators discuss the quality of the coverage as well as the contract costs, since good comprehensive coverage of any sport adds to its appeal with both audience and participants.

### 3. FACTUAL PROGRAMMES

Audiences are attracted to good story-telling, which is what much of broadcasting is really about. A well researched, directed and produced documentary or any factually based programme can increase the size of its audience if it engages the viewer with human interest as opposed to the issue-based storyline. People are interested in what happens to other people. The health of the nation is better portrayed in terms of the individual patient, nurse or surgeon rather than the cold analysis of statistics. This emphasis on human interest has spawned a raft of lifestyle programmes in which ordinary people air their concerns about inadequate consumer issues or crime programmes in which the police appeal to the public for help in catching criminals illustrated by re-enactments of the crimes. Factual storytelling needs to be projected in as entertaining a way as is possible without undermining the underlying seriousness of the subject. This is where the craft of the programme director is all-important.

Investigative documentaries offer the greatest production challenge. They require time to research and are therefore more expensive than other factual programmes. They also give senior managers the biggest legal problems when the subject matter involves corruption or libel. When successful, however, they also convey prestige on the company.

### 4. CHILDREN' S PROGRAMMES

Children are the adult audience of the future and require innovative programmes as well as the well-known diet of cartoons. Different age-groups have to be catered for, presenters chosen for their ability to communicate with a younger generation without talking down to them.

Programme formats are required to make children think as well as relax. Keeping the attention of young children is a difficult challenge, and it is in this programme area that informative material needs to be expressed in an entertaining manner. Quiz shows based on competing schools while answering questions on general knowledge or programmes involving animals or the environment are part of the staple diet of a schedule involving educational subject matter in discreet or tangential ways.

## 5. LIGHT ENTERTAINMENT

Making people laugh is one of the most difficult acts in broadcasting. What is amusing to one person is often not amusing to the next. It is relatively easy to produce quiz shows, much more difficult is a successful situation comedy which requires both good scripts and great comedy acting. Here again the building of a team of scriptwriters is key to the whole process. A stand-up comic needs a lot of material which broadcasting burns up very fast. A reluctance to use other people's material shortens a comic's shelf-life. The managerial challenge involves finding talent in the theatres, night-clubs and conducting auditions in universities and colleges of music and drama in the endless search for new talent.

Managerial challenges do not end there. Tapping the source of a nation's most creative people is difficult. It is one of the greatest concerns in the developing world more used to traditional forms of music or dance but now faced with the different interests of a younger generation. Self-discipline or inter-personal skills do not come easily to creative people. The normal rules of behaviour may not apply. The creative instinct is difficult to find and easily smothered but the broadcasting industry depends on entertainers – singers, dancers, comedians, characters and even eccentrics - to please an audience which wants to relax after a hard day's work, to switch off and not have to think about the serious concerns of everyday life.

## 6. NATION-BUILDING

This is a programme category unique to the developing world. In addition to formal educational programmes, many State broadcasters offer series designed to improve agricultural working methods, address health issues or women's programmes in countries where they have been educationally disadvantaged.

## 7. MINORITIES

Minority programmes are an important feature of nations with substantial ethnic minorities, whether linguistic or racial. Failure to cater for them can lead to social and political tensions. Radio can handle a nation's multilingual needs better than the relatively restricted number of TV outlets but senior managers need to give due consideration to the racial as well as linguistic mix.

This can be achieved by producing ethnic programmes and sub-titling them in the majority language so that nobody should feel excluded. However, each race and language has its own distinctive cultural characteristics which can only be fully recognised by that racial group or in that particular language. In an age of digital TV and channel expansion, minorities everywhere see broadcasting as a cultural right and this requires sensitivity as well as relevant broadcast licences on offer by national regulators as well as programme time from public and state broadcasters.

## 8. INDEPENDENT PRODUCTIONS

Whatever the form of the broadcasting, it is the duty of senior management to allocate as much money as possible to programmes, keeping as little as possible for administration and 'non-core' activities. This 'outsourcing' of all non-core activities has gone one major step further in some countries through privatising the productions themselves.

One UK institution – Channel 4 UK – is the ultimate minimalist role model. It commissions all programmes – even the news – from independent production studios. It makes broadcasters think twice about the expensive array of in-house services spent by the vast majority of broadcasting institutions which have inherited so much expensive and wasteful baggage from the past. Commissioning editors pay independent producers for the entire schedule as required without having to worry about in-house managerial concerns such as large production teams or studio availability or overheads in general. If those commissioners are not satisfied with the programme quality as delivered, they can buy the next series from a different ‘indie’ production house. The competition for commissions ensures that quality without waste becomes the norm.

This change to lower staffing levels results from both financial constraints and the increased productivity resulting from new technology. It involves management change which many Governments, companies and individual managers find difficult to confront. Nobody likes the process of retrenchment or redundancy. But state and public broadcast managers all over the world have to face reality. Often this involves inheriting too many studios, old-fashioned technology, too many staff, all badly paid compared with newer commercial stations. The best staff often move to the commercial stations which also have the latest technology and are able to focus on the core objectives of the organisation without distractions.

Senior managers retaining an in-house staff responsible for a departmental output either inherit or have to build production teams - researchers for documentaries or current affairs, script editors for drama, producer/organisers who can coordinate the activities of the production team, directors suited to fast-moving outside broadcast sporting events or slower-moving studio drama. The list is a long one. The debate over whether in-house production teams are better or worse than independent producers will continue for years, probably because so much depends on where different institutions find themselves placed at any point in time. If a particular existing in-house department delivers

good audiences with high production values with an experienced staff well respected in the industry, there is a case for no change. On the other hand if a production team has passed its 'sell-by' date and management finds difficulty in getting the necessary results, it would be an advantage to outsource the whole department if the management will exist and the labour laws permit. It is also possible to offer 'sweetheart' deals, promising selected staff one or two years of guaranteed freelance work before challenging them to survive in the open market.

## 9. CO-PRODUCTIONS

Considerable interest is now being generated in co-productions. If a programme idea is good enough to be of interest to other countries, the costs of the project can be shared in a partnership before the programme is made. The co-production may involve shared funding or the provision of technical and human resources instead of cash costs. A very expensive production on, for example, the animal world, which is of interest to many countries, often involves several partners. International media conferences often organise workshops to discuss different proposals.

## 10. THE RADIO AUDIENCE

An audience expects to see and hear its favourite programmes at a regular time each week. This is particularly true of radio, where the audience switches on expecting to find the early morning news programme without having to refer to any printed schedule in the press. In fact all radio stations which are not music-based tend to have the same 'skeleton' schedule based on three different peak periods viz:

- early morning listening for those preparing for work
- a lesser peak to coincide with the lunchtime break
- a third early evening audience on the way home from work

Car radio audiences are very high during the rush hours. Talk radio channels tend to concentrate their news and current affairs programmes during these hours, supplemented by news on the hour every hour of the day for one or two minutes. A range of general programmes are then scheduled in between those peaks, more and more of which are devoted to ways of encouraging audience participation such as cheap and cheerful phone-ins or more expensive outside broadcasts. This allows, for example, housewives and the retired to share their concerns about food prices, health and education matters, many of which are anchored by presenters helped by relevant experts in the studio. An increasing number of phone-ins discuss topics arising from news items.

Commercial radio is even simpler since many stick to a narrow music format during peak hours with news on the hour every hour and it would not be unusual to find a modern 35-man radio station in some countries with 10 journalists, 10 presenters with daily 3-hour shows, 10 advertising and marketing staff and 5 others, including the managing director, secretary, a cleaner, a driver and only one maintenance man.

Commercial radio companies have demonstrated how wasteful state broadcasters can be through the development of 'self-op' production methods whereby the presenter is in full control of his/her own tapes, discs and above all, sound levels, without any need for studio managers. This is certainly the way forward for all music-based channels, less so for talk radio where there is a requirement for more recorded and edited material. Radio is so much cheaper than TV and can offer a variety of channels to satisfy the differing tastes of music-lovers. The other growth area in the developing world in recent years is local and community radio.

## 11. LOCAL BROADCASTING

There is now a phenomenal expansion in regional and local TV and local and community radio. For too long in too many countries only the capital and some of the largest cities had any studios at all. That

situation is changing as senior managers everywhere are beginning to realise the importance of getting closer to the audience. In the provinces, managers can develop a relationship with listeners and viewers wishing to participate in their community stations. Here there is less political interference. Audiences want to know what is happening on their own doorstep. The weakness of the satellite broadcasters is that they cannot compete in the local markets. National TV stations can capitalise on this weakness by offering local or regional stations ‘opt-outs’ at set times in the schedule, allowing local management responsibility and control of the output.

Community radio is even more successful as a very cheap resource, usually utilising volunteer unpaid staff.

It differs enormously depending on the target audience and the priorities in the everyday lives of the audience – the weather, the crops, the availability of water – and more and more countries are waking up to ways in which the people can develop know-how and self-help in a particular media which helps social and economic development.

## COMPLIANCE

As broadcasting standards improve and audience participation increases, greater interest is being shown in ethical aspects of programme scheduling. Each individual society has its own unique cultural attitudes to what can or should not be shown on TV. A growing number of national regulators demand compliance with set rules and regulations. In other countries self-regulation is expected on a variety of issues including:

- the protection of children from potentially harmful images
- product placement i.e. advertising within programmes
- taste and decency i.e. the portrayal of sex, violence and the use of bad language
- the privacy of the individual and the use of secret cameras

## PROTECTION OF CHILDREN

This is a professional concern for programme schedulers who have to be aware not only of the content of purchased products but also the placing of their own commissions in an increasingly complex world. Broadcasters in the UK have used a policy of a “watershed” for many years whereby programmes deemed unsuitable for children should not be scheduled before 9 p.m. While some countries are stricter than this by virtue of religious traditions, others have no rules at all and are only beginning to realise that regulations and guidelines need to supplement the law of the land. It is much easier to change regulations than the law as societal values change. With pornographic images increasingly available on satellite, cable and pay channels, a distinction has to be made between the role of the parent and that of the broadcaster. The Watershed concept is based on the principle that the responsibility for children’s viewing switches from the broadcaster to the parents at a particular time of night. It is a rough and ready instrument but better than nothing in a secular society.

## PRODUCT PLACEMENT

Advertisers pay for promoting their products in the media, a convention which is the major support for the industry. However there is a growth in the number of companies offering samples to producers in an attempt to get free advertising. Labelled commercial products placed strategically on studio sets can attract the unwitting cameraman looking for an opening shot to a sequence. Worse is the knowledgeable director who deliberately uses the product for individual personal gain. It is an unfair practice which requires monitoring by the regulating bodies.

## TASTE AND DECENCY

The portrayal of sex and violence as well as the use of bad language in the media varies according to the cultural norms of different societies. Islamic countries are particularly strict on such matters, but this is not

so in others. Furthermore, many individual cultures evolve in different ways. Bad language which was unacceptable in social intercourse a decade ago may be acceptable today, partially as a result of the influence of the media. Imported films from Hollywood can be considered too liberal in the portrayal of sex even on TV in the USA where puritanical sentiments have been on the rise in recent years. The acceptability of violence varies enormously even between neighbouring countries. Causing offence to parts of the audience, particularly the older generation and those with strong religious beliefs, can be divisive socially and requires judgment in balancing freedom of artistic expression against cultural norms.

## PRIVACY OF THE INDIVIDUAL

This is also a difficult area for managers faced with complaints from individuals protesting about the invasion of their privacy. Yet in a world where celebrity status is defined by the media, it becomes difficult to judge the celebrity's complaint of such attention. Prominent people in public office must expect the audience to take an interest in them as human beings as well as politicians. Whether that interest should extend to the exposure of one's private life is dependent on cultural attitudes and regulators. Footballing or film celebrities can cause even greater headaches since they seek attention but only as long as it is positive. Many are unable to take the intrusion of cameras when they lose control of the situation.

Similarly with the use of secret cameras. Modern technology makes it easier to record people without their permission. Normally an individual should expect the right of refusal to take part in an interview but there are circumstances in which it is in the public interest to record such people without their knowledge e.g. lawbreakers boasting of their illegal gains. Secret recordings can be used too often and senior managers have the responsibility of controlling their use by defining the public interest on every occasion.

## THE PUBLIC INTEREST

Citizens in a democracy should have the right to freedom of speech on the airwaves, subject to the laws of the land and restrictions relating to the public interest. Senior broadcasters are the guardians of the public interest which has to be judged on a case by case basis. Programmes causing grave offence to major religious groups are an example. As the Danish cartoons furore of 2006 demonstrated, such offence may go well beyond the audience reach of the individual journalist. This issue was a clear illustration of the far reaching consequences of insensitivity on a matter of global interest. Judging where the boundaries of public interest lie is a particularly difficult responsibility for senior managers. Freedom has to be tempered by responsibility.

Many of these subjects belong to the most sensitive of all managerial areas – the News.

# CHAPTER V - MANAGING THE NEWS

News editors and their managers have the most difficult job in broadcasting. News is a 24/7 activity in which even the most sophisticated journalists and newsrooms are subjected to continuous pressure to change their news content, almost always for the worse.

The argument for an independent and pluralistic news media anywhere in the world is aligned to the concept of democracy itself. It is often believed that a country becomes democratic once it offers its people a free vote. But many elections have led to the emergence of autocratic regimes as the victor abuses power while suppressing freedom of information and news management.

Democracy in any depth requires monitoring the performance of politicians as they succeed, falter or fail. The independence of the newsrooms is the only guarantee that the audience, which is also the electorate, is informed of the progress (or lack of progress) of the Government of the day. Only through impartial news can a channel attain credibility with the audience.

## EDITORIAL PRINCIPLES

Editorial principles are embedded in the two words - fairness and accuracy. Fairness to all relevant political parties is essential if the electorate is to be given a spectrum of views and not merely those of the Government. Fairness in interviewing is more complex. A hostile interview with one politician should be balanced by the same degree of hostility to the other parties although this balance can be achieved over a defined period of time but not necessarily in the same programme.

Accuracy in story-telling requires more than relaying a Government or commercial press release. Checking the facts and asking oneself how much is being withheld by Government Information and PR officials is an absolute necessity. It is all part of a cat-and-mouse game between journalists and public relations people who are paid to put a gloss on the activities of their employers. The old saying “opinions are free but facts are sacred” still holds, which is why all news programmes should be concerned with facts while the more difficult craft of analysis should be delegated to the more experienced political correspondents. There is a fine line between analysis and comment which should be left to the commercial newspaper industry. The power of the limited number of broadcast channels is too great to allow for comment in democratic newsrooms, unless balanced by a variety of representative opinions.

## THE ETHICS OF JOURNALISM

All broadcasters need guidance and they should be available to all journalists in written form as a code of ethics. The largest and most successful public broadcasters publish guidelines for their own editorial teams. All published codes have in common guidance on:

- editorial rules during election periods
- requirements on accuracy, fairness and impartiality
- portrayal of violence
- conflict of interest
- conducting interviews
- crime reporting
- secret cameras
- privacy of the individual

Guidelines can be changed very much more quickly than law. This flexibility allows for a change in the rules with the evolution of each and every individual society. What must not change are the editorial principles which underpin the work of every independent newsroom in every truly democratic country.

Those editorial principles are well laid out in “the CBA Editorial Guidelines” edited by Mary Raine for the Commonwealth Broadcasting Association (2004). See also compliance and broadcasting ethics in Chapter IV- Managing Programmes

Senior executives can expect pressures to come in different forms, and need to liaise closely with the news managers as they confront the following concerns.

## 1. COMPETITION

As the digital revolution brings a multiplication of news programmes, the competition for audiences intensifies, and this in turn impacts on the size of the advertising revenue in the vast majority of the developing world’s broadcasters who depend on it. Radio news on the hour every hour of the day is becoming common currency as listeners expect to be kept up to date with daily events on both a global and local scale. 24 hour TV News channels will also be the norm in the future.

Nevertheless, competition has created better news services in almost every country where the state broadcasting mono[poly] has been broken. The scale of the improvement varies from country to country. On the other hand, where too many licences are handed out and there is too much competition for the limited advertising income, the quality of the services decline.

## 2. MULTI-SKILLING

There is pressure on journalists to be multi-skilled, often in a bi-media newsroom. Video journalism is being taught in countries where reporters are now being expected to record and edit their own interviews without help from a technical person. For the sake of maintaining visual standards, however, many believe there should still be room for one technician on location to handle camera and sound while the reporter concentrates on the story-line, particularly where bi-media work is

required. Bi-media reporting should be encouraged as part of an integrated newsroom where organisations have few experienced journalists in order to eradicate all the attendant waste and duplication of separate radio and TV newsrooms.

In the long run, however, it is inevitable that one man video reporting will be embraced everywhere as part of the rationalisation process now in full swing in the most modern newsrooms. In the end the financial pressures to contain costs and increase productivity will force managements to cut out technical craft jobs.

### 3. WEB JOURNALISM

It would be logical to follow up the newsroom mergers with the development of news on the web. Large organisations have the capacity to retrain some personnel to work only on their websites but smaller newsrooms now expect journalists to work on web stories as soon as they have filed their TV or radio items. In both cases, such an expansion of the newer medium involves a demand for increased productivity from existing staff rather than an increase in staffing numbers. No senior managers can ignore the growth of web news viewers. They are of a younger, wealthier generation who are well-educated and have every expectation of looking for their news on a range of converging technology, including mobile phones, already well-established in the richer nations.

### 4. CREDIBILITY

In the developing world, the most difficult pressures to contend with are those from Governments, political parties, local authorities and commerce. Unfortunately, in too many countries, the broadcaster's pay is so low that the temptation to take money for carrying a particular story is too great to refuse. This undermines the credibility not merely of the news programmes but the channel as a whole. The reputation of a news programme can take years to build and yet come crashing down

given just a few critical mistakes. The audience will eventually find the news it finds credible by switching channels or even through word of mouth. Too many State broadcasters and the Governments which control them often assume the audience continues to believe biased news bulletins and then wonder why it switches to the competition as soon as the broadcasting monopoly is broken.

The emergence of commercial companies on the other hand can either bring elements of independent news into a country or follow the bad example of the state broadcaster for fear of losing the licence. No news room in the world is free from such pressures. Senior Managers have no option but to confront the problem as best they can but news editors can only do so when they have the backing not only of top executives but also of the Board of Governors.

## 5. SELF-CENSORSHIP

The biggest threat of all in today's evolving environment is that of the growth of self-censorship. It is possible to view a technically well-made news programme without realising what the news managers have decided not to publish. High production values can disguise low editorial principles. Measuring up to this problem requires courage on the part of the journalist and editor when publishing well-researched stories in areas such as corruption.

Moving back the self-imposed boundaries can be achieved one step at a time, since there is little point in being so radical that the company is closed down or the individual loses his/her job. Yet it is only through challenging authority that the necessary progress in democratic journalism can be made. The history of journalism is steeped in stories of brave broadcasters who have broken the mould publishing their stories and then refusing to disclose the sources of their information.

## 6. CENTRALISATION

There tends to be a concentration of journalists in the capital cities and not enough stories from the regions and localities. Managers should remember that ‘news is where the reporter is’ and ensure a fair distribution of journalism from all the larger areas of population while keeping a close eye on the more sparse rural areas. It is inevitable that most journalists prefer to be in the political centres of their country but life outside the capital is often more real, particularly when it comes to the genuine human story.

## 7. COMPUTER DEPENDENCE

There are several other dangers facing even modern newsrooms. New technology can create journalistic inertia. People become so dependent on information gleaned from their computers they forget that it will only reproduce that which is fed into it. This is fine for global news material, but national and local programmes must depend on the old fashioned technology of the telephone for new stories, research, and above all for checking the facts.

## 8. REACTIVE JOURNALISM

Journalists should be proactive and not merely reactive. Too many news programmes concentrate on repeating the latest government press release. A long address from the Health Minister should signal the possibility of the need to check the Government’s facts. Are the hospitals as good as the ruling party claims? What do the patients think? In countries where the broadcaster has to carry the politician’s speech, it is often possible to check the facts visually by sending a camera into the hospital. This should replace the boring nature of so many news programmes with the camera showing the traditional array of grey-suited men sitting around the conference table – “moving wallpaper”. In such situations little attempt is made to research the background or give the coverage with visual material or set up interviews with independent experts.

## 9. INTERVIEWS

Modern news programmes are based on a combination of the ‘written for speaking’ script and searching interviews. There should be no place for allowing officialdom to have its say without challenging questions on behalf of the audience. Journalists’ fear of politicians is still widespread but in countries which call themselves democratic, development can only be achieved by challenging authority on behalf of the audience.

## 10. SPECIALIST CORRESPONDENTS

Managers should develop specialist skills in the newsroom wherever possible. Selected journalists should be assigned to a single portfolio in politics, business, education, health or other specialist subjects in order that the background of each sector is known to the newsroom in anticipation of a relevant story breaking without warning. Newsrooms should have enough knowledge for the expansion of the bigger story into a special investigation.

## 11. SPINNING THE STORY

Some state broadcasters expect to promote the propaganda of their political masters. More problematic for journalists in commercial stations and the public broadcasting sector is the development of the new black art of the spin-doctor. This is where the democratic politician’s agent or aide offers the “off the record” interview to journalists who are led to believe they have an exclusive story. It is a subtle and devious attempt to promote a particular political agenda in disguise which pre-empts the traditional and more transparent news conference, briefing or formal parliamentary pronouncement.

## 12. SOUND-BITES

The widely-practised method of transmitting ten seconds of ‘sound-bites’ as signalled by the speaker can at times allow control to the

politician who understands the power of the oft-repeated short message. At other times the sound-bite can be taken out of context from the body of the speech or interview. In the hands of an inexperienced journalist this often leads to an oversimplification of a complex issue.

### 13. TRAINING

Considerably more training of journalists takes place than any other sector of the broadcasting industry but it is still not enough to cope with the expansion in the number of broadcasters all over the world or the turnover of staff. Even experienced journalists require refresher courses to cope with new developments in technology. Unfortunately, few organisations have a training budget, a situation which undermines the potential for professionalism. The many skills which require training are best summed up in the Thomson Foundation's journalism courses led by Controller of Broadcasting Ian Masters viz:

- News gathering, selection, research, and writing
- Working with microphones and cameras. Interview and presentation techniques
- Structuring items and programmes
- Video and sound tape editing
- The roles of the producer, the editor and the reporter
- Team management.
- Issues of morality, conscience, law and responsibility facing the broadcaster

All the above points should be the general concerns of senior management while news managers are expected to act on them.

### PART II - THE PERSPECTIVE OF THE NEWS MANAGER

*Russell Lyne, currently a consultant for the Thomson Foundation, has managed Radio newsrooms for the BBC and a TV newsroom for HTV, part of the UK's commercial TV Network. He has many years'*

*experience of restructuring newsrooms and training journalists all over the developing world. He offers this insider's view of managing a newsroom.*

## I. NEWS WITHIN A TV STATION

*News is the station's flagship programme. It is the shop window, the one output on which your audience will judge your whole station. It is the one programme that happens every day at the same time, and once it has become established, viewers will set their watches by it and run their lives around it. Every day your reporters and presenters will be in the homes of your viewers, providing them with news, opinion and information. If you get the news right, the station as a whole stands an excellent chance of being successful. Your presenters will become familiar faces and your audience will expect your output to be factual, accurate and opinion forming.*

## II. MANAGEMENT WITHIN THE NEWSROOM

*The newsroom manager has to be the ultimate media professional – he/she has to satisfy the needs of the station while creating a working environment for his/her team to maintain the highest standard of output. That kind of balance calls for a high level of people skills; the successful news manager has to relate to his/her superiors and the operational team within the newsroom – a difficult path to walk. To run a successful news operation, the support, back up and infrastructure must be correct and in place, but the day-to-day operational climate generated by the news manager is THE vital ingredient for long-term success of any information distribution system.*

## III. AIMS AND OBJECTIVES

*The aim of every newsroom is to get the bulletins to air at the right time, for the right duration, and end them on time. But their content must be of high quality – TV news audiences can be ruthless in switching*

*between channels, and the latest audience research shows they will only watch The Best. That means, new true and interesting content, attractively presented in an understandable way. Every newsroom needs its short, medium and long-term aims firmly established. In the daily rush to get to air, it is sometimes easy to fall into the trap of short-term thinking. Aims need to be set for the next 12 months, two years, five years and 10 years, as well as the urgent immediate requirements of tomorrow. Medium or long-term thinking could include an increase in the number of extra regional bases, or the creation of more specialist correspondents. As well as keeping the newsroom on course strategically, this kind of forward planning will help with the financial progress of the department.*

#### IV. STYLE AND POLICY

*Decide what kind of news programmes you are going to produce. You should be compiling a broad mix of news events, news happenings, information and balanced opinion, making sure that the so-called negative bad news is balanced by the more positive good news. Know your audience – know what they expect from you. Make sure that the whole of the newsroom understands the style and philosophy of the bulletins. Once you have decided on the correct formula, stick to it, do not change the programme and its style simply for the sake of change. News is very habit-forming, and once the audience become hooked, they will not want to change, and if there is to be change they will want to be consulted.*

*One method of retaining their interest is to make items more relevant audiences by humanising them. Issues such as economics, culture, health and politics are clearly important to any society, but the affect that those issues have on ordinary people, are of particular importance and relevance to those people. As citizens of the world, the audience are obviously concerned by significant events such as catastrophes or disasters, but it is the stories which affect them and their everyday lives that have the greatest impact on them as viewers.*

## V. WHERE WILL NEWS FIT WITHIN THE STATION SCHEDULE?

*The news programme is part of a carefully thought-out schedule of programming which hopefully will inform and entertain the audience. You are providing the information section of the schedule, so do not think in “news isolation” your programme has to follow the same style as the remainder of the whole output. Know your audience and remember that the most effective time for your news depends on your audience and their working and living habits. When do they want to watch the news? Before or after their evening meal? Early evening? Or later in the evening. Television is a highly competitive business, and as well as providing a service for the audience, you are hopefully raising your ratings. Scheduling your news between two popular soaps will substantially raise ratings.*

## VI. HOW MANY BULLETINS WILL YOU AIR?

*To a large degree, this depends on the amount of finance, people and resources available to the newsroom. Hourly bulletins of 3 minutes each throughout the day plus at least one 30-minute round-up news programme early evening, will offer viewers an effective news service. But before you expand on that output, concentrate on the quality of the existing programmes, making sure that content is well produced and they are geographically sound - the whole country including remote or rural areas is covered, not just the big cities. News is everywhere and not just where your reporters happen to be based.*

## VII. FINANCIAL PLANNING

*Get the newsroom budget right from the very beginning. Everything must be costed, from the head of news salary down to the messenger who runs tapes and does odd jobs around the newsroom. Plan for the expected and the unexpected news developments - build into the budget additional monies for major accidents, disasters, snap elections etc, and allow for 12 unexpected events a year. Make sure that the budget*

*you seek and eventually achieve is realistic, certainly not too generous, but not so limited that it restricts effective and efficient news coverage. It is vitally important that those who will administer the budget – the senior producers – are made aware by the Head of News of the daily cost of their activities.*

## VIII. TEAMWORK WITHIN THE NEWSROOM

*A large degree of responsibility rests on the shoulders of the news operation because of its corporate importance within the stations, so it is essential that the teamwork ethic is developed and firmly established within the news department. Try and break down traditional barriers between technical and creative staff, and make sure that EVERYONE becomes a programme-maker, not just a journalist, cameraman, video editor or sound technician. Avoid an “us and them” situation at all costs. Encourage personnel to work together to build The Newsroom, the station’s editorial centre of excellence. News managers should preach the philosophy that we are all working together towards one end project – the perfect editorial output. Television is a team game – one man or women cannot achieve perfection, but a balanced team can.*

## IX. PEOPLE

*Make sure the newsroom has the right balance of people. Youthful enthusiasm and experience must be blended together to achieve a successful result. Employers must not fall into the trap of employing ALL young people because they are cheap and can be easily “disposed of” – remember in a television newsroom there is no substitute for experience. Newsrooms do not also need to be filled by “beautiful people” – the necessary requirement is for journalists who know what they are doing, so that they can help to channel the energy and enthusiasm of younger members of staff. In front of camera staff should have the “believability factor” - our audience must believe what we are reporting to them. Good strong voices and an on-screen presence are necessary requirements, good looks are an added bonus.*

## X. ACCURACY

*As mentioned earlier, credibility is vitally important to every news organisation. The news service will be judged on its accuracy and its ability to get it right, not just once or occasionally, but every single time. Once it is lost, there is no getting it back. The words “check, double-check and then treble-check” should be written large in every television newsroom and the maxim “if in doubt, leave it out” should become the watchwords of every broadcast journalist. Viewers are becoming ever more sophisticated and discerning, and once we have been proved to have got it wrong, they will not believe us again.*

## XI. THE NEWSROOM STRUCTURE

*A very clear structure needs to be introduced to provide an effective information distribution system for the audience – one which maximises people, finance and resources.*

*A Head of News will be the senior manager responsible for the daily output of the news department and he/she will establish an operational structure which everyone within the news department fully understands. This will be the rulebook, which governs the daily operational activities of the department*

*The Head of News, in consultation with senior executives of the station will decide on the policy and style of the news operation and the number and duration of news bulletins. The newsroom’s daily activities will be built around a dual intake and output system, which will be run by two senior producers responsible to the Head of News.*

**a) The Intake Desk:** *This desk is tasked with gathering all the information, which arrives in the newsroom. Its responsibilities are:*

- *To deal with e-mails*
- *To deal with invites to events*
- *To deal with letters*
- *To deal with phone calls from viewers*

- *To deal with texts/faxes*
- *To liaise with official sources*
- *To monitor radio and TV competitors*
- *To monitor newspapers*
- *To monitor wire services and internet*
- *To forward plan future news items*

*The desk – which can be one journalist or 20 depending on the size of the TV station – compiles a daily list of events and highlights developing stories and presents them to the output department at the first of two daily editorial conferences. Intake desk staff can also assist in research work for individual news items, and can also take charge of crewing and transport arrangements. Their responsibility is to gather information and generally support the output desk, but they play no part in selecting news stories which will be covered and subsequently appear in news bulletin – those decisions are made by output desk producers or editors.*

**b) *The Output Desk:*** *This desk is tasked with distributing the information through a series of news bulletins and programmes. Its responsibilities are:*

- *To select appropriate news items for coverage*
- *To assign reporters and crews to specific tasks*
- *To decide how individual items will be covered*
- *To decide how much time is given to each story*
- *To compile news bulletins*
- *To make appropriate news judgements*
- *To check and re-check accuracy of items*
- *To plan future coverage of items*
- *To deal with complaints from viewers*

*The output desk can be 3 journalists or 30 depending on the size of the TV station. They will receive all the information gathered by the intake operation and make decisions on which events will be covered and which reporters will be used for specific item coverage. They will arrange interviews, shooting and prepare scripts for use on air.*

*The intake/output senior producers meet the Head of News twice a day – at 7.30am and 3.30pm – to share information and take decisions, and all journalists working in the newsroom should be encouraged to contribute ideas for news items for immediate or future coverage.*

*The intake/output system is used universally by TV stations and 24-news channels throughout Western Europe and the United States and is a highly effective method of utilising newsroom staff to maximise the information distribution system.*

**c) *The daily timetable:*** *Each day needs to follow a set pattern of activity depending on the number and duration of news bulletins. But assuming the normal pattern of hourly bulletins and one 30-minute round-up programme, the following system should apply.*

*07.30 – first editorial conference of the day to select news items*

*07.50 – reporters are briefed in detail on story content and duration requirement*

*08.00 – first 3-minute news bulletin of the day*

*08.30 – reporter are given shooting schedules and editing times*

*08.40 – reporters leave for assignments*

*09.00 – second 3-minute bulletin of the day*

*09.00 – production journalists prepare scripts and pictures for bulletins*

*10.00 – updated 3-minute bulletin*

*10.30 – production journalists update scripts*

*11.00 – updated 3-minute bulletin*

*11.30 – production journalists update scripts and pictures*

*12.00 – update 3-minute bulletin*

*12.30 – first crew arrive back and begin editing*

*12.30 – production journalists use their material to update bulletin*

*13.00 – updated 3-minute bulletin*

*13.30 – second crew arrive back and begin editing*

*13.30 – production journalists use their material to update bulletin*

*14.00 – updated 3-minute bulletin*

*14.30 – Output producer writes running order for round-up programme*

*14.30 – third crew arrive back and begin editing*

15.00 – fourth crew arrive back and begin editing  
15.30 – second editorial conference of the day to plan tomorrow shoots  
16.00 – fifth crew begin editing  
17.30 – all editing completed  
18.00 – production journalists complete scripts  
18.30 – output producer views material  
19.00 – 30-minute round-up programme aired  
19.35 – “inquest” on day’s output  
22.00 – final 3-minute bulletin of day re-cut from round-up programme

**d) The Command system:** *The structure needs a command and internal disciplinary system, which again everyone fully understands. Individual journalists can take decisions about the content of their items, but if in any doubt they should refer decisions upwards to their senior producers. Likewise senior producers should refer upwards to their Head of News if they are uncertain about any aspect of a news item.*

*On important matters of editorial policy, which may affect the station as a whole, the Head of News, should refer upwards to the station’s board of governors or board of directors to a final decision.*

*The news department should be a highly disciplined working environment with no room for unprofessional behaviour. The Head of News and his/her two senior producers are responsible for maintaining a high standard of behaviour on a daily basis, but in the highly charged atmosphere of a pressurised newsroom, inappropriate behaviour will happen occasionally.*

*Most internal disputes revolve around personalities – many newsrooms contain large egos – and these are best dealt with informally in conversations outside the powder keg that most newsrooms tend to be. One-to-one discussions between the Head of News and the journalist will normally clear the air, though not always.*

*As a back-up measure, a strong disciplinary structure should be in place to deal with any miscreants – in Western Europe journalists behaving badly or inappropriately receive three official warnings, and then face dismissal. But those responsible should always try and take the sting out of difficult situations and live up to their titles – they are managers and should manage.*

*e) **External communications:** every newsroom needs to build strong relationships with outside organisations it deals with on a very regular basis. Contacts with government, local administrations, emergency services, militia and those in authority all need to be developed and made available to everyone through a database – compiled by the Intake Desk - which includes basic information such as e-mail addresses, mobile numbers, home numbers.*

*Reporters also need to be encouraged to develop their own unofficial contacts who perhaps are confined to them, and whose details are not readily available to others. These unofficial sources can be vitally important in verifying the accuracy of facts which those in authority may seek to blur.*

*As mentioned early in this chapter, reporters should also be encouraged to leave their computer terminals and go and find news. News is all around us, but we will not find it by continuously trawling the Internet. The net is an amazing tool to assist our research, but there is no substitute for meeting and talking to people – that is where the real news really is.*

*f) **Internal communications:** Media professionals like to think that they are the best communicators in the world. Sometimes they are, but not always. Sometimes we can be so busy that we just fail to talk to each other. Poor communication and lack of “knowing what the other person is doing” has led to major problems in newsrooms throughout the world.*

*Daily operations will be governed by the twice-daily editorial meetings, which can also be attended by reporters who are on shift at the time*

*they are happening. These meetings should take no longer than 20 minutes and should be used for their intended purpose – they are information and decision-taking gatherings.*

*They should not be used by anyone to air criticism or for other purposes which do not involve the process of producing a high quality daily output. These issues should be dealt with at regular staff meetings which are important to keep newsroom personnel up-to-date on any changes which may be under consideration.*

*Knowledge is power, and nothing irritates journalists more than discovering something is going to happen, the day or the week before it does happen. Keeping staff fully informed, will keep them satisfied – even if they do not agree with what is being proposed.*

*A newsroom notice board is also important – though managers need to be prepared for it to be defaced by journalistic wits. However ironic humour and creative comment on the board can sometimes prove important in raising morale and giving staff an opportunity to voice criticism.*

*At the end of each day, there should be a brief newsroom meeting on the success or otherwise of the day's bulletins. Issues such as style, content, presentation and audience satisfaction should be dealt with at these "inquests" which should last no longer than 15 minutes.*

**g) Performance:** *The news programmes, how they look, how they are produced, must be continuously assessed. They will always need changing, updating, improving or re-designing, but do not take knee-jerk decisions just for the sake of it. Audiences will not like change for change's sake, and staff will feel uneasy about rapid decisions made seemingly without much thought being given to it. The Head of News should monitor the news programmes on a daily basis to make sure they are improving, and when he/she feels that change is necessary, talk with the staff, talk with the audience and decide whether they really do need changing, or is it just him/her getting tired of the way they look.*

**h) Archive:** *It makes good sense to build and maintain an up-to-date and effective library of pictures. In an hourly bulletin system, archive pictures can be vitally important – sometimes the only source of picture material within the bulletins. Filing pictures takes time, effort and money, but it is an invaluable investment that should be made by every TV station news department. As well as being an important resource for the news department, and archive system is an accurate reflection of the social history and activity of developments within the country or region we are serving.*

**i) Complaints:** *Deal with complaints from viewers quickly, effectively and professionally. If a mistake has been made, accept it, and put it right. Do not try and “forget” the complaint, or pretend it has never been made. However efficient a newsroom is, it will occasionally get things wrong because its staff are human. Acknowledge this and deal with it before the complainant decides to take the issue further. If a staff member needs to be disciplined, then discipline them quickly and effectively and make sure the punishment fits the crime – managers should not over-react and over-punish the offender.*

**j) Motivation:** *Keeping morale high in a pressured atmosphere is a difficult task for managers, and high morale is important if the output is to be of a consistently high standard. Regular group communication plays an important part, as does unofficial individual conversation to expose fears or weaknesses. But the core problems are normally the same in newsrooms throughout the world. They are:*

- *money*
- *power*
- *status*
- *promotion*
- *fame*

*The Head of News must deal with these problems head-on. They cannot be avoided, and newsrooms where managers try and sweep them under the carpet, usually fail in achieving editorial success because of the resulting low morale. Managers should get to know each member of*

*their staff individually; get to know what motivates them, what they want, and what they don't want.*

*The annual assessment system has proved successful in many countries. Using the system, each member of the newsroom staff meets his senior manager for an assessment of his/her performance during the previous year and a general discussion about progress (or lack of it). Here, both sides can raise positive or negative issues during frank consideration of the person's abilities.*

*While being ready to use disciplinary measures when they are necessary, managers should also be ready to reward outstanding contributions to the news output, where bonuses (where possible) or even just the odd encouraging word will help to raise morale.*

*It is worth investing time and effort into departmental and individual motivation. A satisfied newsroom is a successful newsroom.*

# CHAPTER VI - MANAGING PEOPLE

The most important resource in the broadcasting industry is the individual human being. It is a resource not sufficiently appreciated in even the richest and most technically advanced countries. There is a good reason for this. Man-management requires inter-personal skills in which managers at all levels are rarely trained for the job and usually come from having succeeded in a different activity. For example, journalists are promoted to news management because they are good journalists and are expected to be good managers as well. This expectation of the ability to absorb totally different skills is often misplaced which can, and has, had serious negative repercussions on the morale of many institutions.

Broadcasting success comes from good teamwork in which each manager recognises that everybody is different and that the interaction with each and every other individual in the team is also different. The qualities required of individual leaders and managers have been described in Chapter II – “Leaders and Managers”. Broadcasting is a team game in which the manager’s first and most important responsibility is creating the team.

Selecting the team requires the ability to judge people’s potential and it is the appointment process which even the most successful managers often admit to finding problematic. Yet making the wrong appointment can lead to years of organisational weakness.

Several broadcasting companies throughout the world are only now coming to terms with the need for a Human Resources department, particularly the State broadcasters which normally have salaries/wages

paid directly from Government funds. Director-Generals in those organisations often feel that they have little responsibility for the staff since they have no power to change essential conditions of service. But there is much more to consider than the pay cheque.

Many broadcasting organisations in Asia suffer from overstaffing. Too many levels of management. Too many staff to do any particular activity. There is a need for smaller but more productive teams of managers and staff in order to cut costs as well as improve communications and morale throughout the organisation.

There is now a growing recognition of the need to take greater care of the workforce and an appreciation of the importance of people as a primary pillar on which programme-making is based. Today, human resource managers are expected to be technically qualified in personnel administration. Human resource staff exist to advise and support managers at all levels on the employment regulations, the rights and welfare of employees as well as the administrative support necessary for all staff (a later section of this chapter is written by Jeff Dawes, an experienced HR specialist). But they are not expected to be a substitute for management. The responsibility for each team member must rest with the manager of the team.

The steps from birth to death as an employee in an organisation takes the following path:

- recruitment
- training
- continuous assessment
- pay and grading
- promotion and reward
- discipline
- redundancy/retrenchment
- retirement, including medical retirement

## 1. RECRUITMENT

Recruitment takes two very different forms – the selection of staff and freelance employees. Staff members are usually appointed in open competition either through internal and often external advertisements on-air or in the press. Applicants should be provided with a detailed job description and terms of employment. Formal interviews are organised for the handful of candidates who are short-listed and appointments boards of 3 or 4 people, including the successful candidate's future line manager, conduct the interview. Additional intelligence tests such as verbal analysis are increasingly used to avoid an over reliance on the simple interview. It is important that an equal opportunities policy be in place to prevent bias against women and minorities in appointments.

Freelance employees are paid for a particular project, sometimes by the day or on short-term contracts varying from a day to a year. Most TV and Radio presenters are freelance, as are many writers, graphic artists and other creative people. A TV presenter may be found through auditions or by transfer from radio or from having served apprenticeship on short broadcast items. If they win an audience they can survive for decades. Equally they may lose their new status within months. It is usual to reward freelancers for the insecurity of their situation and top presenters can earn much more money than staff, who benefit from security of tenure and pension rights. Freelancers are usually hired directly by production managers, not by human resource units. The newer breed of independent production companies are also commissioned directly by the relevant editors on a project by project basis.

Finding creative talent is the most difficult of all areas (as discussed in 'Managing Programmes – Chapter IV). It is the responsibility of heads of production and their individual producers to look out for the writers, actors, singers, presenters and giving them the opportunity through auditions as well as scouring the relevant colleges, theatres or night-clubs for the next media star.

## 2. TRAINING

Following recruitment, the contract offered to a staff person normally includes clauses referring to a 6-month probation period, followed by a full staff position supplemented by pension rights. The biggest problem at this stage is the lack of training provided for the new recruit, a perennial weakness in most broadcasting organisations. The most one can hope for is that new arrivals are allowed to observe the best practitioners in their unit before absorbing bad habits from the start. Training should, however, be regarded as essential at every level of a person's progress throughout the career. Refresher courses are also required to provide staff with the latest developments in each area. This is particularly important with the pace of change in new technology.

The more sophisticated organisations have their own in-house training departments, supplemented by freelance trainers where the in-house staff do not have the necessary knowledge. Professional training and consultancy agencies exist to help out broadcasters who have little or no access to in-house training and scholarships are on offer to journalists and other broadcasters in the richer countries of the world.

Funding for training is more easily available for journalism than any other branch of the industry because the impetus to teach democratic journalism is much in demand and recognised by the international funding agencies. This is dealt with in greater detail in Chapter V - "Managing the News". In recent years, management training has been recognised as a major weakness throughout the world and has overtaken technical training in funders' priorities. Unfortunately, little training is on offer to the general production units – the producers, directors, researchers, scriptwriters or the myriad of other skills necessary for the future of the industry. It is now widely regarded as the responsibility of the broadcasters themselves and too few accept that responsibility. The lack of investment in training is a false economy. Increased productivity and better quality programmes result directly from such a move.

### 3. CONTINUOUS ASSESSMENT

Following recruitment there is a need for the continuous assessment of each individual member of staff. It is a sad truth that many broadcasters do not even have a personal file to their name, and in an ever-changing environment in which managers come and go, there is nothing to advise new managers on the worth of their team members. Continuous assessment takes different forms. A well-worn method is one in which each person has an annual report on the year's progress – or lack of it – and is then interviewed by his superiors with a view to relevant praise or criticism. A more modern method now being used is one in which the manager sits down with his/her team collectively and then individually, setting annual targets for both. Such methods can be useful for people inexperienced in post, less so for people who have been doing the same job for many years.

An example of setting targets for the individual journalist could be:

- producing 6 original stories in the year
- improving IT skills
- developing a knowledge of sport

The following year's review would examine how well those targets have been achieved and what new targets should be set. Working on the basis of this continuous assessment makes it easier to analyse the individual's potential for promotion or reward. Some managements also organise exit interviews for departing staff on the assumption that the comments will be more revealing of the true state of the organisation.

### 4. SALARIES

Pay and salaries are naturally of vital interest to everybody. In a small organisation, pay has to be personally approved by the Board Chairman or Chief Executive, in which case the main considerations are pay relativities, inflation and the ability of the company to reward the increases.

Pay relativities involve the simple principle that each level of responsibility should be rewarded differently, however small the difference. Managers should normally expect to earn more than other members of the unit as a reward for taking responsibility for the team and its output. Top managers should expect the highest pay for taking the responsibility for the success of the whole station. Skilled jobs should earn more than unskilled. Freelance presenters are paid on a more individualistic basis with market forces dictating elements of the contracts for top presenters.

Difficulties occur when managers find they are being paid less than one of their team members or where pay relativities are not synchronised. This can happen when a star producer of 20 years' standing earns more than a new manager with only 10 years' experience of the organisation. Such a problem can create a difficulty for senior management and requires delicate handling and genuine discussion with an outcome dependent on the exact circumstances of the situation. Large groupings of particular categories of workers often have their pay negotiated by trade unions and it should be the right of every individual to be represented by the relevant craft or general union official.

In a small company, pay can become a personal issue in which the top manager gets challenged by those who feel they are underpaid. In a larger, more anonymous organisations, grading systems ease the situation.

## 5. GRADING SYSTEMS

In a large organisation, a different formal structure is required. A full grading system is necessary so that each category of worker is assigned a pay grade and each individual assigned a particular point on the grade.

If a grade has five pay steps, a new recruit would be expected to start that particular job at the bottom and rise to the top of the grade in varied steps, depending on progress, for five or less years before reaching the top of the grade.

When a person is promoted, he/she joins a higher grade and starts again. If there is no prospect of promotion, however, there should be a system in place to reward people for an outstanding piece of work, perhaps a one-off bonus payment for continuing excellence or a permanent uplift in salary of, say, 3% or 5%. Such increases are needed to motivate staff to maintain high standards but should not be allowed to upset pay relativities for the organisation as a whole. A cap can easily be placed on permanent bonus uplifts at 10% or 20% at the top of the normal grade depending on the monies available to the company. Particular recognition should be given to the most creative producers, writers or other artists since it is creativity which produces the best programmes.

## 6. DISCIPLINE

At the other end of the spectrum, managers often have difficulty in confronting disciplinary situations. People who have problems which affects their work adversely are very common. It can be a temporary phenomenon relating to family sickness or divorce, in which case sympathy, support and encouragement is required. Worse, it can be a permanent problem relating to incompetence, laziness, drugs or drink. Broadcasters in many countries complain that they are unable to sack people because national labour laws forbid it for social reasons or to avoid unemployment. A situation in which hard workers realise they are earning the same pay as the lazy person in the next office is bad for the morale of the whole organisation. But there are a varying degrees of disciplinary methods available to managers within the law if they have the courage to act on them.

The first is a warning at the first appropriate moment, possibly at an annual assessment. If there is no improvement by the following year a final warning could be issued together with a freeze on the individual's pay. By the third annual assessment it should be possible to instruct a transfer to a less responsible post earning less pay. It is in situations like these that managers are tested for their ability to confront difficult situations for the good of the organisation instead of hiding behind the

law of the land. By acting firmly but fairly they will earn the respect of their colleagues. It is too easy do nothing. Managers are not there to be loved. They are there to help the company make the most effective use of the available resources.

## 7. REDUNDANCY

Large well established broadcasters all face the requirement to cut staffing levels from time to time. The reasons vary. Overstaffing is one of the biggest problems in the region. Financial constraints appear with the ups and downs of the advertising cycle. In recent years the development of new technology has made many traditional craft jobs redundant. Outsourcing is becoming a more prominent feature of rationalisation in the industry. It is all part of the management of change.

There is a need for redundancy or retrenchment as part of managing change as well as for the sake of economic transformation. Redundancy costs are part of the price of change since large numbers of employees losing their jobs through no fault of their own deserve compensation within the affordability of the organisation or through Government funding.

One example of that compensation is paying redundant workers a minimum of one week per year of service as well as offering retraining opportunities. Government Ministers should be appraised of the advantages of redundancy situations which, although inevitably a source of considerable worry to the victims of change, can help to regenerate the economy in the long run. Without change management, there can be no economic evolution. The truth is that state broadcasters in particular have suffered from too many staff and too little pay. Much better would be to pay the remaining staff more with part of the redundancy savings. It would help morale of those remaining in work and lead to a greater motivation and commitment to the industry. There would also be less need for badly paid staff to take on second jobs.

## 8. RETIREMENT

People who give good service should expect retirement pensions scaled to match the number of years in service and their final salaries unless they have private pension schemes.

The pensions on offer are usually paid for mainly by the employer with employees also contributing. Since the whole world is now beginning to wake up to the fact that pensions are an expensive item as the average life-span gets ever longer, the broadcasting industry faces a difficult dilemma. On the one hand, people are expected to work longer into old age in the future. On the other hand it is necessary to phase out the creative production staff before 'burn-out'. This is best achieved by transferring them to less creative administrative posts in the autumn of their days.

## 9. SICKNESS AND DISABILITIES

Medical retirement is a problem that has to be confronted when younger people are diagnosed with a chronic illness which forbids them from working. That retirement could be postponed for years if lighter office work is given to disabled people.

However, in many countries the disabled are often ignored despite the fact that people who are blind or wheelchair bound have proved their capabilities in a variety of managerial positions and need to be given every possible opportunity to flourish.

## 10. EQUAL OPPORTUNITIES

Finally, there are the two other categories of people who are sometimes starved of equal opportunities – women and ethnic minorities. Women are winning the battle for equal opportunities slowly and surely but the war is not yet over for equal pay in the labour market. Yet it is no accident that women now hold some of the top jobs in the world's largest commercial companies.

More difficult to conquer is the suspicion of in-bred racism and a dislike of ethnic minorities. Senior managers could impose minimum quotas for minorities when making appointments, ensuring that the quotas are not only roughly related to the size of the ethnic population but are appointed to posts according to their ability and qualifications.

## THE PERSPECTIVE OF THE HUMAN RESOURCES MANAGER

*Jeff Dawes is a former Head of Human Resources in the BBC with experience of advising on reform of personnel issues in the developing world. Here he offers the perspective of the technically qualified manager as an adviser to senior management.*

- 1. State-owned broadcasters, particularly in the former soviet bloc and the developing world, generally face significant if not increasing competition from International satellites, the Internet and also quite often more agile independent stations and a relatively free press. They usually share a number of characteristics, relating to how they employ and organise their employees that are unsuited to modern media organisations and which limit their ability to adapt to change, maintain audience levels and/or editorial credibility.*
- 2. Costs of production tend to be high, due to overstaffing and inflexible employment policies. There are usually too many levels of management—often politicised and consequently, extended reporting lines and highly centralised decision-making. Recruitment procedures typically adopt methods applicable to the wider civil service--often based on academic achievement, rather than using broadcasting competencies. Promotion may depend largely on seniority rather than merit. Pay rates may be uncompetitive and career paths inflexible, which tend to limit capacity to attract and retain talent.*
- 3. Media organisations, including the BBC, usually operate much flatter structures with only 3 or 4 key benchmark levels e.g. Researchers/ Assistant Producers, Producers/Journalists, Editors and*

*Departmental Managers. Within the benchmarks there may be subdivisions such as Senior Producers or Managing Editors, but the framework of the structure remains. This has the advantage of clarity of roles, better team working and quicker decision-making. Career development is by competition not seniority.*

4. *The reform of Management and Editorial structures—reducing the numbers of layers wherever possible, to provide editors and line managers with full devolved control of budgets and decision making should be based on the following guiding principles:*

- *Establish clear editorial responsibilities at each level*
- *Adopt cost-effective structures and flexible working methods more attuned to a media organisation.*
- *Change the station culture to become more innovative and respond better to changing markets and audience needs.*
- *Ensure that staffing levels are aligned to the needs of the output.*
- *‘Cascade’ objectives across and down the organisation to encourage the delivery of high quality programmes.*
- *Introduce local terms and conditions of service attuned to broadcasting work patterns aimed at properly rewarding and motivating staff.*
- *Attract and retain talent by being more competitive in the labour market.*
- *Offer better career prospects, especially to the more able.*
- *Improve overall performance and value for money through the introduction of transparent programme costing.*

*Full modernisation, which would involve becoming independent of direct Government control, may have many long-term advantages for the broadcasters and even the governments concerned. However, change of status it is likely to be controversial and therefore require a significant timescale, assuming it is politically acceptable. For as long as Radio & TV stations remain part of the State apparatus there can be only limited freedom of action. The staff remain Government employees and will retain their contractual arrangements and conditions of employment. However, given these limitations much can be done*

*internally in the short to medium term to modernise structures and management capability to enable them to become more competitive and to equip them better for possible change of status.*

## 5. A PROGRAMME OF SHORT TO MEDIUM TERM CHANGE

*Based on an actual project involving a state broadcaster, the following strategies are recommended in the short to medium term:*

- *Introduce organisational structures for TV and Radio (Online may also be integrated) based on functional work groupings and clear reporting lines using as few discrete levels as is practicable.*
- *Identify groupings of staff that may be on several different pay grades but who perform essentially the same core functions e.g. Producing, Editing and Managing to develop a grading structure matched to the organisational structure.*
- *Amalgamate these grade groups into a single pay progression with a single local designation e.g. Broadcast Journalist or Editor. Use these as 'benchmarks' to design new simplified grading structures. This usually reduces the number of discrete pay levels in the station as a whole considerably.*
- *The pay band for each group would then become the floor of the lowest scale in the group up to and including the roof of the highest.*
- *Develop job descriptions for each of the new job groupings based on competencies and use these as a basis for recruitment, promotion and appraisal.*
- *Using the agreed job descriptions, evaluate each job grouping using a recognized methodology such as the international job evaluation system (HAY) to determine whether functional and reporting relationships are appropriate. This process can also be used to determine grading changes and pay rates and to diagnose misalignments if necessary.*
- *Deploy staff flexibly to any job within their grouping; providing training as necessary.*
- *Determine staffing levels required for each grouping using analysis of work patterns and reduce or increase numbers accordingly to*

*eliminate shortages or excessive presenteeism – the opposite of absenteeism. This would also be a key element in costing programme budgets.*

- *Introduce appraisal based on ‘SMART’ objectives and train managers and appraises in operating the system. Staff should progress through their new scales according to performance in meeting objectives rather than using fixed incremental points. ‘SMART’ stands for Strategic Measurable Achievable Timed Resources*
- *Apart from any across the board ‘cost of living’ type raises, individual pay increases should not be automatic and managers should be able to award greater increases to the more able who achieve highly against their objectives.*
- *Recruitment should be based on broadcasting aptitude or competencies and where necessary qualified HR staff should be appointed to the station to handle it. As far as practicable, recruitment on the open market should take place at all levels not just to more junior ‘entry’ grades, which is often the case.*
- *Line managers should play an integral role in recruiting their staff and a programme of training should be introduced on an on-going basis to equip them with the necessary expertise and skills.*
- *Internal promotion should be competitive rather than time-based and selection processes should include a significant degree of competition from the open market.*
- *Salary levels should be market-tested continually to ensure that they remain competitive.*
- *Introduce service level agreements between the programme-making ‘clients’ and the service providers such as Engineering and non-output departments. These would clearly set out what was expected of both parties and would be an important element in improving efficiency and effectiveness.*
- *Fully devolved and costed programme budgets should be introduced. Service level agreements should be based on internal charging. Some services e.g. transmitters or facilities and maintenance might be contracted out or provided by external service companies.*

# CHAPTER VII - MANAGING FINANCE

There is never any need to persuade people of the importance of finance as a key element in any industry. Everybody is interested in making money, fewer know how to spend it wisely. Countless seminars exist on how to maximise income streams, not so many on how to make the most effective use of existing resources, all of which - human or technical – can be evaluated in financial terms.

## THE FINANCE DIRECTOR

Every Chief Executive needs a Director of Finance, a qualified accountant, as a primary support for the whole operation. As the senior manager reporting on finance to the Board and the Executive, he/she needs knowledge of:

- total income from all sources, including licence fee, advertising and sponsorship, government funding, programme sales and television rights
- total expenditure on all capital and revenue items.

Financial reports should be prepared for the Board of Governors and Management on a monthly, quarterly and annual basis and the Annual Accounts audited externally. In order to achieve transparency in accounting, the Director of Finance should have a strong support team.

These macroeconomic reports are necessary for senior managers to understand how and where the monies are being spent, if they are overspent or underspent, and give rise to deliberations on how to change course financially when necessary both in the short and long run.

## CENTRALISED FINANCIAL CONTROL

In an ideal scenario, the Director of Finance should even have overall financial control of the advertising and marketing department since it is always better to ensure there is only one source ultimately responsible for all revenue and expenditure. Too many broadcast organisations have suffered from a lack of transparency having allowed certain departments to become, in fact, if not in law, subsidiaries outside the direct control of senior Management. This can and has led to corruption to varying degrees in many countries. For example, news items have been sold to commercial interests, a practice that totally undermines the credibility of the whole organisation. Sponsorship monies have been kept by programme managers with a resulting lack of financial control from the top. Channel Controllers are sometimes known to sell programme air-time during peak viewing hours. In these situations, there is always room for corruption which can only be limited by a strong and trusted Finance Department. Although modern management textbooks encourage companies to look at control methods other than this traditional ‘cascade’ system on which this book is based, such as the creation of “hub and spokes’ method of semi-independent business units, none can offer the financially secure system of central control. The Finance Unit alone should be held accountable to Management and the Board. However, one excellent method of getting the Finance Unit nearer the production areas is to give key departments a Finance Officer, who reports back to the Director of Finance.

## ADVERTISING

Management should encourage the creation of specialist units in advertising and marketing as a critically important part of the Finance Unit. Such in-house units can be supplemented by freelance advertising sales people on commission and/or the outsourcing of the work to established commercial agencies or a combination of all these factors. The life blood of most revenue in the industry is derived from advertising income. Media advertising is a major industry in its own right with the major players amongst the most profitable companies in the world.

Developing countries are in various stages of growth in the advertising market and those with the largest populations, China and India, are rapidly catching up with the established markets in Japan and South Korea. However, there is limited knowledge of developing up-market channels containing more serious programming for the older, wealthier sections of the population or the advertising potential of channels for the younger singles market.

## SPONSORSHIP

Programmes often benefit from sponsorship. Commercial sponsors queue up for the world's greatest sporting events. Even smaller football matches attract financial support in most countries, the scale of which is naturally dependent on the state of the economy. Cultural events likewise attract sponsorship, particularly from firms which wish to associate their high class products with a 'special' event or a particularly prestigious drama or documentary series. It boosts the image of the commercial product and is not necessarily associated with the highest audience figures. An elite event appeals to the prestige product. The event or series also benefits from the potential for sponsorship and the proposed budget can vary according to whether the event actually does attract sponsorship. The bigger the event, the better the programme, the more the chance of attracting further finance from a commercial company as part of its public relations image. It also involves a substantial risk of heavy investment in such events without any return from sponsors in a highly competitive market.

## THE PERSPECTIVE OF A COMMERCIAL BROADCAST MANAGER

*Michael Betton is the General Manager of a group of commercial radio stations in the UK - the Lincs FM Group and as such is responsible for the activities of his advertising department. These are the key points he looks for as a Senior Manager.*

*The Lincs FM Group operates eight radio stations in the United Kingdom. About 40% of its commercial revenue is booked through a national sales house. The balance is booked by the radio station. Almost every national client has an advertising agency through which it books its business. The radio station receives significantly less than the client pays with advertising agencies typically retaining 15% of what the clients has decided to spend. The national sales house retains between 15 and 20% of this already discounted figure as its fee for representing our stations at a national level.*

*This means that the radio station is often receiving less than 70% than the clients is spending. In addition to this in the UK commercial radio stations will typically pay a further 10% of this discounted sum as music royalties.*

*A group such as ours is happy to pay these significant commissions not only because we believe the price to be cost effective but also because without joint representation of a number of smaller groups then our national sales house would not represent a significant enough audience to compete with larger media operations. In UK commercial radio, most of the large radio groups operate their own national sales house on a sovereign basis, allowing them to hold the 15 to 20% commission that they would otherwise pay, but obviously carrying the cost.*

*At a local level most of our clients deal directly with us, although there are some areas of the UK with a well developed history of local advertising agencies. We prefer to deal directly with clients at a local level because we have the infrastructure to do this, something that we do not have at a national level. However if a client has a local advertising agency then we will work with them. As we allow local agencies to buy from us at 15% below the rate at which we would sell directly to the client, this reduces our income. Whilst at the national level the sales house and advertising agency save us time, the expertise of local agencies buying radio is often limited and we end up having to complete a similar amount of work that we would have done dealing with the client directly. There is also a danger that agencies pass some*

*of the discount back to the client, making it cheaper to buy through an agency rather than directly!*

*Trends in broadcast revenue are heavily influenced by the overall economic trend, often following the same pattern but moving some months ahead of the economy as a whole. Advertising budgets from local clients are some of the easiest to cut as they rarely have an immediate effect. Businesses that are highly dependent on cash flow have a tendency to move out of the market at early signs of difficulty. At the other end of the cycle, when a recovery is anticipated rather than actually occurring the more confident business tries to steal a march on the rest of its competitors by returning to the advertising market.*

*Sometimes at difficult points in the economic cycle, the well established business and those with more courage and insight will advertise to improve their market share even if the overall market is in decline. It is surprising how many restaurants advertise at festival times when they are likely to be full anyway but see no point in advertising the quieter days of an average week!*

*Local spot rates change little with the economic cycle although they do vary with audience performance, so the more listened to breakfast period costs the most. Clients can gain discounts for volume and time commitments. At a national level the spot rates vary according to the advertising agencies perception of the market and availability. Most radio stations control the amount of advertising they carry per hour and spot rates increase when availability falls.*

*In a typical UK commercial radio station variable costs will be between 15 and 20% of the income received. Variable costs include commissions, revenue related royalties and regulatory fees. The rest of the costs of running a station are fixed and don't change in good or bad revenue periods. This provides particular challenges, as during a loss making phase any fixed cost savings are likely to affect the audience performance and as result reduce potential revenue performance.*

*When profits flow it can be difficult to resist allowing fixed costs to increase, to take on, for example, more programming staff that then become difficult to reduce when revenue falls back.*

*New operators are well advised to be pessimistic about their revenue generation and only allow increases in fixed costs to rise when the revenue levels justify the increase over a sustained period. Reducing costs in a downturn will often result in reducing staffing numbers, with redundancy payments making the situation initially worse rather than better. If expansion is planned on the basis of relatively short term trends then freelance or short term contract working should be considered even if the unit cost is more as it is easier to cut back and less likely to affect the morale of staff.*

*Pursuing maximum profit in the short term can often be at the expense of long term sustainable profit. When the allocated advertising minutage has been sold it is tempting to satisfy continuing demand by increasing the allocation to the benefit of short term profit. In the longer term increasing advertising minutage is likely to reduce audience and spot rates so that the improvement in profitability is short lived, and may even lead to a profit decline as the station will find it difficult to sustain the same revenue levels that it had originally achieved.*

*The most popular programming may not be the most profitable in the long run. Programming that is slightly less popular but is more difficult to imitate is likely to produce more durable revenue streams. Local stations that concentrate on local news and information will always have a role when their competition is national or regional.*

*At certain times particular categories of advertiser may be prepared to pay a premium for their advertising, but if this pushes out the year round advertiser the benefit of the premium will quickly disappear.*

*Managers should concentrate on sustainable audiences and sustainable revenue, where possible making both the programming and the advertising opportunity difficult to imitate.*

## MANAGING RESOURCES THROUGH FINANCE

It is not enough for senior management to be briefed on the overall financial state of the organisation.

Managing finance requires total costing exercises in order that managers understand what they have under their control and as a basic tool for strategic decision-taking. Total costs include all assets of the organisation which require financial expenditure - buildings, technical resources, office space, heating, lighting, studios, salaries of all staff and all direct production costs. All these elements have to be considered in detail when the senior management team prepares the all-important long term Strategic Plan.

The ideal scenario is one in which the Chief Executive of the company has that total sum of money allocated to programmes and programme-related expenditure, including the relevant staff and technical resources. The already quoted example of Channel 4 UK illustrates the point (see chapter II – Broadcasting Environment). All programmes are outsourced through commissioning editors who pay for all costs except for the percentage of finance required for the building, the control centre as well as the central administration and commissioning departments.

This situation being the exception rather than the norm, most companies inherit an ongoing concern with a range of expensive capital and revenue items, as well as direct programme expenditure which are a low proportion of the total organisational costs. In old established companies, particularly with state broadcasters, buildings and offices are badly in need of repair. Large out-dated studios are costly to maintain but they and the land on which they are sited are owned by Governments which even retain the advertising income derived from the programme schedule. In turn, the governments pays the staff salaries, which prevents managers from controlling much more than direct programme costs. No budget lines are available for training and new technology is usually dependent on donor aid. Management has therefore no power or incentive to change the direction of the company. It is a problem which

can only be solved by a dialogue with Governments to persuade them that they are not using their own resources to best effect. As one leading Asian broadcaster has said “broadcasting is not just an agent to employ people”. Unfortunately, overstaffing is sometimes used to disguise unemployment.

Even in areas where top management have control, most companies in the developing world do not have a total programme costing system in place and senior executives in such situations do not know if the staff or studios are being used effectively. A cursory glance at the weekly schedule of most studios is enough to establish how little use is made of them and yet modern studios are costly capital items which, if unused, are a waste of resources. The money spent on them could be converted into paying better salaries or enriching the programme budgets or buying more computers if the Director General controlled the total operating income and expenditure of his organisation.

## TOTAL PROGRAMME COSTINGS

The Finance Unit needs to help production teams work out the total costs of each programme or series. The individual producer or organiser as manager of the production team is required to provide the costs of his/her own programmes but in order to do so needs a ‘rate-card’ provided by the Finance Unit to work out the budget. If the producer wants to use a studio for 4 hours, certain costs apply to the studio as a technical facility as well as the costs of the staff to drive the studio. These are provided by the Finance Unit as standard per hour rates for both studio and staff.

The exercise is repeated for every item used in the TV programme budget (see page 50) for a British in-house production of 30 minutes and detailing the cost of every facility. The first column refers to the number of programmes. The second documents the number of hours required for each stage of the production. The third column gives a per-hour cost to each item of facility or member of staff. The last column

gives the total cost of each item, giving a grand total of £10,927 for that particular programme. The cost of the studio at £190 per hour is calculated using Finance Unit estimates of depreciation and average studio usage. The cost of the staff is easier to determine, based on average earnings for each category of staff. The most interesting point relates to the last item – overheads – which includes the allocated costs of staff not directly associated with the production, for example personnel and finance staff as well as office space. This particular estimate of 20% gives producers a good guide, if not an accurate measurement, of what their productions are costing in organisational support – and it also gives programme people a greater feeling of responsibility for what they are actually spending on behalf of their employers.

Total programme costs not only provide invaluable information to senior managers. It is equally important that each production department knows what it is spending on its various programmes. In the example provided, one way of reducing the programme cost would be to cut out the satellite dish and record the programme instead. If the programme is partially recorded on location why is it necessary to have 4 hours in studio? Programme managers at all levels need to be aware of effective ways of cutting costs without reducing quality by asking relevant questions and allowing producers to justify their expenditure. The costs in the above example will seem very high to many poorer countries but does reflect the expensive cost of living in Western Europe.

## LONG TERM STRATEGIC PLANNING

The total costs and their individual elements not only inform senior management in depth at any point in time. Such calculations are also used to calculate the average costs per hour of each programme category. Average costs in turn are used not only for scheduling purposes in the annual plan but also for the financial element of the 5 year strategic plan so necessary for the future of the whole organisation.

TV Programme Budget		No. Progs	No. Hrs/Day	Rate £	Cost per Prog £
Description					
<b>STUDIO COSTS</b>					
TV Studio		1	4	190	760
Audio Supervisor x 1		1	4	26	104.00
Cameraman x 2		1	4	28	112.00
Floor Manager x 1		1	4	29	116.00
LVOS x 1		1	4	32	128.00
Vision Mixer x 1		1	4	30	120.00
Operations Technical x 1		1	4	35	140.00
<b>EDITING COSTS</b>					
Edit Staff (2 suites)		1	8	31	248
Editing Suites - 2 x 4 hours each (14:00-18:00)		1	8	31	248
<b>GRAPHICS COSTS</b>					
Graphics Staff		1	4	30	120
Graphics Suite		1	4	50	200
<b>CASH COSTS</b>					
Satellite Truck, Operator & Satellite Time		1	1	1400	1,400
Freelance PSC Cameramen inc kit, O/T, expenses		1	3	450	1,350
Artist / Contributors		1	4	40	160
Other Production Costs inc Marketing		1	1	200	200
<b>STAFF COSTS</b>					
Production Team - 2 Producers, 6 BJ's, 2 Researchers, 1 News Org, 1 BA, 2 Directors, Programme Editor. T&D/Accommodation		1			3,250
<b>Sub-Total</b>					<b>9,106</b>
<b>Overheads (inc HR, Finance, Contracts, IT, Accommodation etc) @ 20% of sub-total</b>					<b>1,821</b>
<b>Total including Overheads</b>					<b>10,927</b>

## THE PERSPECTIVE OF A FINANCE DIRECTOR

*Philip A Davies is a former Head of Finance in BBC Wales and is now Controller of Finance at the Thomson Foundation. He has experience of advising several broadcasting companies in the developing world on financial control.*

*The Director of Finance has a variety of responsibilities and roles within a broadcasting organisation.*

*He/she must have an awareness of the issues in the organisation that have significant financial or business consequences, be strategic in planning, and have in place a robust and responsive accounting and management information system. All of these will enable the Director of Finance to make the contribution, which is vital for the organisation's success whilst making sure that those financial pitfalls lurking inside and outside of the organisation are anticipated and/or suitably deflected.*

*The Director of Finance needs to work in a variety of roles - as reassurance and a watchful eye for the Board of Directors and in particular the Chief Executive, as the person responsible for financial probity to the internal and external world, as the provider of current management information and systems, as well as being the manager of the Finance function itself.*

*As in all businesses the routine accounting and payment processes need to be carried efficiently and at an economic cost. An accounting system must be in place that can be relied upon to give up to date information whilst being flexible enough to respond to a variety of different questions and demands asked. The accounting system should be integrated with general business systems both to ensure integrity of information but also to avoid duplication of effort.*

*The Director of Finance will ensure that correct procedures and audit controls are in place, that procurement rules are enforced and that all statutory and legal requirements concerning finance are adhered to.*

*Liason with auditors and Government departments will generally be dealt with by him/her.*

*By far the most demanding and important area of work is in the management of organisation's finances and how they are controlled. All organisations must live within their means, and all organisations must decide on how to utilise their funds in the best way and in line with their strategic aims and objectives. Equally important is to ensure that the funds are eventually used in the way they were planned. A loss of financial control in an organisation will probably result in cash flow problems or end up running out of funds to do the things that were really necessary for the business. In extreme cases the result could be terminal.*

*Business planning of course involves much more than finance. The Business Plan will set out the strategy of the organisation what it wants to do and the reasons and impacts for doing it. The different types of programme output, changes in the services, coverage of the large events, rights contracts will mean that business plans will be different from year to year, as will targets for income generation and the need to spend large sums of money on capital items. Such aspirations can be agreed in principle even with allocated outline funding. But detailed financial plans must be drawn up to see if these plans are affordable and where changes may be needed.*

*In many organisations there is a temptation to prepare business plans and budgets using the existing funding levels and making adjustments for inflation and maybe some identified changes. The exercise, however, gives an opportunity to reassess the costs and benefits of all areas and to seek justification for the allocation of funds, on a fresh basis each time.*

*The finance / budgeting process within Business planning must involve all areas of the organisation that make decisions or have responsibilities affecting finance – the people who will become the budget holders and spenders in their areas. These will not be finance staff but managers or*

*heads of department within the business. In practice of course they might need people with finance skills to assist.*

*The finance / budgeting process within Business planning isn't necessarily a one off annual task, and in many organisations it develops into a rolling process, projecting forward into subsequent years.*

*The process should start with the agreed Business strategy, with production and business areas reflecting the cost consequences of the initial plans. There must be a constant flow of information between users and providers to inform the process.*

*Everything is governed by the total available funding restraints; the Director of Finance is inevitably drawn into a series of adjustments and iterations as the plan is juggled to fit the overall available funds.*

*The complexity of the finance / budgeting process depends on the size and nature of the operation and to the extent that the costs of the operation are fixed. In all cases, however, the Director of Finance role will be heavily involved in scrutiny, approval and being seen as some kind of arbiter or referee. He/she should formally set the rules and guidelines, the timetable, and to be able to resolve areas of uncertainty.*

*The final budget document should be complete, when it is accepted as the financial manifestation of the strategy and objectives as laid down in the full business plan. The budget should achieve the programme, production and business objectives as laid down by senior management, if these objectives were initially over ambitious the budget process should have forced the necessary changes.*

*No major financial issues should lie unresolved - parked problems dont go away.*

*All plans are of course just that and involve taking a view on the outcome of events some of which turn out in a very different way to that envisaged. It is normal to list the risks and opportunities that may arise but which*

*haven't been planned. These could involve assumptions on workloads or their phasing, the way in which costs may rise, the availability of sponsorship etc. By listing these risks and opportunities it can clarify assumptions made during the planning process and also highlight areas, which may cause the plans to go astray.*

*The key success in budget setting and the subsequent financial control thereafter is to gain acceptance and ownership by the budget holder.*

*Once the business plans and budgets are complete there must be a formal process of issuing these so everyone is clear what they are. Each part of the budget must be assigned to a budget holder who has responsibilities for monitoring, for re-forecasting, taking adjusting action and for information on future trends. This person is likely to be the one that prepared and agreed the original assumptions.*

*All of this budgetary work assesses the financial viability of the organisation and is the benchmark against what actually happens can be measured. The actual results taken together with the budget information gives the Director of Finance information on areas which are financially vulnerable and where trouble may arise.*

*The Director of Finance has to ensure that the budget holders are in possession of up to date and relevant financial and management information. They may often be asked to supply explanations and it is usual for routine meetings to be held between finance and the business areas to explore results and trends. Regular updates on forecasting should be routine taking into account information on what has happened to date.*

*The Finance Director and staff will consolidate the results and re-forecasts, reviewing what is going to happen as well as that which has, assessing the overall financial position taking into account surpluses likely in one area against problems in another.*

*The cash flow position of the organisation is crucial. Management of cash flow is usually carried out at two levels - immediate and forward*

*forecasting. A day-by-day management is necessary to smooth out short term fluctuations, debtor receipts may be unusually delayed, licence fee payments may be stuck in a central bank, this may in turn entail rescheduling payments out.*

*Long term cash flow forecasts will be based on the information supplied on budgeted expenditure and income, adjusted by any subsequent re forecasting.*

*The accuracy of the budgets/forecasts from, taken together with forecasts for spending on items of capital and assumptions on the timing of payments etc will automatically produce the forecasted cash flows*

*The Financial Director and colleagues may well have been wise enough to have provided a limited contingency against financial risks, and this may take the form of options to spend later than earlier on certain projects, but the aim of a successful financial operation is to achieve the objectives of the organisation without stop start decisions caused by financial panics.*

# CHAPTER VIII - MANAGING TECHNICAL RESOURCES

Top management requires the best possible advice from its Senior Manager responsible for technical resources who in turn needs a team with expertise in a wide variety of technical areas-transmitters, satellites, maintenance, cameras, sound, computers, buildings and IT. No general manager or indeed Technical Director can be an expert in all these fields. In small scale commercial and community radio operations, however, technology has become so simple and advanced that there is no requirement for in-house technical staff.

## EFFECTIVE USE OF RESOURCES

Modern technology has improved the productivity of the broadcast industry dramatically in the last few decades. Few companies in the developing world are now restricted to old and bulky cameras. The advent of modern video cameras makes working in 16 mm film or 2 inch video tapes seem a long way away. The dawn of this century has seen a need for fewer studio managers as self-operating radio studios displace technical personnel with multi-skilled disc-jockeys. There is a lesser demand for TV craft editors or cameramen as newsrooms take video journalism in their stride. And the office computer is transforming office work.

The speed of this modern industrial revolution has created new problems. There are those who believe the day of the large purpose-built studio is dead as lighter, mobile technology comes on stream – but big studios are still being built. New, mainly unused purpose-built radio studios have been designed without any reference to the competition from modern small-scale stations where one studio, aided

only by adjoining editing suites, can be on air 24/7. Modern technology can be of limited use unless managers can design technical centres which make the most effective use of their modernity.

Senior management has to ensure that the studios and associated facilities are fully utilised. Daily TV shows such as breakfast TV programmes can share even a small studio with other programmes later in the day operating with totally different sets, all of which are permanently kept in the studio. Quiz programmes with an identical format can be recorded as a package of three or four in a day. It may be cheaper to schedule two eight-hour shifts per day than have two studios working a mere eight hours a day. The large purpose-built studio can be costed against installing productions in a large factory using mobile outside broadcast equipment.

## INTERNET DEVELOPMENTS

The worldwide web has now been on stream for several years but many countries have not yet grasped its potential. The broadcasting website in every company is a resource complementing radio and TV services which can be updated daily if not every couple of hours. Newsrooms should be expected to treat the website as an integral part of the daily schedule. If a company is too small or too poor to afford a web news unit, journalists should be given some extra time to repeat their broadcast story on-line. Radio and TV programmes can be stored on-line for, say, seven days in order that the audience can catch up with a forgotten programme. Access to archive programmes is developing rapidly. In an age of convergence audiences of the near future will be offered all their broadcasting services on-line and the younger viewers and listeners will be the first to respond. It is the technology which knows no national boundaries and it is cheaper than the newest entrant of all to the market-digital broadcasting.

There is constant talk of the digital divide whereby some countries are already planning the shutdown of analogue services while others have yet to introduce digital TV. Certainly there is a massive gap emerging

between the haves and the have-nots not only between countries but also within countries, between the main cities and sparse rural areas.

## CHANGING ROLES

There was a time when Engineering Departments could dictate broadcasting standards by declaring the limits of low lighting on studio sets or the quality of phone-ins of radio. Today the dominance of engineering has declined just as the power of the producer (and the accountant) has increased. Technical support staff are a very necessary resource in a complex digital age but they now have to respond to the requirements of the producer, the total reverse of times past. But there are still many old style engineering managers in the developing world who are hanging on to their old powers.

It is the production areas who should be able to choose the size of their camera crews on location as well as identify the technical people who are best suited to a particular piece of work. Even amongst cameramen, there is a big difference between a person suited to shooting news items and a lighting cameraman in a drama studio. News cameraman should be controlled directly by news managers in order to cater for the immediacy of newsroom decision-taking.

Video editors, graphic artists, set designers, costume and make-up are more closely associated with the production process than the engineering departments to which they sometimes still belong. In modern broadcasting organisations, technical resource managers have replaced engineers as the bosses of these creative personnel and are now expected to service programme management as required.

This should not diminish the importance of the technical manager in a complex world of technical convergence, merely to recognise that the old days of overstuffed engineering departments are no longer necessary because modern technology has totally changed the face of the industry in the past decade. Managerial structures and hierarchies have to keep up with the pace of the change and recognise the new realities. Nowhere in the industry has the management of change become more important.

# IX - MANAGING CHANGE - THE BROADCASTING FUTURE

The old order is changing and the management of change is now a major theme at every seminar the world over.

## COMPETITION

The competition for audiences is fierce. Audience share is in decline as the viewers have a greater choice of channels. State broadcasters have the greatest problem. Because their political masters are reluctant to allow independence to the newsrooms, audiences move away to the newer commercial channels. These more sophisticated new entrants have the latest technology, pay their people better, and conduct the audience research necessary both for their schedule and their advertisers. They are constantly on the lookout for new markets as well as monitoring the changing pattern of consumer behaviour.

## PUBLIC BROADCASTING

In between these two extremes are the few public broadcasters, most of whom live on a barely adequate licence fee, fighting everybody else for their share of advertising income while attempting to represent all voices in society in a mixed schedule. This means competing against the bigger commercial companies while at a financial disadvantage, often serving minority interests and sacrificing audience numbers to do so. But only the public broadcaster can offer real choice. A plethora of commercial channels can only mean an endless diet of repeats or similar schedules based on cheap programming. Market forces on their own do not provide real choice. That requires complementary minority

channels which led to the introduction of the PBS subscription channel in the USA. At best, public broadcasters even provide a choice of channels whereby two parallel time schedules complement rather than compete with each other. Unfortunately, there are just not enough public broadcasters in the developing world.

## STRATEGIC PLANNING

The paymasters, whether they are the Government, the shareholders or those who pay the licence fees, expect managements to make the most effective use of all available resources - human, technical or financial. Savings on staff or rationalising studio capacity is just as important as maximising advertising income. The older the organisation, the greater the requirement for change and the need to plan for the future. Planning is essential at every level of management. It is also as essential for long-term strategic planning as for the annual plans.

However much managements plan to spread the production load throughout the year, there are always going to be peaks and troughs in the planning process. Staffing levels have traditionally been geared to the peaks of the output. Modern managers staff down to the troughs and engage freelance labour for the peaks. The troughs are achieved by freezing posts as soon as they are vacated by retirement or death in post or redundancy where labour laws allow. But senior managers and their boards of Governors need to work out different scenarios for the long term. Strategic planning of this kind requires as much knowledge as possible of capital as well as revenue costs. What is the studio capacity required 5 years from now? How many channels? What are the estimates of total income assuming a 10% growth in the economy and advertising revenue? What is the optional calculation if there is only 5% growth? What assumptions should one calculate for Government financial support? All options must be considered, otherwise planning becomes a series of knee-jerk reactions.

## THE NEW MEDIA

Change is more obviously rapid in the world's newsrooms where the new technology, from multi-skilling to web journalism is creating a massive gap between those who are adapting to the new and those who have yet to confront the challenge. It is excusable if the investment monies for new digital equipment is difficult to find, less so if management is just waiting for donor aid to fix the problem. A proactive management should change the culture of the organisation in order to concentrate on the new demands on broadcasting through reordering its priorities. Managers must also be allowed to manage.

## NEW THINKING

Likewise, old-fashioned engineering departments are being replaced by new-style technical resource areas which provide services on demand from production areas. The change to a demand-led production process is based on the total costings of each programme accepted by the channel controller. It is no longer a question of the resource department supplying a set number of technical people. Today's broadcasting is demand-led by the programmes and not supply-led by the engineers.

The relatively new buffer in the production process if demand exceeds supply is the independent production house. These bring a healthy mix complementing the in-house production teams but there is always the unwritten threat of future competition if in-house teams fail to deliver quality programmes at a reasonable cost.

## OUTSOURCING

Senior management now have to examine the existing situation in a strategic plan which forces them to consider how much outsourcing of activities would help their financial objectives – transport, canteens, set design and so on. They need to ask themselves the question – if we had the opportunity to relaunch the organisation without any inheritance

from the past, what would we do without? It is obvious that no management involved in a big inheritance from the past could create a revolution overnight but in order to evolve at all, the question has to be addressed more often.

## THE PILLARS OF GOOD PROGRAMMING – PEOPLE AND MONEY

Good programmes are not as dependent on new technology as they are on good people to make them, which is why the treatment and training of human resources is the first pillar of production support. People, particularly creative people, are the most valuable of all the industry's resources and should be treated as such. The second pillar is, of course, money. Most executives concentrate their minds on maximising income at the expense of managing all their resources more effectively. They should spend more time on ways of saving money.

## RESPONSIBLE RESOURCE MANAGEMENT

Too many organisations are overstaffed and underpaid. Too many technical facilities are underused and badly maintained. Too many managers behave without any sense of responsibility for their designated part of the business. Good money is being wasted which would be better deployed enriching programmes in one form or another. That requires the management of change in an industry which should always respond to the needs of the times – and the audience – as quickly as possible. Managers must not only manage. They must be leaders within the context of their broadcasting environment.

## POLITICAL LEADERSHIP – THE BROADCASTING ENVIRONMENT

The hope for the future of broadcasting in the developing world, however, lies first and last with the improvement of the broadcasting

environment through a redirection of Government policies in favour of an independent media, followed by broadcasting regulators taking greater responsibility for issuing licences with a stronger public broadcasting remit. Only then can managers commission and schedule programmes for the widest range of audiences in the community, no matter whether the broadcaster is a public corporation or a commercial company. In the end, broadcasters only exist to serve an audience.

# APPENDIX

## Audience Research, an Essential Part of Broadcasting *Graham Mytton*

*Graham Mytton was in charge of audience research at the BBC World Service from 1982 until 1998. He now trains people in audience and market research with special emphasis on research in developing countries*

Anybody in business needs to know how they are performing. They need regular, reliable and relevant information on their customers. Who are they? Will they be there tomorrow? What do they like and dislike, and will this change? What attracts them to a product or service? Why do they choose one product instead of another?

In today's world when tastes and behaviour can change very rapidly, businesses need to keep themselves up-to-date about their customers. Companies that fail to have a very good system of market intelligence can very soon go out of business.

Doing this in broadcasting is not at all easy. Broadcasters have a rather unusual relationship with their audience. When a broadcast reaches a listener or viewer, no physical transaction takes place. No money changes hands. No physical object is either collected or handed over. A transmitted programme can be heard or viewed by one person or one million. Nothing happens that actually tells you for sure how many "customers" there were.

It makes broadcasting unlike most other businesses. If you are selling items, you can tell very quickly how you are doing. You can count the sales you have made.

Broadcasting is unusual even in the field of communications. Telephone traffic is easily measured. Newspaper sales can be added and comparisons made between the sales of different titles. Today with the Internet, one can be almost overwhelmed with the wealth of data on web use that can be readily accessed. Millions of transactions and movements are made every day and data can be produced relatively easily.

But such detail and accuracy is much less easy to obtain for radio or TV broadcasting. From the early days of radio, various methods were devised to get around this problem. Audience research was developed using the market research techniques of face-to-face or telephone interviews, as well as two specialised methodologies - personal diaries and electronic meters. This audience research tradition has developed using samples of populations chosen to represent the entire adult (plus in many countries with children added) population of the country or area.

These techniques and methods have become well developed and sophisticated. In all developed countries and in an increasing number of developing countries also, audience measurement is carried out on a regular or even continuous basis, to measure audiences for domestic radio and TV in national, regional and local markets. Most broadcasters in these countries therefore have up-to-date and timely data on their audiences. They know their popular programmes. They know how many listeners they have, what kinds of people they are and much else besides. These data are also used as the currency for buying and selling advertising time and space. And they are, of course, an essential part of the broadcasting business to aid scheduling and programme making decisions.

The steady development of audience research, and especially audience measurement, over recent years has been driven mainly by the needs of advertisers. They buy time on radio and TV stations. Like any customer for goods and services, they want to know what they are buying. Without audience data the radio or TV station selling the time for advertising

spots has nothing to say to the advertiser. Unless some audience measurement has taken place, the commercial sales department is operating without essential knowledge. It may be charging too much or too little for the advertising slots that it sells.

What advertisers actually want to buy is not time on the air, but access to listeners and viewers. And they want to have some idea of the numbers that they can expect to reach on this on specific networks or channels at particular times of the day. Audience measurement data provide the answers that they need.

Some broadcasters may argue that as they receive a government funding together with only limited amounts of advertising, they don't really need audience research. This is mistaken view. The need for audience research is no less in such a case. Why are some radio and TV stations publicly funded? It is usually to provide a service to the public that is not being provided by commercial broadcasters. How is such a service to be evaluated and assessed other than by some form of audience research? It is significant that in Europe, the first broadcasting organisation to begin measuring audiences on a regular basis was the BBC, which has never carried any commercial advertising on its domestic services. Audience research, which began in the BBC in 1936, was from the outset driven by the need to improve the service to the public.

Some broadcasters say that they don't have sufficient resources to devote to audience research. There are two things to consider. The first is that the best route to follow is one of cooperation between rival broadcasters to share costs, or even better to get together with other interested parties like the advertisers to set up a joint industry committee, or JIC. This is the favoured approach in countries as diverse as Israel, Zimbabwe, Nigeria, South Africa, Italy, France and the UK.

Details of how JICs are organised vary between countries but the general pattern and the principles are similar. JICs bring together the broadcasters, advertisers and advertising agencies to agree on a

“common currency” for audience measurement for radio and TV. Often JICs are also organised for press and other media. In some countries all media research is organised by the same JIC. In others there are separate JICs for each media – one for radio, one for TV, one for the daily press, and so on. The usual process is for specifications to be agreed between all research users so that each gets what is needed from the research – audience numbers, reach, and share, ratings at different times and on different days and so on. The level of accuracy required is negotiated and agreed. The latter is greatly dependent on the size of the sample used and this has cost implications of course. When the specifications have been agreed the project to carry out regular audience measurement for the entire radio or TV industry is then published and tenders invited and a contract awarded to a research company.

The second route to follow is when such activities are not yet happening and a radio or TV station wants to commission its own audience measurement. This need not be prohibitively expensive. The larger the sample, the more accurate will be the resulting data. But doing some audience measurement with relatively small and less expensive samples is better than doing no research at all.

There are other approaches to learning more about listeners. Qualitative research can help broadcasters to understand the attitudes, tastes and behaviour of listeners and viewers better.

There are two resources from which you can learn more about how to do and how to use audience research. On the Internet there is a very valuable website created by Australian audience research specialist Dennis List.

Go to <http://www.audiencedialogue.org/index.html>. There are many resources there for broadcasters to use in developing audience research expertise and skills. There is also my book, *Handbook on Radio and Television Audience Research*, which is available by mail worldwide for £20 or \$35 for the English language edition and £40 or \$70 for the French edition, including postage and packing.



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