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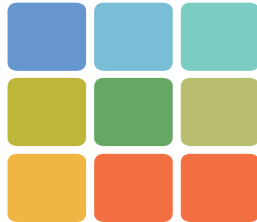


A HANDBOOK FOR
TELEVISION AND RADIO
PRACTITIONERS IN
COUNTRIES-IN-TRANSITION

Media Management Manual

John Prescott Thomas

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A Handbook for television and radio parishioners in countries-in-transition

By John Prescott Thomas

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New Delhi - 110 029

Tel : + 91 11 2671 3000

Fax : +91 11 26713001 /02

e-mail: newdelhi@unesco.org

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Foreword

Today, Public Service Broadcasting, whether run by public organisations or privately-owned companies, is not only challenged by political interests, but also by increased competition from commercial media. The advent of the digital age has ushered in an array of commercial satellite-to-cable channels that threaten public service broadcasting audience loyalties. If viewers are to be retained, there is a pressing need for more dynamic and innovative public broadcasting.

Free from political interference and pressure from commercial forces, Public Broadcasting's only *raison d'être* is public service. It speaks to everyone as a citizen. Public broadcasters encourage access to and participation in public life. They develop knowledge, broaden horizons and enable people to better understand themselves by better understanding the world around them. With its specific remit, which is essentially to operate independently of those holding economic and political power, public service broadcasting provides the whole of society with information, culture, education and entertainment; it enhances social, political and cultural citizenship and promotes social cohesion.

In the past ten years, UNESCO has been actively engaged in exploring more deeply the concept of public service by specifying the functions, particularly in the fields of education, science and culture, which it is meant to perform, and the means required. Member States called upon the Organization to support public service radio and television

broadcasting so that it can fulfill its cultural and educational mandate. UNESCO has continuously supported capacity-building of media professionals, responsible for production, and programming, particularly in issues related to editorial independence, ethical standards and effective and dynamic management.

It is in this context, and upon the request of a great number of developing countries media managers, that UNESCO has initiated this handbook. The manual is designed with a specific focus on Public Service Broadcasting, but it could be used by every interested individual or media practitioner. It's a straightforward guide that can help make a broadcaster's programming more vibrant and engaging. It also offers advice to media executives on how to refine their management structures and practices, to keep their companies operating smoothly. What's more, it provides practical tips on how to create sustainable financial plans which will help propel public service broadcasters into the future.

We believe that this reference book can enhance both the economic and the civic competence of journalists and broadcasters. We hope that it will promote a free and pluralistic journalism and assist broadcasters' companies in becoming more independent and sustainable; both of which are fundamental for modern democratic societies.

Armoogum Parsuramen
Director and UNESCO Representative
to Bhutan, India, Maldives and Sri Lanka

Introduction

If you're looking for a theoretical textbook full of trendy management jargon - or for a technical buffs' guide to the latest electronic wizardry - this isn't it.

Nor will it give you a universal blueprint for the 'right answer' or the 'best method' - panaceas for which I'm repeatedly asked at international conferences and seminars but which don't, I'm afraid, exist.

What it will provide is a repertoire of practical management tools - approaches, structures, systems and techniques - which have been proved to work in a variety of broadcasting contexts and which are particularly relevant to countries-in-transition.

For whom is it intended? Though it includes a chapter on media institutions and governance, it's not primarily concerned with the constitutional and political aspects of media management, which are already well-covered in many other publications. Rather, it's a hands-on guide for senior and middle managers who want to see their operations flourish and succeed in a rapidly-changing and increasingly competitive environment. Its aim is to help them make the most effective use of whatever levels of resources, money and staff are available within their own organisations.

Rich-country colleagues who are already into HDTV, multi-platform distribution, large-scale webcasting, podcasting, mobile reception, interactivity, 'quadruple-play bundling' and the rest may find some of it old hat to them.

I can say only that more than twelve years of working with broadcasters in countries-in-transition - many of whom have no real tradition of pro-active management and would envy the resources you had decades ago - have shown that this is exactly the kind of practical guidance they want and need.

That's not, of course, to imply that the latest technologies should be inaccessible or irrelevant to countries-in-transition. Indeed, given the speed of change, some of them may be in a position to 'skip a technological generation' in broadcasting, just as they have in adopting mobile telephones ahead of land-lines. But the basic management principles in the manual apply to them too.

I'm indebted to many organisations and individuals for their contribution to developing these ideas.

To the BBC, of course, where I spent most of my working (and therefore my learning) life. To Westcountry Television, for the experience of starting-up from scratch a completely new and ground-breaking operation and for introducing me to the world of commercial broadcasting. To the Cabinet Office Top Management Programme and its remarkable tutors, for some revelatory insights into modern management principles and practice. To the Thomson Foundation, the British Council, the UK's Department for International Development, the Council of Europe and the OSCE for opportunities to work with broadcasters and governments in some

twenty countries-in-transition; their assignments have been the source of much of the material in this manual. To UNESCO for making the manual possible. And to the very many professional colleagues and friends with whom I've been privileged to bat around ideas and opinions over more than forty years.

Particular acknowledgements are due to Dick Bates and Zofair Ammar for their input on financial management and to Phil Speight for his suggestions on editorial and production practice.

If there are errors in the manual the fault is, of course, mine alone.

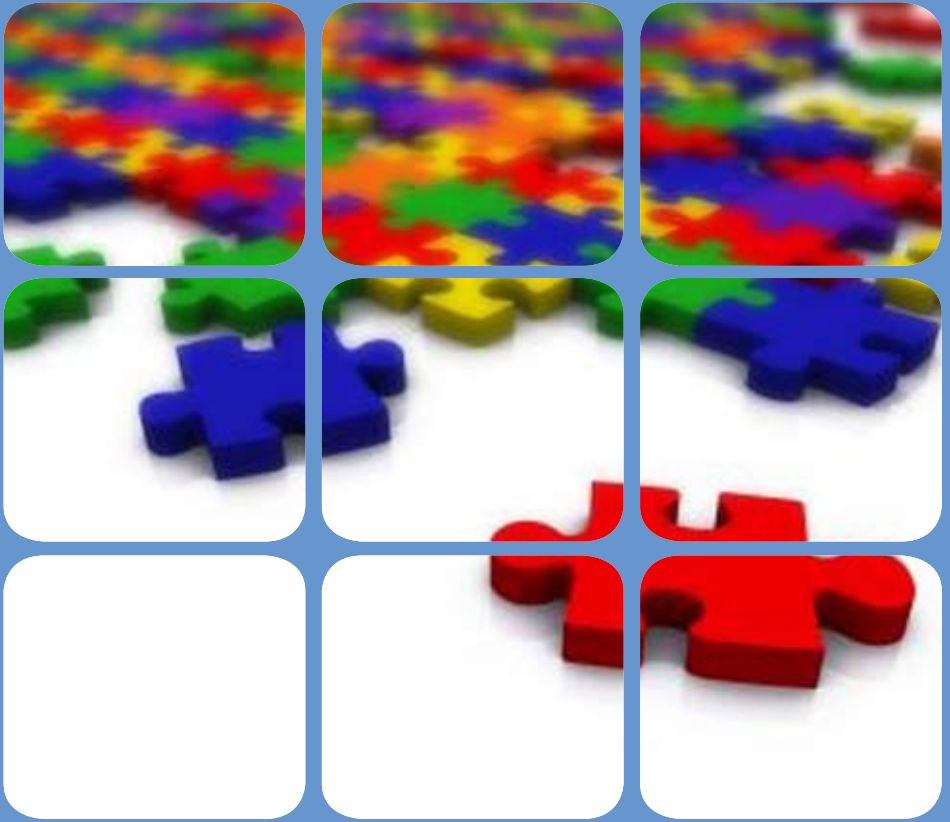
The terminology I've used is generally that of British broadcasting conventions and practice. ('Regional', for instance, usually

refers to regions within a country, rather than to wider geographical groupings of several countries - like the Middle East or the South Pacific.) Where that might risk confusion, I've tried to clarify what's intended. Because its operations are more complex, many of the illustrations are taken from television but the principles are manifestly equally applicable to radio.

We're facing an era of change on an unprecedented scale and at unprecedented speed. Let's together ensure that the media lead the way down the road of management reform and progress. That way the development of broadcasting can also bring with it broadcasting for development.

John Prescott Thomas

Bristol 2009



1 What's the Media Game?

The truth is that nobody really knows - yet. The only thing that's absolutely certain is that the old certainties have gone for good.

The BBC was designed in the 1920s on the pattern of the British civil service to run a monopoly. If it had stayed that way, it would now be as dead as the dodo. As will be any broadcasting organisation which fails to adapt to the new media environment. (And, sadly, the dodo doesn't even know that it's extinct: none of us gets to read our own obituary.)

There's no market more dynamic and fast-moving than that of the media. New technologies - and convergence among existing ones - are causing monumental shifts both in consumer behaviour and in the potential for content providers and distributors. Some will emerge as big winners; but the actual take-up by consumers is by no means universally assured and is constantly changing. (Viewers with access to 24-hour television news services currently watch them for only nine minutes a day on average; in Britain, ITV has already closed down its rolling-news channel.)

As digital technology brings with it a previously unimaginable proliferation of media outlets, the audience share of any individual broadcaster must inexorably fall. The figures are already a fraction of what they were even ten years ago: programmes once watched by 15 or 20 million viewers are now lucky to attract five million and the figures are still falling. In fact, in this new media world, to speak of broadcasting in its traditional sense may become an anachronism. Though people are still spending a lot of time in front of

their screens, they're devoting much less of it to viewing broadcast schedules. In 2006, internet use in Britain exceeded broadcast-television viewing for the first time; at the time of writing, Google's UK advertising revenue has already overtaken that of the terrestrial commercial television channels.

So content providers are increasingly integrating terrestrial transmission with satellite, cable, broadband and telephony. And with print: the web-sites of newspapers are increasingly indistinguishable from those of broadcasters; which raises interesting questions for regulators in countries where, historically, the regulatory regimes for the two means of publishing are significantly different. For broadband distribution of similar content, which rules should apply?

DVDs, video-on-demand, interactive channels and video games are all transforming the traditional viewing experience. PVR ('every viewer his or her own scheduler') enables the audience to by-pass commercial breaks, with major consequences for conventional advertising revenue. With the spread of broadband, the internet is becoming a distribution network on a scale inconceivable when its only access was by slow and expensive dial-up links. Mobile reception is making significant inroads, suggesting that 'place-shifting' will be the next step-change beyond (now long-established) time-shifting: viewers will be able to watch their own television on a laptop or other device anywhere in the world via the internet.

And the simplification - and the cheapness - of authoring equipment and software means that anyone can now shoot and edit their own material and blog and vlog it world-wide over the net. (You can already

buy an Apple PowerBook loaded with Final Cut Pro for less than £2500.) The use by the professional media of more and more so-called UGC (user-generated content), both on-screen and in print, suggests that the 'citizen journalist' is becoming a reality. We're seeing a democratisation of the airwaves - a major shift from a channel-based to a network-based world, from 'push' to 'pull' consumption.

That doesn't mean, of course, that 'linear' broadcasting will disappear; indeed, it's likely to remain the principal content-source for very many people. But it will have to learn how to co-exist with many other competing outlets and to survive with much-reduced audiences.

In the face of this revolution, what can conventional broadcasters with limited resources do? The answer is: stop being conventional. Even if many of the new

opportunities are not realistic options for you, get rid of outmoded ideas, dismantle old-fashioned structures, abandon bureaucratic procedures and build in flexibility and fast-moving adaptability. And even if (or, rather, especially if) you're a publicly-funded outfit, learn the cost-saving lessons of successful commercial operations and apply them internally. Get competitive by optimising operational efficiency and cost-effectiveness. That or, I'm afraid, wave goodbye to your audience.

You don't actually need state-of-the-art technology to do this, though of course it's nice to have. Nor do you need to have mastered the works of the latest management-speak gurus. What you do need is a different way of looking at things and the will to put that new thinking into practice.

That's what this manual is all about. ■■■



2

What are the Media for?

If you're a commercial broadcaster, the obvious answer is to earn money for your shareholders. But it's not as simple as that. Even if you're commercially-funded, you may well have public-service obligations written into the terms of your broadcasting licence. And even if you're state-funded, you may have to supplement your income from public money by raising commercial revenue from advertising or other sources. There are now very few public-service broadcasters which are financed wholly and solely from public funds; the BBC, Japan's NHK and ABC in Australia are the only major ones. The first two funded by a licence fee and the third by a government grant. So, one way or another, you're quite likely to be operating in a 'mixed economy'. Where do you sit in that market?

As the range of digital opportunities grows, the argument that the spectrum is a scarce resource requiring firm regulation becomes less sustainable (more on this in Chapter Three). So we're likely to see commercial broadcasters acting more and more as dealers in a commodity and radio and television stations finding themselves free to adopt an engaged editorial line, as newspapers have done for decades. The first signs of these changes are already with us: Fox News is a strong example

of the second, with an explicitly-declared political agenda; examples of the first can be found almost everywhere. But, in news at least, it seems likely that 'due impartiality' will continue to be a requirement for broadcasters which are publicly-funded.

Of course, most countries-in-transition aren't there yet. How might their media position themselves?

Let's start from first principles.

Article 19 of the Universal Declaration of Human Rights 1948 states:

Everyone has the right to freedom of opinion and expression; this right includes the freedom to hold opinions without interference and to seek, receive and impart information through any media and regardless of frontiers.

Very many countries have signed up to this declaration. So in how many of them is Article 19 observed?

The answer is that only 20% of the world's population live in such free-media societies. The 'least free' media environments are in Asia, where many governments see dissent and opposition as 'not conducive to the general good'; in such countries

We need to establish that free media are an essential element in civil society. That's an idea which it's still difficult to get past what we might call the 'Ministry of Information mentality'.



there's a long way to go. But nor should western democracies feel complacent: in the 2005 press-freedom league-table issued by Reporters Without Frontiers, while the Nordic nations led the field, Britain ranked 24th and the United States only 44th.

We need to establish that free media are an essential element in civil society. That's an idea which it's still difficult to get past what we might call 'the Ministry of Information mentality'.

While governments will rightly have their own press and public relations operations, we should maintain that it's not right for them to control directly – still less to monopolise – national broadcasting institutions. Even where they're publicly-funded, broadcasters should be free to treat information from government agencies exactly as they would treat information from any other source (with one or two exceptions, like dealing with national emergencies or natural disasters, which are considered in Chapter Three).

Though western European nations haven't, historically, been at all immune to the politicisation of broadcasting, the role of the media should nowhere be to act simply as a mouthpiece for the government of the day. Rather, their duty is disclosure in the public interest: the revealing of information and the holding to account of public institutions and individuals for their statements and actions. (Remember the old definition of news as 'something that someone, somewhere, would rather you didn't know'.)

It follows that public-service media should, overall, represent properly and fairly all voices in society. In particular, when a majority view has prevailed, they should be

able to ensure that the views and interests of minorities are still safeguarded and find expression.

Is this an utopian ideal? No – because it already exists in many countries. And because the 'Ministry of Information' model is becoming, in practice, less credible and sustainable almost by the week. Here are just five examples:

■ In an East Asian country, the authorities are anxious to ensure that the internet isn't used to spread 'incorrect' ideas – so they apply filters in order to police web traffic. But inventive bloggers have got round this by devices such as spelling 'democracy' – a trigger-word – with a zero instead of an o. Anyone can read and understand it but the computer doesn't recognise it. This then becomes a cat-and-mouse game, with each side manoeuvring to keep one jump ahead of the other; information suppressed on one web-site also quickly pops up somewhere else.

■ In an African country some years ago the government banned an issue of the major national newspaper which included an article critical of the authorities. This achieved little other than to make the government look foolish, because the article had already been published electronically and was available world-wide on the web.

■ In a country in the Caucasus, the state broadcaster made no mention for three days of a ferry disaster in which many had died. Meanwhile, everybody had heard about it on the grapevine and people were already demonstrating outside the ferry company's headquarters, wanting to know what had happened to their relatives. (The demonstration wasn't reported either.)

■ In the Arabic-speaking world, some state broadcasters operate restrictive

regimes; but satellite broadcasting takes the independent voice of al-Jazeera to a television audience of many millions of their people in a common language.

■ In the former German Democratic Republic, long before satellite transmission was common, many television aerials in border areas were regularly swung towards the west to receive alternative sources of information and opinion.

All this suggests that one of the best arguments for persuading politicians of the merits of free media is that imposing direct control doesn't ultimately work. The sheer volume of web-traffic, for instance, will in the long term make it un-policeable. There are already more than 75 million servers in the world and that number is growing by a million a month; the world-wide web has 3,000 billion pages and another 25,000 are added every hour. China has already given up trying to control the Wikipedia web-site.

Even where governments are rigorous in suppressing free expression, the idea that by doing so they control the way people think is often illusory. In the Soviet era, the two major state media mouthpieces were *Izvestia* (The News) and *Pravda* (The Truth). Among the Russian people, a well-known joke was that *v Pravdye nye izvestia*; *v Izvestiye nye pravda*. 'There's no news in The Truth and no truth in The News'. When people know that information is being suppressed or manipulated, they become contemptuous of the official media and find their own alternative sources and means of expression.

And even when governments profess to act from the best of motives - maintaining national unity in the drive to development, for instance - the results can be counter-

productive. The financial scandals of the 1990s in South-east Asia showed how, far from protecting decent values, restrictive control of the media simply served to conceal massive corruption. If governments really want the media to be a tool for development, that should include being a tool for democracy.

It's therefore important for media practitioners to persuade politicians and officials that, in the modern global context, they have more to gain than to lose by promoting media freedom. Before 1980 the Kenyan government tended to view the institutions of civil society more as competitors than as partners in development. There was deep suspicion of any organisation with the potential for developing an independent power-base - which included the media. The government was able to ensure that the population was only partially-informed by discouraging the coverage of civil action organisations: equipment would be confiscated, publishers would be detained and vital advertising revenue would dry up for fear of offending the authorities.

But, as the country progressed from single-party rule to multi-party democracy, politicians began to accept that the state alone simply didn't have the resources to deliver the development initiatives promised at independence. So the 1989 Development Plan finally acknowledged that non-state bodies had a part to play alongside government and that the role of the media was crucial in promoting the wider public interest.

The lesson is clear. If a government imposes direct control on the media, then civil society will indeed become a rival rather than a partner; and the more restrictive

the control, the more opposition elements will seek to exploit alternative outlets for their political advantage. Ultimately, governments are therefore better-served by public-service broadcasting which is firmly established outside the political arena. And, from the management point of view, it becomes increasingly difficult for a broadcaster to compete with rival outlets unless it has the credibility which comes from editorial independence.

The experience of South Africa in 1994 is perhaps the most positive recent example of a fundamental change in the government / media relationship. The South African Broadcasting Corporation, once an institution deployed explicitly in support of the nationalist government's apartheid policies, was transformed into a force for democratic expression in which the broadcasters were given independent editorial responsibility. As one observer commented:

For the tens of thousands who stayed glued to their screens for Election 94, the image of non-racial, non-sexist harmony and goodwill that was beamed into their living-rooms held out more hope for South Africa than many of the parties could offer.

In Thailand, privately-owned newspapers gave crucial support to democracy in the free elections of 1991 and went on to bring public opinion to bear on making politicians accountable and endorsing the rule of law. In 1996 the first non-government television station began broadcasting, with an emphasis on news and documentary output. Radio became even more daring in giving a voice to alternative views - to the extent that even the state media began to change.

Sadly, such freeing-up of the media can be short-lived. In 1990, for the first time, two non-political appointments were made to the chairmanships of the state television and radio corporations of one central European country - and for two and a half years its broadcast media were actually among the most independent anywhere in Europe. It didn't last: by 1993 the government had won a 'media war' which removed their autonomy. It's also ironical that, in the same country, some dissident publications which were actually tolerated in the later stages of communism have since been forced to close under the financial pressures of the new free-market economy.

If the media lay claim to freedom of expression in the public interest, it follows that they must in turn conduct themselves ethically and responsibly if that freedom is to be justified (see Appendix A, Section 1). If they don't, there will be many forces at large only too ready to take their freedoms away.

It's also important to persuade politicians that media coverage is most effective when it starts from the audience's point of view, not from the establishment's. I was once in an Asian country when the government announced a plan to ensure that all its children should be immunised against polio - a marvellous initiative which deserved universal recognition.

So how did the state broadcaster deal with it? By covering a press conference at which the minister extolled his government's (admirable, I repeat) enlightenment. But what did the audience really need to know about the innovation? If you start from their point of view, you get quite a different order of priorities. What's important to

them is:

- The nature of the danger
- What immunisation will do for your child
- It's universally available
- It's free
- It's safe
- It's painless (oral, not injection)
- Here's where to get it.

The Americans have a good term for this kind of information: news you can use. Politicians (who often don't really understand how the media work) can be slow to realise that it's an approach which would win them more accolades among their people than any amount of PR posturing.

We practitioners need to work constantly to sell these messages. ■■■



3 Media Legislation, Regulation & Governance

Media institutions

Since the framework within which we work largely determines what we can and can't achieve as managers, it's worth considering the pros and cons of different systems.

Designing a framework within which the media operate is a multi-layered process. Some elements will need to be specified in primary legislation; others may be delegated to an independent regulator with devolved statutory powers; media operators themselves will have their own internal codes of practice; and professional bodies may also endorse codes of ethics and standards.

One way or another, the framework needs to cover, essentially:

- Media governance
- The registration of media outlets
- The licensing of media outlets (including licence fees)
- The ownership of media outlets
 - particularly foreign- and cross-ownership
- Licence award procedures
- Licence compliance procedures
- The regulation of media practice
- Legal constraints on the disclosure of information

Primary legislation

The media scene is developing at an extraordinary pace. Any system therefore needs to be flexible enough to accommodate rapid change without the need for the constant revision of primary legislation. So instruments such as broadcasting acts should do no more than establish the institutions and embody fundamental principles; their detailed application should

be governed by regulatory codes which can be readily amended as circumstances change.

An act of parliament, for instance, might establish the basic principle of observing acceptable standards of taste and decency but it's the regulatory body's code of practice which would interpret this broad intent in terms of the specific use of images, language or techniques. The regulator can then amend the rules in the light of experience without having to refer the matter back to government.

Regulatory bodies

This principle of regulation at arm's-length from government is also a safeguard against the media's becoming a tool in the direct control of politicians: an aspect of the 'separation of powers' principle which is crucial in democracies. In Britain, politicians (of all parties) will from time to time fulminate against some perceived transgression by the BBC; but, historically, the minister responsible for broadcasting (again regardless of party) has always replied that the BBC is not a government agency, that he or she doesn't exercise direct control over it and that the complainant should take the matter up with the BBC's own (independent) Board of Governors. The Board of Governors has therefore acted as a 'buffer' between politicians and media practitioners: it has made the BBC a self-regulating body.

In many parts of the world this is an alien concept. While working with British colleagues in one country-in-transition, we were told unequivocally by a minister that, if he'd had his way, we'd never have been invited to give advice: 'I'd have chosen

someone from South-east Asia, where they know how to make the media serve the government's interests.'

I also remember talking with the Minister of Information in a West African country who was under pressure from his fellow politicians to 'stop the media doing what they're doing'. With remarkable enlightenment - and bravery - he was trying to wean his colleagues away from the expectation of media manipulation and towards a culture in which the government should expect to make its case to the people alongside alternative views. Sadly, he went in the next coup.

A consultancy report on the state broadcaster in the same country showed how damaging political interference could be:

Two factors are militating constantly against true professional independence: the formal relationship with the government and the limitations of resources, which are also funded by the government. These are having profound distorting effects, both editorially and financially.

The country's FM radio service is already proving an attractive vehicle for advertisers and has the potential to mitigate some of the financial problems. But government interference means that the organisation is not in full control of its own airwaves and cannot therefore plan its schedule for maximum audience-effectiveness. So, if there is a political requirement to carry at length a live event like a party rally, there are consequences both for the editorial balance of the output and for revenue-earning capacity.

The regulatory system for commercial broadcasting is usually different from

that of the public services. In Britain, the government has delegated the overseeing of the industry to an independent regulatory institution - OFCOM, the Office for Communications, which governs the entire communications sector, including telephony and spectrum management (as does AGCOM in Italy) - with statutory powers to award broadcasting licences and to police the conduct of the operators. Again, regulation isn't seen as a direct function of the state.

But the British system is in the process of significant change. There has long been a view that it's unacceptable for the Board of Governors both to govern the BBC and to sit in judgement on its performance. The BBC has therefore already been made answerable to OFCOM for a number of regulatory issues and that list is growing; the BBC has since re-constituted its Board of Governors as a more independent Trust.

Many voices in the industry see this as no more than a holding measure and the beginning of the end of the Board of Governors concept. There are arguments that there should now be a single common regulator for all broadcasting outlets, whether publicly-funded or commercial, so that everybody is obliged to work to the same standards and be held to account in the same way. This would require the internal role of the BBC Governors to be fulfilled by non-executive directors sitting on a single corporation board, as with any other enterprise.

That argument is becoming increasingly persuasive in a changing media world and this manual suggests that it offers a sound regulatory model which can be applied in most contexts. One of its advantages is that it can ensure equity of treatment for the three tiers of broadcasting - public,

commercial and community. (In South Africa, commercial and community broadcasters successfully lobbied the regulator to impose on the SABC detailed public-service obligations which would reduce what they saw as unfair competition on their territory.)

Registration and licensing

There can be no real objection to the principle of registering media outlets: the requirement to register a newspaper, for instance, can hardly be described as an interference with the freedom of the press. Indeed, it's right that members of the public should be able to identify the owners and publishers of a newspaper – if only to know whom to sue if they think they've been mistreated in its pages. Registration is accepted pretty well universally. But it should be a right as well as a duty – not liable to refusal or withdrawal at the discretion of politicians or officials and not requiring periodic renewal.

The licensing of newspapers is quite a different matter. Because it places the ultimate control of periodicals – and therefore of what they report and how they comment on it – in the hands of the licensor, it is indeed potentially a denial of press

freedom. The only real purpose I can see for granting such licences is to have the power to revoke them and so, under that threat, to keep the media compliant and subdued. Because there's no finite spectrum for the publishing of printed matter (as there is with broadcasting), the argument for 'rationing' a scarce resource isn't sustainable. In fact, in most democracies, the licensing of printing-presses disappeared two hundred years ago. But in countries like Malaysia and Singapore the right to print newspapers and periodicals is still granted only by government permit – and the permit may be withdrawn if the government doesn't like what the media are printing.

Broadcasting does present a different case. We might say that a free press should be constrained only in the same way that a private citizen is constrained: by common laws governing issues such as libel, slander, contempt of court, trespass, copyright and so on. But the allocation of broadcasting frequencies is determined by international agreements among governments and it's therefore not only reasonable but also essential for those governments to have mechanisms for controlling their domestic allocation. While, in principle, any citizen might have access to a printing-press, access to the airwaves still requires a 'gatekeeper'.

In a development context, the media have a vital role to play in educating the public, making people aware of their rights, encouraging participative democracy, exerting pressure for enlightened governance and exposing wrongdoing.



Though, as we've seen, digital technology is making a vast multiplicity of outlets technically possible, many economies will be unable to sustain unregulated commercial competition on a very large scale - certainly if there is to be any concern for diversity, quality and public service. This has already been seen in some Balkan states, where political change was accompanied by a headlong rush to set up literally hundreds of commercial stations in countries with tiny populations and a very low GDP. Needless to say, the advertising market couldn't support this volume of output and many of them didn't last long.

On the commercial front, there are those who argue that's fine: a free market should indeed be left to find its own level. Few countries-in-transition are likely to agree that such an approach will meet the real needs of their people - particularly of the poor. In a development context, the media have a vital role to play in educating the public, making people aware of their rights, encouraging participative democracy, exerting pressure for enlightened governance and exposing wrongdoing. The development of regulatory and licensing systems in some countries of the former Yugoslavia was also able to mitigate tendencies to use the airwaves to inflame ethnic hatred.

Universality, independence and diversity are key to this concept of public service. Indeed, a colloquium conducted by the New Delhi Centre for Media Studies concluded that:

The official media, increasingly market- and consumer-orientated, are out of tune with the values needed to promote broad-based human development. Development communication is most effective when

practised as part of social action locally, rather than delivered top-down by media professionals.

And here's another quote from a media conference:

The country needs a non-profit information consortium which would provide the kind of information that society needs but which commercial broadcasting is not providing The gaps which need to be filled are in education, public issues, culture, the arts and children's programming.

A contribution from a country in the developing world? No: in fact the views of an American delegate commenting on the media scene in the United States. (There's more about how to ensure you're really in tune with your audience in Chapters Six and Eight.)

A market-driven commercial sector alone is therefore, for quite understandable reasons, unlikely to meet all the needs of a society, whether rich or developing. So it's right that there should be a system for awarding broadcasting licences and ensuring that any public-service requirements in the terms of the licence are delivered. It should be clear that what's being licensed is the provision of a specified service, not just the use of a specified frequency (though that service may, of course, be devoted entirely to sport or to entertainment, if that's what you want; the classic definition of public-service broadcasting is, after all, that it should 'inform, educate and entertain').

How should the licences be awarded? Not directly by a ministry, we should maintain, but by that independent regulatory body operating at arm's-length from government.

In most contexts, a straightforward tendering system for granting licences will be perfectly appropriate; but the process must be open, transparent and representative of the public interest. It's therefore also right that the terms of the licence should be properly demanding. We should expect them to include at least:

- Commercial ownership of the broadcasting organisation
- Frequencies allocated
- Transmission coverage to be achieved
- Technical standards
- Nature of the service and minimum hours of transmission by programme category
- Minimum percentage of locally-produced programming
- Minimum percentage of programming commissioned from independent producers (if relevant)
- Maximum minutes of advertising material per hour
- Compliance with the regulatory codes of practice
- Mechanisms for dealing with complaints

For multiple-channel distributors such as cable companies there may also be what's known as a 'must-carry' requirement: that their 'bundle' of services must include certain specified channels. This is usually applied to ensure that there's a free-to-air public-service element in the total offering.

Compliance with licence terms

In ensuring compliance, it may be that the quantitative aspects of the licence terms (the elements which can be measured objectively and aren't matters of judgement - such as transmitter coverage, hours broadcast, percentage of local programming and so on) could be ensured by a government agency. But in qualitative matters - the content of

programmes and its treatment - it should always be a non-governmental body which is responsible for monitoring and judging performance. So, in most cases, it will make sense to entrust both kinds of activity to the same independent body.

It's important too that, as well as dealing with compliance and the ethical responsibilities of the media, the regulatory body may be given a duty to protect their freedoms and to speak out when they come under threat, from whatever source.

Independent regulatory bodies

How should such a body be set up and the members of its governing board appointed? Ultimately, even if indirectly, this is bound to be a function of government or, preferably, of some kind of cross-party mechanism. But there are ways of ensuring that the nominees are not just politicians' cronies or political placemen.

In some countries, vacancies on regulatory bodies have to be advertised and, in principle, anybody may apply and selection is overseen by an independent public appointments commission; that's the UK's system. In others, particular interest groups (industry, trade unions, religious bodies, arts organisations, the education sector and so on) may have the right to nominate candidates; that's the case in Germany. And South African law requires the members of its Independent Communications Authority to have 'suitable qualifications, expertise and experience in the fields of, among others, broadcasting and telecommunications policy, engineering, technology, frequency band planning, law, marketing, journalism, entertainment, education, economics, business practice and finance'.

A tall order, you may think. But even when the appointments have ultimately to be endorsed by a minister, such measures may at least ensure that the regulator is broadly representative of society in general. Under the South African system it is parliament, rather than the government, which oversees the appointments process. Appointments are also made on a rotating basis – so avoiding ‘clean-sweep’ change at politically sensitive times such as the run-up to elections – and the regulator’s independence is constitutionally assured; legislation limits ministerial powers to broad policy directives (which must be published) and excludes any government involvement in particular licensing decisions.

All of this challenges ‘the Ministry of Information mentality’. In other countries, even where the transplanting of patterns of parliamentary government and elections have established a formal framework of legitimacy – as in some South-east Asian countries – the habits and attitudes required for a healthy civic culture and true participatory democracy have often remained undeveloped.

The regulatory body will, of course, also need a team of professional full-time staff to implement policy on the ground. They are likely to require regular reports and returns on quantitative compliance and may sample-monitor output or conduct spot-checks on qualitative matters, both editorial and technical. And there will usually be an annual assessment meeting at which the broadcaster will be held to account for its overall performance.

Regulatory codes

The regulatory body has devolved to it the

responsibility not only for awarding licences but also for ensuring compliance with their terms. Unless with this responsibility comes the power to impose sanctions on transgressors, the regulator will be a toothless creature. The government should therefore also delegate to the regulator the power of applying sanctions: for instance, to admonish broadcasters, to require them to broadcast corrections and / or apologies, to fine them, to suspend their licences – or even ultimately to revoke a licence altogether. (A commercial broadcaster in Britain was once cautioned for a breach of the product-placement rules. A second flagrant violation of the code brought it a fine of £500,000. More recently, a broadcaster was fined more than £1 million for the fleecing of viewers during a phone-in competition.) But the more extreme penalties should seldom, if ever, need to be invoked, if only because of the broadcasters’ instincts for self-preservation.

The regulator will probably draw up more than one code with which broadcasters must comply if they’re to retain their licences. There’s likely to be, for instance, a technical code and a code governing advertising practice. But the most vital will be the programme or editorial code, which embodies the rules by which the station’s day-to-day output will be judged. Provided that broadcasters have in place proper systems for ensuring compliance with the codes (such as the principle of ‘referring up’ – see page 82), they can be a powerful shield in the face of criticism, whether from governments or from other sources.

Appendix A suggests how such a programme code might work. It’s not an example from any single source but a compilation and a distillation of sound principles from several

The regulatory body has devolved to it the responsibility not only for awarding licences but also for ensuring compliance with their terms. Unless with this responsibility comes the power to impose sanctions on transgressors, the regulator will be a toothless creature.



contexts - both from regulatory instruments and from broadcasters' own internal codes of practice. Nor is it a formula for universal application: any such code must be drawn up with proper sensitivity to the culture of local society. But it's not a bad summary of the kind of standards to which we should, as professionals, aspire.

The acknowledgement of cultural differences is essential - and this isn't an issue only between (as it's often now presented) the Muslim and the non-Muslim world. Western nations too have their own taboos and nuances of acceptability. American programmes have often to be adapted for transmission in Britain because of what's seen as excessively violent content; on the other hand, American audiences tend to have a rather more prudish attitude to sexually-explicit content than do Europeans. In its coverage of a terrorist bomb incident, Italian television felt able to show much more horrific illustration of the carnage than did British television - though both had access to exactly the same footage. At an educational television conference (admittedly some years ago now), the Danish delegation showed a teenage sex-education programme which addressed

menstruation in a frank and open way. The broadcasters from Southern Europe, including Bavaria - and also, interestingly, those from Israel - said at the time that it would be impossible for them to transmit such a programme to schools.

Repeatedly, the model code emphasises the need to protect children from inappropriate, manipulative or potentially corrupting material. Some regulators aim to achieve this by imposing a mandatory 'watershed' in the schedule - a time (usually around 21:00) before which all broadcast material should be suitable for family viewing and listening but after which more 'adult' treatments are acceptable. Such a watershed is likely to be variable at times of rapid social change. Some would argue that, in the video age, it's also become unrealistic. Many primary school teachers can tell horror-stories of how even very young children have been able to view at home material they would never be allowed to see in a cinema. Again, this is a matter which has to be resolved within the local context, with on-air warnings where appropriate.

Editorial freedom and disclosure

Day-to-day editorial management is covered

in Chapter Eight. But there are two aspects with legal implications which we should consider here.

The first is the disclosure by the media of ostensibly confidential information which they acquire through leaks. The model code in Appendix A makes it quite clear that leaking is generally done not by the media but to the media, often by politicians themselves (or by companies, or whatever) or by their representatives.

Any entity with a vested interest may quite sensibly want to keep some of the information it possesses under wraps and to invoke sanctions against employees who leak it. But maintaining that security is their responsibility, not the media's. If such information should come the way of the media, it's their role in civil society to disclose it for public consideration in the public interest (think of Watergate). This principle was well put by one of the most famous editors of The Times, John Thaddeus Delane, as long ago as 1852:

The first duty of the Press is to obtain the earliest and most correct intelligence of the events of the time and instantly, by disclosing them, make them the common property of the nation The Press lives by disclosures; whatever passes into its keeping becomes a part of the knowledge and history of our times.

In countries with strong freedom-of-information laws, such as the Scandinavian countries, the United States, Australia and New Zealand, this principle is clear and explicit and is a significant enabler of investigative journalism. On the other hand, a law such as Britain's Official Secrets Act of 1914 (passed

as a panic measure, with little debate, in the run-up to the First World War) made even the possession of restricted official information a criminal offence. Effectively, it allowed a journalist to be imprisoned simply for doing his or her job. That's not, we should maintain, an appropriate use of the criminal law.

The second issue is the protection of sources. In some countries (in Sweden, for example) media practitioners are protected by law from being compelled to reveal the sources of their information. But almost everywhere, even without such legal protection, they accept a moral and professional obligation not to disclose a source when they've given their word not to do so. Journalists have gone to prison rather than betray this confidentiality: in 2005 in the United States a federal judge jailed Judith Miller for refusing to confirm the source of leaked information in the Plame case; in 2006 Lance Williams and Mark Fainaru-Wada were sentenced to 18 months for contempt of court for a similar refusal in a case involving alleged drug-taking by professional athletes.

Without that assurance – and the confidence that it will be honoured – much journalism in the public interest would be impossible. Lord Denning, when he was Britain's most senior appeal-court judge, put it like this:

If the press were compelled to disclose their sources they would soon be bereft of information which they ought to have. Their sources would dry up. Wrongdoing would not be disclosed Unfairness would go unremedied Misdeeds in the corridors of power – in companies or in government departments – would never be known.

(Please note that these are the words of a senior member of the judicial establishment, not of some wild-eyed, gung-ho media revolutionary.)

The case-history on page 137 gives an example (from India) in which investigative journalism discovered serious criminal activity, exposed it in the public interest, enabled the criminals to be brought to justice and initiated significant improvements in health-safety practices.

Media ownership

The media are an industry and media development is a global phenomenon. Driven by technology and the market, media industries are everywhere proliferating, fragmenting, combining and diversifying. No country can insulate itself completely from these trends. And, indeed, foreign ownership can bring important inward investment to the country, in the media as in other fields. In some countries it may also provide some guarantee of media freedom.

There can clearly be no universal formula for what degree of foreign ownership is acceptable or desirable but any limitation should certainly be included in the terms of the licence; 15% to 20% is a common figure. The terms should also ensure that foreign ownership should not traduce the interests, culture and heritage of the host country.

More than one government has sold off the seed-corn of its frequency spectrum to foreign providers, only to see the local audience sold short. When television was first launched in Fiji, the government granted the New Zealand company TVNZ a monopoly for twelve years of its only terrestrial channel. In a small developing

country, the broadcaster's rigorously commercial plan was, unsurprisingly, based on low capital investment, minimum operating expenditure and a high level of low-cost imported programming from Australia and New Zealand. Locally-produced programming accounted for only 10% of the output and there was no adaptation even of international commercials for local audiences. There was nothing at all underhand in any of this: it was all clearly spelt out in the business plan which the government accepted. But local dissatisfaction with the service lasted for many years.

Cross-media ownership is another matter. It would self-evidently be unhealthy for democratic pluralism if a single provider were to own, say, all the major newspapers and all the radio and television outlets in any country. Restrictions on such cross-ownership are clearly in the public interest and should be part of the terms of the licence; again, 20% is a common limitation. Indeed, there's a good case for setting the permitted levels in the primary legislation.

The funding of broadcasting

This is another area in which the tectonic plates are shifting.

Public-service broadcasting is generally funded through a statutory levy on households equipped to receive its transmissions. There are many ways of collecting this fee. In Britain, viewers have to purchase a licence by mail, at a post-office or on-line. They may pay it by instalments; but, if they own or rent a television set, they must have a licence even if they never watch the public-service channels it funds (the publicly-funded radio services are free). Not to pay is actually a criminal, not a civil,

offence. The licence fee is thus effectively a regressive poll-tax - though one to which, historically, there's been little public resistance. That may soon change. Other countries use different methods of collection: in France it's now added to the annual bill for local property taxes; in Macedonia it's an addition to the monthly electricity bill. In other countries, as in Australia, it comes in the form of a government grant paid for through general taxation.

In most countries public-service broadcasters are now subject to hybrid funding, whereby a proportion of their income comes from public sources but much of it has to be raised commercially. Hybrid funding can lead to tensions between public and purely commercial broadcasters when it leads the former to chase ratings and revenue at the latter's expense: allegations of unfairly-subsidised competition and a dilution of the public-service mission are very common. In the United States, the stations of the Public Service Broadcasting channel supplement their core income by seeking, through energetic on-air campaigns, free-will donations from the people of the communities they serve.

Commercial broadcasting has a wider range of funding options. Historically, the most common source has been advertising revenue, derived from selling air-time for commercials in slots between and during programmes across the schedule. The proliferation of outlets is inevitably diluting this as a source of income. And, as technology enables viewers to 'skip' the commercials if they want to, it provides a less and less secure income stream.

Another source is sponsorship, when an organisation pays to have its product or identity associated with a programme

or with a broadcast event. Sponsorship too is going through a process of change. Whereas, in the past, it was regarded almost as the equivalent of a donation, it's now much more aggressively brand-orientated. In the future, as the market fragments, it's likely to shift its emphasis even more closely to the individual consumer.

An area of some controversy is product placement when, rather than buying advertising air-time, an advertiser pays to have the product included prominently within the editorial content of a programme; it's long been an accepted practice in feature films. For years, 'undue prominence' of this kind has been prohibited by broadcasting regulators (and by self-regulating public-service broadcasters); but the new ability of viewers to evade the commercial breaks is making such placement an attractive alternative - and probably unstoppable, at least within fictional and entertainment formats. It should, however, have no place in news and current affairs programmes, where it would clearly jeopardise editorial independence.

Then there is subscription, where a viewer or listener pays a monthly fee for access to a specified 'bundle' of channels which are otherwise encrypted and so unobtainable. An alternative (or a supplement) is pay-per-view, whereby the consumer accesses and pays for only the individual programmes he or she wants; this can also be used for video-on-demand services.

And then there is the internet, initially used by broadcasters only as a supplementary service to their main channels but now increasingly a production and distribution medium in its

own right. As with newspaper web-sites, most internet broadcasting is still free to the consumer, as it's seen as a spin-off from the core business – even if it costs the supplier a great deal of money. At present most providers mitigate those costs by selling advertising on the web-site but we may well see new kinds of subscription and pay-per-view extended to these services too.

Nor should we forget the programmes themselves as sources of funding. Through co-production, several broadcasters may contribute to the production budget in return for the right to transmit the result. It gives the participants access to formats and scales of production they couldn't individually afford. Programme sales of completed productions to other broadcasters can also provide a significant revenue stream for high-volume producers and there may also be a market for retail sales to the public of cassettes or DVDs. The use of premium telephone lines in audience-participation formats such as phone-ins can generate a useful supplement to mainstream income, as can SMS messaging. Small local stations may also compete – or even collaborate – with the local press in classified advertising ('small-ads').

Where programmes – particularly long-running series – attract large audiences, merchandising can be a significant revenue-earner. Apart from recordings of the programmes themselves, spin-off products such as tie-in books, toys and games can thrive on the publicity generated by the original broadcasts. Branded products promoting the identity of a broadcaster or a channel can also increase consumer awareness, particularly if they are distributed as part of a presence at public events.

The governance of media organisations

If we assume a single, common regulatory body for all broadcasting (see page 20), there's no reason why public-service and commercial broadcasters shouldn't also adopt a common kind of corporate structure, based on normal company practice. This requires that there should be a board of directors and an executive (or board of management). A public-service broadcaster will usually operate under some form of charter and licence; a commercial company will have its own memorandum and articles of association within which the board must operate.

The directors effectively constitute the company and are legally responsible for its conduct. They approve its strategy, assure its financial viability, oversee the work of the executive and are answerable to stakeholders for the company's performance; but their role is essentially to set policy, not to micro-manage the operation. In the case of a commercial company, their prime responsibility is to the shareholders who have funded the company and who expect a return on their investment; in the case of a public-service operator, it's to the wider public interest and not, we must again insist, to the government alone.

The executive, or board of management, are full-time employees of the company and are responsible for its hands-on day-to-day management and the delivery of board policy. It will be headed by a chief executive or managing director, who leads the senior management team.

The board of directors should be made up of two categories of director. Non-executive directors are people who are not

employed full-time by the company but are appointed for their expertise and experience in business and media practice or for some other special contribution they can make. Executive directors are drawn from the full-time executive or board of management. Non-executive directors (who hold the executive to account) should always be in the majority and sound corporate governance requires that the chairman should always be an independent non-executive director; combining this function with that of the chief executive isn't considered best practice.

Not all the members of the executive team will also be members of the board of directors. The chief executive will be, of course, and in a broadcasting organisation so might the directors of television and of radio and the commercial / marketing director. The finance director (a member of the executive) need not also be a board director but he or she should always attend board meetings - and may also act as the company secretary.

The role of the chief executive of a broadcasting organisation can be a

complex one because he or she often has both to manage the business - including commercial income and / or fund-raising - and to act as editor-in-chief of all the output. These two highly demanding activities require different skills and can impose different priorities; some broadcasters have therefore found it helpful to separate the two functions.

The executive arm of a broadcasting organisation has to operate in two dimensions. On the one hand, it must look inward, managing the operation efficiently and effectively in terms of finance, resources, staff and editorial content and treatment. On the other hand, it's constantly engaging with external interests such as government, parliament, the regulator and the public. It's through this second interface that it secures and maintains an environment which will enable it to do its internal work to best effect. The key is defining and building trust in an agreed policy framework and then asserting proper autonomy in interpreting that policy. It's often a difficult balancing-act, particularly in countries-in-transition. ■■■



4 Management Structures & Organisation

The pyramid

For much of the twentieth century, most organisations - particularly big organisations - were structured on the lines of Figure 1: the classic pyramid.

Such a structure defines management as a 'top-down' process: communication and movement within the organisation happen vertically, in columns. There's a strong hierarchy and rigid demarcation between functions. Divisions, departments and units develop their own 'tribal' cultures and are fiercely defensive of their territory. The organisation is dominated by systems,

Pyramid structures are not without their strengths: they are, for instance, both stable and predictable. But they are also by nature conservative and achieving change within them can be desperately slow. They are like the giant aircraft-carrier which can take miles to alter course, when what the modern media world requires is a fleet of fast, highly manoeuvrable patrol-boats - preferably commanded by captains with a touch of the buccaneer about them.

That's why many organisations, in many industries, have abandoned the pyramid in favour of a structure like that shown in Figure 3: the 'hub-and-spokes' model.



Figure 1: The pyramid - top-down management

procedures and regulations. Indeed, anyone who has worked in such an organisation will recognise the feeling that results sometimes seem less important than a safe following of the rules: process takes precedence over outcome.

Figure 2 shows how the pyramid structure was applied to one broadcasting organisation - in this case the BBC (British Broadcasting Corporation) - some twenty years ago.

The 'hub-and-spokes' structure

This is the antithesis of the top-down monolith. It still requires a strong centre, particularly in finance, but it operates on the basis of devolved autonomy. At the end of each spoke is a small, free-standing, entrepreneurial unit which is enabled to operate independently and to strike its own deals both with other units within the organisation and with the outside world.

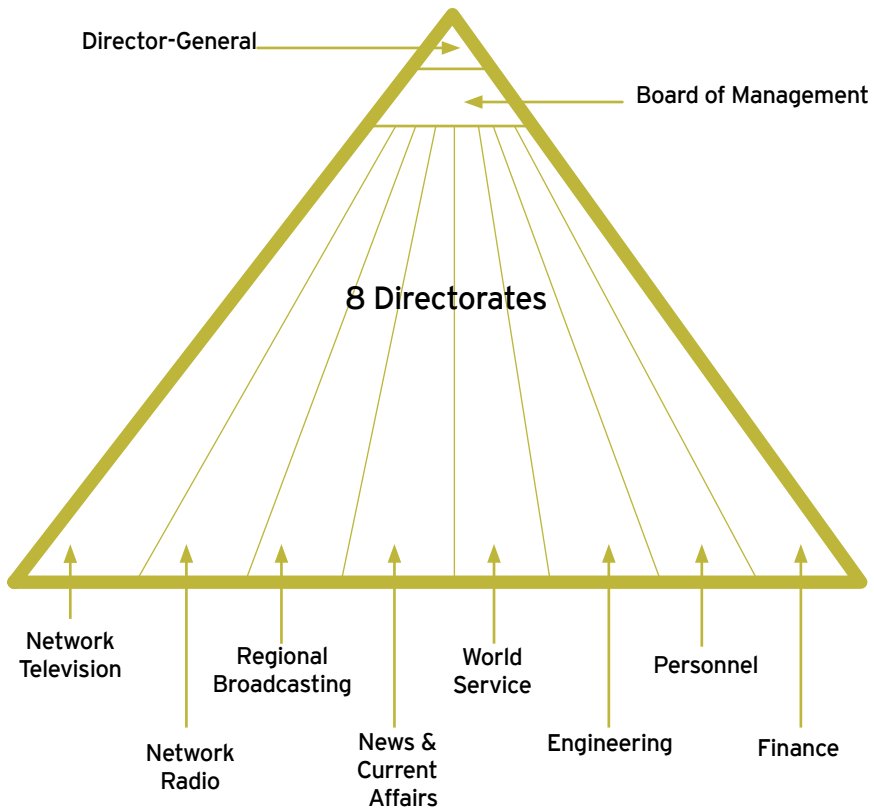


Figure 2: The BBC in the 1980s - a 'vertical' system

Such a structure depends less on hierarchy and procedure than on relationships. It's result-orientated rather than process-orientated. It allows its managers scope to act independently and to devise their own methods and approaches. Above all, it enables quick response in a volatile competitive environment.

This is the structure through which GEC (General Electric Company) was able to

generate the biggest cash-mountain in British industrial history. Interestingly, in that organisation it was the unit with the most open brief imaginable which was one of its most successful: they were simply given facilities and a budget and told to invent things. There wasn't a single year in which they didn't come up with new ideas which more than covered their costs - and usually led to significant new profit-making products and activities for the group.

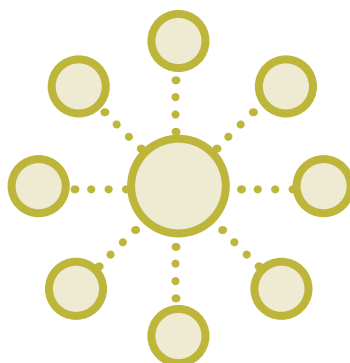


Figure 3: The 'hub-and-spokes' model - devolved autonomy in a 'radial' system



Figure 4: The 'hub-and-spokes' model applied to a broadcasting organisation - the role of 'head office' changes dramatically

How might such a structure be applied to broadcasting? Figure 4 suggests an answer for an organisation operating in both radio and television.

Here the old 'vertical' relationships have disappeared. For instance, for television there's a unit which commissions, schedules and promotes the output; there's a unit which produces the programmes; and there's a unit which provides the technical and other resources needed for their realisation. The same is the case for radio - though it would certainly also be possible to have a single resources unit servicing both media. Each of these units works as an independent business centre, applying the budgets devolved from the centre to strike internal and external contracts for the provision of products and services. (The mechanisms for such a system are dealt with in detail in Chapters Six and Seven.) The danger to avoid is in creating unnecessary and unwieldy bureaucracies to handle these relationships - see the comment on all-cash costing on page 71.

Looking at this example, some might think that the commercial and marketing functions ought also to be made independent; but brand management is a vital element in competitive commercial success and can too easily be diluted if it becomes an unco-ordinated free-for-all. So overall consistency here is arguably as important as in finance and there's a strength in keeping it as a 'group' function.

In Britain, both the BBC and ITV (Independent Television) separated their broadcast, production and resource functions in this way some years ago. The al-Jazeera Network has adopted a similar structure at group level but has kept its

individual operations separate and vertically-integrated; so Arabic-language news, English-language news, sport and children's programmes all have their own (and in some cases duplicated) infrastructures. Some observers have seen this as a missed opportunity. But then, al-Jazeera is very much better-endowed than many 'poor-relation' broadcasters.

If you're thinking that the hub-and-spokes model may be a touch too radical to adopt at a single stroke, you might consider, as a step along the right road, something on the lines of Appendix B. (This shows line-management relationships only but you'll also need to consider functional management responsibilities and accountability - see page 87.) The terminology used is that of British practice, where the management hierarchy tends to run: director, controller, head of department, manager. In some countries, in the Middle East for example, the title of manager places the post-holder rather higher in the pecking-order but these labels have no intrinsic significance.

While this organisation shows a more conventional line-management approach, it incorporates significant changes to the traditional broadcasting tribalisms. The first is that all the services required to realise programmes are brought under a single resources division. In most cases this will mean taking away from engineering what have traditionally been 'their' programme-operations functions - so you should be prepared for a territorial battle. The rationale is that the resource division should be a one-stop servicing shop for all aspects of programme-making and that engineering should be concerned essentially with infrastructure, maintenance and communications (as well, of course, as

specifying technical standards and managing capital projects) – but not with the actual programme-making process.

Since technological developments have largely separated operating skills from maintenance skills, the arguments for this approach are persuasive. As one technical manager once put it: what I need in a microphone-boom operator isn't a PhD in electronics theory; it's the skills of a very good snooker-player.

The second change is the bringing together of the radio and television news operations. Many broadcasters have seen this primarily as a means of saving money – and it can indeed generate savings if that's what you want. On the other hand, you might prefer to regard it as getting better value out of the people and resources you already have. It's axiomatic, of course, that news should have its own dedicated resources – studios, camera-teams and so on – as its rapid-response nature and frequent live-transmission pattern make a 'contract'

process like that for general programmes out of the question. News resources such as graphics and editing also need to be closely integrated into the newsroom operation, not housed in some separate technical block.

There's much nonsense talked about the 'bi-media' approach and the idea that total interchangeability is achievable seems to me largely illusory. It appears to work best when the news-gathering and news-processing are indeed fully integrated in a single newsroom and all information is shared – but production of the news programmes themselves is kept as two separate operations.

There are two reasons for this: first, that the television production process is technically so much more complex than that for radio; and secondly, that in most general broadcasting operations the number and frequency of radio news bulletins far exceed those of television. They're simply operations of a different order.

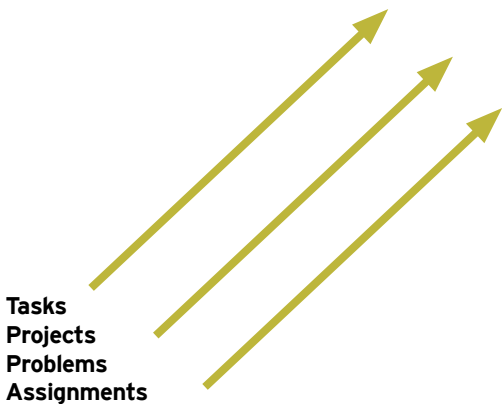
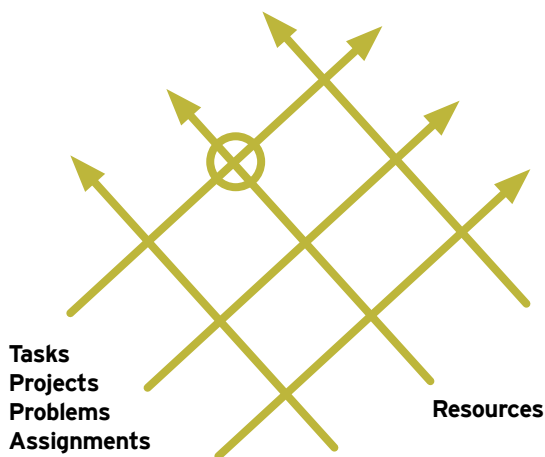


Figure 5: Matrix management 1 – the starting-point is the task



**Figure 6: Matrix management 2 – control through the application of resources
(Management happens at the points of intersection)**

Matrix management

There's a third approach to management which is particularly relevant to the media industries and which many broadcasters – particularly publisher-broadcasters – are adopting. Matrix management doesn't depend on big establishments of staff and facilities; indeed, publisher-broadcasters have no production capacity of their own at all. Rather, it makes every product a one-off task, bringing together people and resources for its realisation, purely on a project basis. So the starting-point is a task – in our case the processes involved in making a programme (see Figure 5).

What the matrix manager does is to put together the team of people and the resources to deliver the project and to 'overlay' them on the task (as in Figure 6);

so the actual management activity takes place where the lines intersect. Control is exercised through the control of resources.

It's immediately clear that such a system is highly flexible and potentially economical, because the overheads associated with big in-house resource pools are reduced. It's equally clear that it's challenging to manage, as the ground is constantly shifting and the target moving. So the matrix manager is all the time dealing in relationships, influences and expertise. It's a dynamic process – not at all like being an administrator in a pyramid – and requires a major culture-shift for managers with a more traditional 'civil service' proceduralist mentality. That won't be achieved without serious professional training.

Yet, if we think about it, matrix management is exactly how feature films are made.

The producer raises the money, mounts the production and brings together the realisation team: director, cast, director of photography, production designer, technicians and so on. They all work together to make the film and then, when they've finished, they all go off to do something else with a different team. The organisation lasts only for the duration of the project.

So, in the last three decades of the twentieth century, a proliferation of management structures has evolved in response to a changing environment and changing needs. Even in the 1960s, the sides of many pyramids were already becoming less steeply-sloping and their tops rounded-off. In the 70s and 80s, many of them underwent a 'pinching-in at the waist', as technological and economic pressures removed the need for swathes of middle-management.

Pyramids still exist but they tend to be much 'flatter' than they were. (There are now even enterprises which can be represented by an inverted pyramid: think of a small, highly creative design company which consists only of three very clever software writers and a secretary.) Meanwhile, hub-and-spokes models have become more prevalent and matrix management techniques more widespread.

In considering how best to configure our own organisations, we need therefore to ask ourselves which comes first: structure and culture or strategy and objectives? If we really want to be able to move fast in a rapidly-changing world, the lessons for broadcasters would seem to be:

- Dismantle the old hierarchies
- Organise round autonomous business centres

- Decentralise management decisions
- Go for competence, not numbers
- Operate across traditional specialist functions
- Go for more joint ventures and partnerships
- Get closer to customers (the audience)

The management process

Once we have the right structure, we need to formulate a management process which ensures that everyone in the organisation concentrates on the key tasks and doesn't get side-tracked into sterile bureaucracy or into time-consuming effort which is ultimately unproductive. We can think of this process as a cycle which can be applied to any task or problem:

- Assess
- Prioritise
- Formulate
- Delegate
- Communicate
- Monitor
- Evaluate

(I emphasise that the process is cyclical: communication is therefore not a 'one-off event' but a continuous activity throughout.)

First we need to assess the challenge. What is its nature - technical, financial, staffing, creative and so on? Can it be dealt with internally? If so, what kind of measures will be needed to resolve it? How much time, effort and money will it require? What might be the consequences of doing nothing?

Secondly, what priority should it have? Does it affect an essential strategic objective or is it relatively marginal? Does it require 'quick-fix' action or sustained attention over a period? Is it a task for a senior manager or can

In considering how best to configure our organisations, we need therefore to ask ourselves which comes first: structure and culture or strategy and objectives?



it safely be handled at a more junior level?

Having analysed the task in this way, we can then formulate what we want to do about it - map out a course of action, to a timetable, and define what resources (people, equipment, money) will be deployed to implement it.

Next, delegation. We know what we want to do; now who is actually going to do it? Who will be responsible and to whom will they be directly accountable for the process and the outcome?

Then communication. With all these decisions taken, we need to tell everyone who's affected what's going on, why it's being done and what it's intended to achieve. If it's likely to have knock-on effects on other activities, these need spelling out and provision made to cope with them.

So the task gets under way. If it's a quick and simple one, the only feedback you may need is a single final report that it's been completed; but a long or complex task will need to be monitored as it progresses. The information may come from regular documentation (such as monthly financial returns or periodical written reports) or by oral reports at regular management-team meetings. The conduct of the task may need to be modified in the light of these

reports. The ultimate aim of monitoring is: no surprises.

Lastly, there should be an evaluation of the outcome and the conduct of the exercise. Did it deliver the required result on time and within budget? Has the outcome, as finally delivered, proved to be the right solution? What difficulties were encountered and what lessons can be learned for future tasks?

By then you'll already be immersed in several other challenges at different stages of completion, because it's a cyclical, not just a linear process. That's why prioritising and delegating are so vital to success - and are where so many managers go wrong. (A rather damning appraisal report on a quite senior manager once read: No job is too big for him. Or too small.)

A tendency to treat every problem as of equal importance, or to give priority to the easiest task, are both sure ways to lose your grip of the situation. One manager I knew had four trays on his desk marked 'in', 'out', 'action' and 'much too difficult'. When the fourth started filling up he knew that he was putting off decision-making and needed to move some files into the 'action' tray. But it's also surprising how many low-priority problems just disappear after they've been ignored for a while. As the late Peter Drucker maintained, there's nothing so



Establishing a management style will determine what kind of an organisation yours is, what it's like to work for and, ultimately, how successful it will be.

useless as doing efficiently what shouldn't be done at all.

Equally problematic is the senior manager who insists on doing everything himself or herself. This has two consequences: it prevents him or her from standing back, taking the strategic view and providing true leadership; and it's intensely frustrating to more junior managers and their career development in terms of experience. Which brings us to management style.

Management styles and leadership

Structures and systems are only one aspect of management; it's also about relationships and about leadership. Establishing a management style will determine what kind of an organisation yours is, what it's like to work for and, ultimately, how successful it will be. (In the following examples I use 'he' to avoid clumsy verbiage; but the principles apply equally, of course, to men and to women.)

One approach is that of the tyrant. Autocratic and dictatorial, this is the ultimate top-down management style. The tyrant rules by edict and may suppress dissent or alternative thinking by intimidation or

bullying. It's sometimes known as the 'fear and loathing' school of management, after the Latin tag *oderint dum metuant*: 'let them hate me, so long as they fear me'. It has to be said that some remarkable successes have been achieved through these techniques (military history is full of them – and some famous newspaper editors rank alongside the more tyrannical generals). But they waste the potential of many good people and make for a pretty disagreeable working environment.

At the other end of the scale is the softie. Regarded as an 'easy touch', vacillating and indecisive, he's ready to believe whatever he's last been told, is easily influenced and manipulated by strong subordinates and attracts little respect either personally or professionally. Organisations with such weak leadership are unlikely to prosper.

Then there are managers who try always to be 'one of the gang': superficially easy-going and informal, seemingly treating everyone as an equal but in reality just cultivating an ingratiating image. There are certainly attractive aspects to an informal style and a genuine lack of status-consciousness is encouraging and refreshing. But there are also dangers. How is such a manager to behave, for instance – and how will he

be perceived – when he has to deal with a difficult human resources problem? Disciplining a colleague with whom you have become over-familiar is difficult for both parties and may seem to the subordinate a let-down or even a betrayal. A degree of authority is essential to management and requires a measure of distance. Assessing correctly when to ‘change gear’ is a matter of fine judgement and the manager who gets it wrong will, in an effort to be over-popular, forfeit respect.

The mandarin is quite another kind of manager. Aloof and remote, he deals only at the highest levels of policy and politics, is seldom seen where the actual work is done and has no meaningful contact with his people. He operates by proxy, through diligent ‘staff-officers’. Junior employees will have little sense of his leadership and may not even know his name.

The bureaucrat can be equally remote but for different reasons. His office door is always shut because he’s perpetually engaged in paperwork. Obsessed with procedure, meticulous in following the rules, attending to the minutest details, he can’t see the wood for the trees and is unable to prioritise or delegate. His is the way to tidy but stultifying efficiency – on paper at least. If you want dynamism and innovation, don’t look here.

Finally, there is the true leader. This is the manager who wins universal respect for his professional competence but is also approachable and responsive. He makes sound judgements about the level at which he should be personally involved in a project or problem and is therefore good at prioritising and at delegating. He trusts his management team, is keen to see them develop their careers and ready to give

them responsibility. He listens to the views of others at every level. He’s confident and makes others feel the same. He’s not seduced by status or the trappings of power, he adopts an ‘open door’ policy and, above all, he regularly gets out of his office and ‘walks the floor’.

Leadership in these terms involves the creation of an identity with which people can associate themselves, the formulation of a strategic vision and of the organisational tactics to achieve the strategic goals (see Chapter Five). It also requires the development of persuasive techniques to ensure that people follow where he’s leading. Mutual respect and participation in decision-making are the key factors.

Leading the team

The role of the leader of the management team is rather like that of the captain of a ship. Here’s a story which illustrates what I mean.

A ship is proceeding from A to B, with a deadline to meet for entering harbour. Suddenly, the chief engineer informs the captain that he has a problem: a defect in one of the main engines. The captain can’t, of course, repair the fault himself. His role is to assess the options and to make a command decision which other members of his team will implement.

So first he asks his engineer about the nature of the defect. How serious is it? Can it be repaired using the ship’s own resources? Can the work be done while they are still at sea?

The engineer tells him that his department is capable of repairing the engine and offers him three options:

- Continue at the present speed – in which case (if things don't get worse, which they well might) they could possibly make harbour on time; but, even if they do, the long-term damage to the engine is likely to be much more serious and expensive to fix.
- Reduce speed by half – in which case he thinks he can keep the engine running and will be able to undertake the repair in harbour (much easier than at sea); but they will then arrive very late.
- Stop the ship – in which case he thinks he can repair the engine at sea and estimates that it will take up to two hours (but much longer if he encounters unexpected snags).

What should the captain do? Certainly not toss a coin. But at this stage he doesn't have enough information to make an informed decision. So first he asks his navigating officer what would be the navigational consequences of each of the three options, How late would options two and three make them? Would they miss the tide? Might they not be able to enter harbour at all that day? The navigator – whose plan has already prudently allowed some time for contingencies – goes off to do the calculations.

Then the captain asks his executive officer what effect each option would have on the ship's general programme. If they can't enter harbour today they'll miss several important events. He may also consult his logistics officer: do they have adequate supplies to cope with a significant delay?

In due course, he receives their reports, weighs up the pros and cons and makes his decision. He sends a signal to his operating authority explaining the situation and tells

the ship's company what's happening. And then, most important, he stands back and lets his team get on with their jobs. All have contributed their specialist knowledge to the decision-making process – and all will now contribute their specialist skills to its implementation. It's a paradigm for successful management in any context.

Just for the record, this is a true story. The command decision was to go for the third option. The ship was stopped, the engine was repaired at sea within an hour and a half and the ship made its landfall on time – just. I know this because I was the captain.

The same principle was well put by Frank Pick, the chief executive who drove the integration of London's underground railway system between the two World Wars. Day after day, he wrote, he found himself having to:

..... find answers to a continuous stream of questions about staff, finance, traffic, engineering, publicity, supplies In no sense am I an expert. I have and can obtain advice wherever I want it. I merely have to decide, but in deciding I become responsible for my decisions. And while they are all separate decisions, it is necessary for me to try and fit them together into a consistent whole.

It's not a bad summary of a senior manager's role in any organisation. I confess to having been a touch startled at one international seminar when some participants – very senior people in their organisations – claimed to be unable to bring about change because 'we're managers, not decision-makers'. I had to point out, gently, that if you can't make decisions you're actually not a manager but simply an administrator: not at all the same thing.

The management of creativity

Management of media organisations is something of a special case because it involves the management of creativity. The making of programmes isn't like running a mass-production factory. If you're a company which makes widgets, you need to design the best widget you can and then set up a system which will reproduce it consistently, efficiently and cost-effectively, time and time again, in very large numbers.

Producing for television and radio isn't like that because every product is, in effect, a one-off prototype. As an article in *Management Today* once put it, what we're asking our staff to do is to innovate, continuously and successfully, often to a demanding deadline. That makes working in the media stressful, not least because there's such a degree of personal exposure: if a programme fails, the on-screen credits spell out exactly who's responsible for it.

Managing this kind of activity can therefore be difficult; so can managing the kind of people who are attracted to this kind of work. The article went on to observe that some of them may well be cleverer than those who manage them - and may also be well aware of the fact. When they're not,

they may behave aggressively to conceal their insecurity. They may be resistant to organisational discipline (which is why so many of them prefer to work as freelancers rather than staffers) and are likely to defend their brain-children ferociously.

Encouraging such people is easy; controlling them can be problematical. So how can we keep the operation on the road without inhibiting the creativity which is essential to success?

As we've seen, much depends on management style and mutual respect. But it's not unreasonable to define quite clearly, for instance, the limits of time and effort within which the development stage of a programme must work. (In fact, deadlines can often be a spur to creativity.) When it comes to the production stage, monitoring is even more vital. Programme-making is not a mechanical, linear process (think widgets again) but is subject to a degree of volatility which is inevitable and may well be productive. Nevertheless, there has to be a price-limit to continuous change and revision. (There's much more on working within time and budget constraints in Chapters Six, Seven and Eight.)

Management of media organisations is something of a special case because it involves the management of creativity. The making of programmes isn't like running a mass-production factory.



Meetings

There's probably more time wasted in meetings than on any other management activity: they can all too easily become an alternative to work. To stop their degenerating into stream-of-consciousness meanderings, regular operational meetings require organisation and discipline.

Meetings of more than eight people become increasingly unproductive as the numbers grow; meetings which last more than an hour and a half are more than likely to run out of steam. There should be a clear purpose, which is communicated to the participants. Meetings should not simply be forums for exchanging information: that should be done beforehand, through focused documentation, so that participants arrive fully briefed for an informed discussion. Firm chairmanship is essential: the ability to ensure that everyone who has a useful contribution to make is heard (while keeping the meeting to time) and to sum up the discussion concisely and fairly.

Whether you adopt a formal procedure with a written agenda and recorded minutes depends on the nature of the meeting and your management style. Company board meetings should always be conducted and recorded in this way. But - if you have a team which works through mutual understanding and trust - for regular management meetings a simple list of action points should be enough to ensure that the work gets done.

On the other hand, there are times when more open-ended brainstorming is useful and productive - for instance, when discussing the parameters for the

formulation of a business plan. For sessions like this, it's worth taking the management team on an 'awayday' at an external venue, where they can't be distracted by the day-to-day demands of their departments. (Make sure they all switch off their mobile telephones, except during breaks.)

Information and communication

It's also a good idea to hold, say once a year, an open meeting for all staff in which past performance and future plans are set out and everybody has an opportunity to question the senior management team. This can do wonders for morale and a feeling of inclusivity. But staff should in any case be kept fully up-to-date with what's going on in the organisation. This can be done in a number of ways: regular departmental meetings, notice-boards (hard-copy or electronic), teletext, an intranet and so on. An internal newsletter, with contributions from across the organisation, is usually well worth the (considerable) effort required to produce it and need not be flashy or expensive. It's surprising how many broadcasting organisations, supposedly professional experts in the business of communication, are frankly hopeless at communicating with their own people.

It's vital, too, to communicate effectively with your customers - the audience. The most valuable medium for this is the one you already own, the broadcasting chain itself. (There's more about on-air promotion in Chapter Six.) But other methods are important too. The regular schedule-listings project an essential image of what you are and what you're doing. Advertising campaigns - in the print media or in public places - can raise awareness of a new

There's probably more time wasted in meetings than on any other management activity: they can all too easily become an alternative to work.



series or a themed season. An efficient and pro-active press and PR operation is a must, making sure that your organisation is seen to be out and about and serving its customers; a lively presence at fairs, conventions and public events can raise your profile significantly.

But you must also be equipped to deal with communication in the other direction. You need a well-run duty office which takes calls from the public, answers queries and fields complaints; you also need an efficient correspondence service for the same purposes. And, if you want to forge links with the community, it can be useful to have an advisory council of lay people who comment on the output and act as ambassadors for the organisation in the outside world.

Getting the organisation right

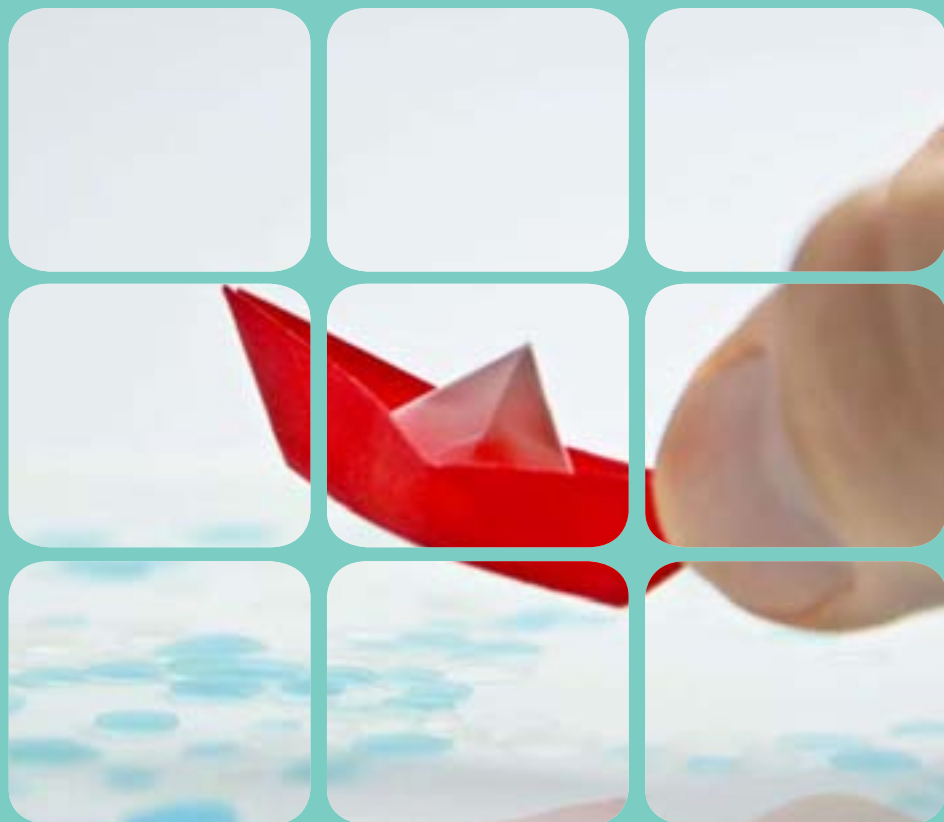
A recent survey of management practice in British universities identified five 'fatal flaws' which could destroy the working ethos and the reputation of even the finest academic departments:

- Weak leadership
- A 'blame' culture
- Poor communication
- Conflict
- Excessive bureaucracy

The researchers concluded that 85% of universities' problems were with the organisation, not with the people; and they warned them that they had to deliver top-class 'organisational excellence', as well as academic excellence, if they were to compete effectively in a global market.

Broadcasting organisations are famously vulnerable to exactly the same shortcomings.





5 Strategic Planning & Financial Management

Why should you have a plan?

There are two aspects to planning, one for internal and one for external purposes. Internally, it enables us to make clear to ourselves and to one another what we're doing, to set and achieve goals, to measure progress and to give our staff purpose and satisfaction. Externally, it demonstrates to potential partners and funders that our aims are achievable, our methods are robust and we have the organisation and resources to deliver the result.

Every manager should have a copy of the corporate plan and should refer to it constantly. There may be some sections – such as commercially-sensitive financial information – which need to be kept confidential; but every employee at every level should also have a clear picture of what the organisation's aims and objectives are and how they're to be achieved.

To use another nautical analogy, planning is like navigation: drawing a track on a chart and taking into account wind, tide and speed-of-advance to get from A to B. No mariner would put to sea without such a navigation plan – any more than any of us would set off on a drive across unfamiliar country without a road-map.

As in navigation, planning addresses the questions: where do we want to get to; how are we going to get there; how can we measure our progress; and what are we going to do when we arrive? But, as every experienced navigator knows, you can't even begin to answer those questions until you've first asked: where are we?

It's amazing how many broadcasting organisations can't answer that question adequately:

- In the state broadcasting corporation of one Middle Eastern country, an audit of staff conducted by external consultants couldn't account for more than 100 people on the payroll: a hundred people who were drawing salaries but whom the managers nominally in charge of them had never seen.
- Another state broadcaster in the Balkans had privatised its transmission function – but still retained on its books 80 people assigned to an operation which no longer existed.
- In an African state broadcasting corporation, there was no proper inventory of equipment and no means of logging it in and out; so nobody could tell you exactly how many functioning cameras they had at any one time or where they were deployed. There were three times as many cameramen as there were cameras. Of its 302 staff, 8% worked in security roles; it employed ten drivers but had only two working vehicles.
- A broadcasting headquarters in Eastern Europe was equipped entirely with automatic lifts – but still employed an operator in every lift to press the buttons. Legions of drivers hung about the main gate waiting for tasks which never materialised. Meanwhile, a vital regional station received no funds at all from the central organisation other than its monthly salary cheques and had (literally) no such thing as a budget for making programmes.
- In another television station a huge studio, with all its equipment, was used to produce one programme on one day a week and otherwise lay idle, costing an unproductive fortune in overheads.

Unless you've tackled that kind of Alice-in-Wonderland problem before you start your

journey, you're unlikely to get anywhere much. And many such problems don't require rocket-science to fix. In the African station, for instance, all the camera operation required was someone energetic who was clearly in charge, some shelving, a labelling system for the equipment and a booking out-and-in register. A major part of the problem was, in the words of a visiting consultant:

The management structure is complex, multi-layered and arbitrary, with an overlapping of functions and confusion between line-management and functional management responsibilities. Staffing patterns are not based on broadcasting imperatives This pattern of employment has an adverse effect on staff morale. Staff feel under-trained, under-used and under-paid. There is an air of defeatism and a tendency towards negative inter-departmental criticism.

In one television station I visited, I asked what kind of cataloguing system they used in their recorded programmes library. 'Oh,' was the reply, 'we don't need one. It's all in the librarian's head. He's been here for thirty years and he knows it all from memory.' 'And how old is he?' I asked. 'Sixty-three,' I was told. 'And what will you do if he has a heart attack tomorrow?' Nobody had even thought about the possibility.

So 'where are we?' should always be a self-critical question. Even when (perhaps especially when) your internal systems are efficient, it's all too easy to become complacent. The status quo becomes the norm and there's an in-built supposition - and an expectation - that it will grow by a process of annual accretion. That can be the road to bloated, over-staffed inefficiency.

As well as regular audits, a useful technique is periodically to plan on the basis of a zero-budgeting exercise. That is, not to start from what you already have but to ask the question: if we were setting up this operation tomorrow, from scratch, what people and resources would we really need to deliver the goods? The answer is very often: rather fewer than you have now. (There's an old rule in broadcasting: the producer says the glass is half-full; the engineer says it's half-empty; the accountant says the glass is twice as big as it needs to be.)

How do you set about planning?

Planning isn't a one-off exercise. Just as, when he's blown off course, the navigator has to adjust his plan to get back on track, so planning is a continuous process. (As the old military adage has it: even the best battle plan rarely survives the first contact



There's an old rule in broadcasting: the producer says the glass is half-full; the engineer says it's half-empty; the accountant says the glass is twice as big as it needs to be.

with the enemy. Or, as a British prime minister is said to have replied when asked what gave him most cause for concern when he was in office: 'Events, dear boy, events'.) The case-history on page 130 tells the story of an organisation which was forced by circumstances to alter its master-plan radically and at short notice – and in the process discovered even more successful ways of doing things.

Nor is planning a one-person exercise. If the plan is to be fully 'owned' by the management team, all must have input into its formulation and participate in the debate. But the planning process isn't just a talking-shop either: formulating a plan on paper, however well it's done, is no guarantee of action. The plan must be worked – so the work must be planned.

Appendix C gives an example of a vision, mission and strategy plan for a broadcasting organisation. It's based on a real case, a Middle Eastern broadcaster which wanted to transform itself from an over-staffed, bureaucratic state-controlled body into a modern, efficient organisation. It demonstrates how aims and means can be formulated for all the key elements of the operation. But it's still not an action plan: it doesn't take good intentions to the stage of defining who, exactly, will do exactly what.

Strategy and tactics

That's the difference between strategy and tactics. Strategy is what you do: it's been described as 'doing the right things', or effective leadership. Tactics is how you do it: 'doing things right', or efficient management. Tactics are short-term; strategy is longer-term.

To deliver results, the plan has to be presented in terms of concrete objectives. That doesn't mean simply setting theoretical targets which may be unachievable. A well-known acronym suggests that the objectives should be SMART:

Specific
Measurable
Achievable
Realistic
Time-related

For each objective there should be specific activities and actions to be undertaken. And for each of them, the questions to be answered are:

- Who is going to do it?
- When will it be done?
- How long will it take?
- How much will it cost?
- What resources will be needed?
- What priority should it be given?

Strategy is what you do: it's been described as 'doing the right things', or effective leadership. Tactics is how you do it: 'doing things right', or efficient management.



Constructing a business plan

The summation of an organisation's planning is presented as a business plan. This is particularly important for potential external partners or funders, as it's on the basis of your business plan that they'll decide whether they want to work with you or support you.

The essential drive of a business plan is to set out the organisation's direction - its business philosophy and style, its strategic objectives and the time-scale within which it's planned to achieve them. (Most business plans cover a period of either three or five years.) Financial projections over the time-scale are crucial: they need to demonstrate that the organisation is viable as a going concern during the period of the plan and beyond it.

The definition of a going concern is an organisation which will be able to meet all its financial commitments as they fall due. It's cash-flow, not profitability, which is essential to survival. It's perfectly possible for a company to be unprofitable but still able to pay its debts, as long as its cash-flow is positive. On the other hand, a company which is profitable in three years' time on paper can still go bankrupt if it hasn't the ready cash to pay its bills next week.

The preparation of a business plan is a combination of vision and analysis. Brainstorming with management colleagues can be highly productive, which is why it's so important to make planning a collective and participative process. But the proposals which emerge also need to be tested by comparative analysis - for instance through market research.

A format for a business plan

There's no universal pro-forma for a business plan but the following pattern should enable you to cover all the essential ground. Some of the terminology used here is for businesses in general but its adaptation to the particular needs of broadcasting operations should be obvious. In this model, the main headings are:

- Executive summary
- Company profile
- Vision, mission and strategy
- Market context
- The product
- Delivery of the product
- Competition
- PEST and SWOT analyses
- Financial plan
- Financial assumptions and notes
- Risk assessment and management
- Appendices

First should come the **executive summary**.

This encapsulates all the key features of the plan, including the headline financial projections, in an easily-digestible form: from it, the reader should be able to understand immediately where, why and how the organisation is heading. If you can keep it within a single page, fine; but it should certainly never exceed two pages. Remember, it may well be the only part of the plan which the most senior of its readers will even look at: like all good managers, they'll delegate analysis of the detail to their subordinates specialising in finance, technology, marketing and so on.

Next there should be a **profile of the company**:

- What kind of a company is it?

- How is it structured and organised (include an organisation chart as an appendix)?
- What people and resources does it employ?
- For how long has it been operating?
- What is its track-record?
- Who is backing it?
- Who are the key people leading the enterprise?

Then its **vision, mission and strategy**:

- Where is it going and how does it intend to get there? (Appendix C is a good guide to the questions this section needs to address.)

The plan then needs to be set in its **market context**:

- What is the state of play in the industry and how is customer behaviour developing?
- Where does the company sit in this market-place?
- Does it aim for broad appeal or is it a niche operator?
- What is its current market share and what development is it seeking?

The section on **the product** (in our case the programmes) is vital:

- What are the significant characteristics and qualities of the output (and proposed future output)?
- Does the company have - or want to develop - a USP (unique selling proposition)?

This should be supplemented by a section on the **delivery of the product**:

- What technical standards and formats are employed?
- How are technical facilities configured?
- What is the staffing pattern?
- Is there an element of multi-skilling and / or bi-media working?
- What activities are out-sourced and to whom?
- How is quality control assured?
- What platforms are used for delivery to the customer (terrestrial transmission, satellite, cable, internet and so on)?

You should also show that you have assessed how you rate the **competition**:

- Who else is operating in the same field?
- What is known about their current performance and future intentions?
- Are you going to compete with them head-on or provide an alternative?

In carrying out such comparative analysis, there are two useful tools, both of them labelled by familiar acronyms.

The first is the PEST analysis: it assesses the changing environment within which the plan is conceived under four headings:

Political
Economic
Social
Technical

Political change is particularly important if you're funded or partly-funded by the state:

- Would a change of regime be likely to affect your public funding - and might it be to your advantage or your disadvantage?
- Would such a change be likely to impinge on your editorial freedom or bring



The essential drive of a business plan is to set out the organisation's direction - its business philosophy and style, its strategic objectives and the time-scale within which it's planned to achieve them.

pressure for a shift in editorial policy?

- How would that affect your relationship with the audience and the market?
- Would a new government be likely to free up the market to more competition?
- Or might new regulations change (say) the limits on the amount of advertising permitted per hour?

Economic change is, of course, closely linked with political developments:

- Is the economy booming or stagnating?
- What effect might that have on advertising revenue?
- Are there opportunities for expansion or is retrenchment the order of the day?
- Whether times are hard or prosperous, what effect might either have on people's viewing and listening patterns?

Social change also affects the audience's behaviour:

- Do they have more or less leisure time?
- Are they tending to use it passively or actively?
- Are there fashions in behaviour which are drawing them away from broadcasting?
- How can a broadcaster respond to their developing wants and needs?
- Is a re-think in terms of content and style required?

Technical change affects both the provider and the customer. The digital revolution has made this an area of very rapid movement. For the broadcaster, it offers new - and usually more flexible and economic - means of delivering output of high quality and variety; in particular, it opens the way to innovative working practices such as multi-skilling. To the customer it offers new kinds of viewing and listening experience: more channels, high definition, interactivity, mobile access and so on.

A good way of tabulating the specific elements of such a changing environment is through a second well-known acronym, the **SWOT analysis**:

Strengths
Weaknesses
Opportunities
Threats

This technique enables an organisation to identify and assess its internal characteristics (its strengths and weaknesses) and the external forces to which it is subject (opportunities and threats). Figure 7 shows an example of a SWOT analysis which was produced by participants in an international conference for small local and city television stations.

Next in the business plan should come the

INTERNAL Strengths	EXTERNAL Opportunities
Close to the audience - participants, not just observers Small Informal Flexible Economical Rapid response Set own priorities Unconventional Campaigning	Programme-sharing Local mini-networks Local partnerships Bi-media options Increased productivity Digital variations Internet distribution/services
Weaknesses	Threats
Limited money and resources Some formats beyond reach Limited expertise Seen as 'amateur' Small audience Vulnerable to local pressure	Dilution of revenue Staff migration 'Poaching' of staff Take-over Asset-stripping Marginalisation

Figure 7: A SWOT analysis for local / city television stations

financial plan. The number-crunching will be done by your finance professionals but all managers must understand the principles of financial planning and the construction of a budget. This isn't a manual for accountants but non-specialist managers may find the glossary of financial terms in Appendix D helpful.

Some of the key principles in setting out the financial plan are:

Core funding should project the expected income from public sources over the period of the plan. It should specify what allowance has been made for capital expenditure and what level of borrowing (if any) is planned for this purpose. There should be no borrowing for operating expenditure.

Commercial income should project the expected revenue from advertising, sponsorship, product placement (if allowed), subscription, pay-per-view and all other sources.

Budget centres should reflect the organisational structure: every manager should hold and be responsible for a budget and should have authority to commit its expenditure without reference to anyone else (but within the company's rules and any signing limits in his or her job description - see Chapter Nine and Appendix N): the principle of delegation again. The capital budget should be held and administered by engineering, which alone should have the authority to purchase fixed assets. Costs which are unique to a budget centre will naturally be allocated to that centre; for



Finance is a servicing, not an executive function: it should provide professional advice but have no authority to override managers' decisions on the spending - within the company's rules - of their devolved budgets.

instance, transmission costs will be charged exclusively to engineering. But there will be many shared costs which need to be apportioned among the centres which (to differing degrees) use them. There's a guide to the allocation of these overhead costs in Appendix E.

The finance division should co-ordinate the preparation of the budget, pay employees' salaries and the external suppliers of goods and services, keep financial records, including a monthly cash-flow statement, and provide a management information system which monitors actual expenditure (see Chapters Six and Seven). But finance is a servicing, not an executive function: it should provide professional advice but have no authority to override managers' decisions on the spending - within the company's rules - of their devolved budgets.

The plan should include depreciation charges for all fixed assets - the cost of each asset divided by the number of years it will be in service, giving an annual charge. So the depreciation of picture-editing equipment, for instance, will be charged to the editing line in the resources budget. There should also be provision for the maintenance of plant and equipment and for its replacement at the end of its useful life.

The financial plan should be accompanied

by a section on the assumptions which have informed its construction - for instance, interest rates, any rate of inflation which has been applied to the calculations, projected movements in staff remuneration, exchange rate fluctuations (if relevant) and so on.

All this ground is covered in more detail in Appendices E and F.

After the financial information should come a section on risk assessment and risk management. This has become an increasingly important element in business planning and potential investors or providers of loan funding will certainly expect it to have been tackled thoroughly.

No active and creative enterprise can avoid risk if it is to innovate and grow. But it needs to be fully aware of the nature of the risks, to analyse them carefully and to have in place mechanisms for the early warning of potential problems and contingency plans to deal with any threat. There are three stages to this exercise:

- Identifying the risks
- Assessing the risks
- Devising a risk management strategy

Identifying the risks means defining each of

the areas in which, if things go wrong, your plans (or even your business) might be in jeopardy. PEST and SWOT analyses will have helped you to list these risks; it's then helpful to categorise them under five headings:

- Failure in terms of compliance with the legal / regulatory framework
- Failure to respond to external and environmental risks
- Failure in aspects of governance and management
- Financial failures
- Operational failures

Obviously, the risks you face will depend on the nature of the environment within which you work; but a typical list of risks for a broadcasting organisation might look something like this:

1 Compliance with the legal / regulatory framework

- a Media law and regulation
- b Laws of libel and contempt of court
- c Copyright and intellectual property law
- d Company and trading / competition law
- e Tax and financial regulations
- f Employment and contract law
- g Health, safety and fire regulations
- h Equal opportunities and disability law
- i Data protection law

2 Environment and external risks

- a Change in the economic climate
- b Change in the public funding climate
- c Political change
- d Market change
- e Failure of out-sourced suppliers
- f Competition
- g Industrial action
- h Adverse neighbourhood environment
- i Security and terrorist threats

3 Governance and management risks

- a Weaknesses / difficulties in recruiting at board level
- b Weak strategy definition
- c Staff recruitment difficulties
- d Over-dependency on key individuals
- e Lack of fail-safe systems
- f Breakdowns in reporting (staff / management, management / board, company / regulator)
- g Failures of communication (internal and external)

4 Financial risks

- a 'Going concern' viability
- b Ill-defined financial authority / accountability
- c Inadequate documentation
- d Fraud
- e Theft

5 Operational risks

No active and creative enterprise can avoid risk if it is to innovate and grow. But it needs to be fully aware of the nature of the risks, to analyse them carefully and to have in place mechanisms for the early warning of potential problems and contingency plans to deal with any threat.



- a Shortfall in funding generation
- b Inadequate brand management
- c Decrease in audience satisfaction
- d Decrease in advertiser / investor satisfaction
- e Failure to adapt to market change / competition
- f Health and safety / security implementation lapses (staff and participants)
- g Inadequate contracts and management processes / systems
- h Inadequate provision for technology renewal / replacement
- i IT vulnerability (to hacking etc.)

Having thus identified the risks, we can proceed to assess them. We need to make two judgements about them: how significant are they (that is, if they were to happen, how seriously would they affect achievement of the plan); and how likely are they to happen? An effective way of achieving this is to plot them (1a, 3d, 5g and so on) against the axes of a risk map like the one in Figure 8.

When this exercise is completed, it becomes immediately clear where the greatest threats to the enterprise lie. This is of great value in the essential management task of prioritising. Any risks plotted in the bottom left-hand corner of the graph are unlikely to happen - and, if they did, wouldn't be of great significance in terms of success or failure. On the other hand, any risks appearing in the top right-hand corner are both highly significant and very likely to happen; so they're the ones which require the greatest pro-active management attention.

These exercises are all very well - but identifying and assessing risks achieve

nothing unless you then use them to determine a risk management strategy. A pro-forma for devising such a strategy is shown in Appendix G. It lists the risks, then rates them in terms of significance on a scale of, say, 1 to 3 or 1 to 5.

- It shows which strategic objective(s) they affect and how important those objectives are to the success of the enterprise
- It records (from the risk map) their significance and likelihood
- It identifies the early-warning indicators which will signal to the management that something is going wrong
- It assesses (again on a scale of 1 to 3 or 1 to 5) the impact that failure is likely to have financially and on the company's reputation (the latter is particularly important for the success or failure of a broadcaster)
- It establishes contingency plans to respond to the threat if it materialises
- It identifies (most important, this) who is responsible for monitoring the risk, recognising an imminent problem and initiating the remedial action

Take, for instance, the need to protect the organisation against the risk of fraud. You might consider what protective systems to have in place under a number of headings:

- **Deterrence** - having a company culture and regulations which discourage wrongdoing by making clear the consequences for an offender.
- **Institutional prevention** - having an organisation which reduces the opportunity for fraud (IT security, physical security, vetting procedures in recruitment etc.).
- **Direct prevention** - having procedures

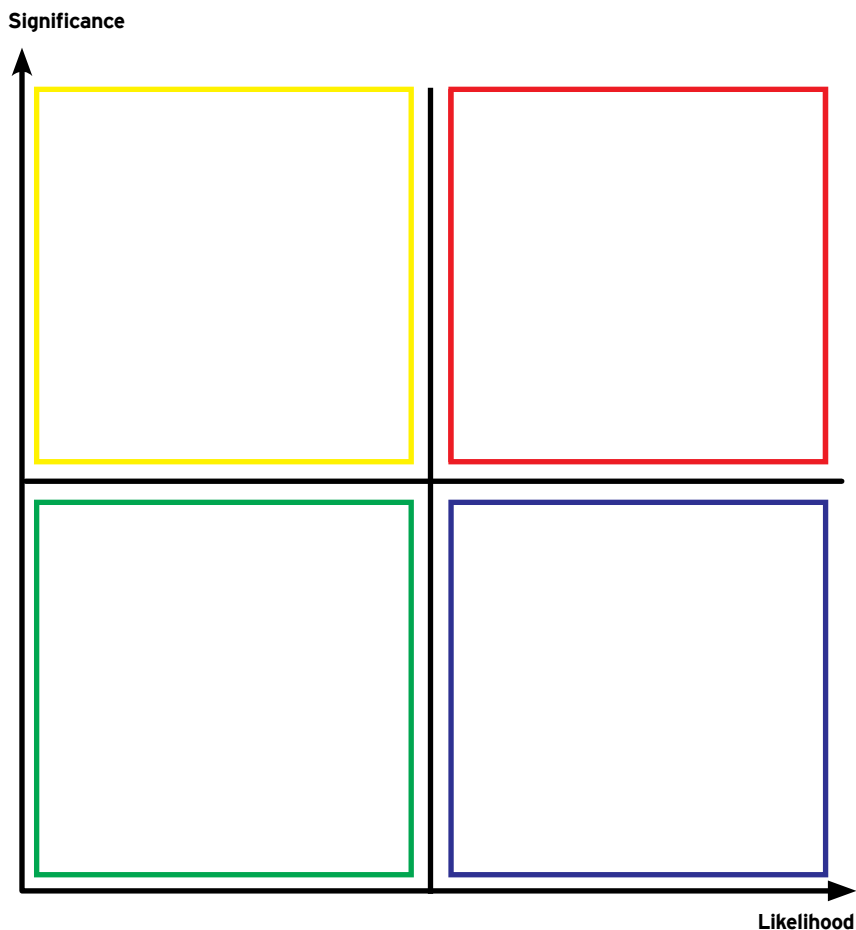


Figure 8: A risk map - the risks are plotted according to their significance to the enterprise and the likelihood of their happening

to control transactions which may be susceptible to fraud (defined roles and signing limits, dual-authorisation requirements, cross-checking etc.).

- **Detection** - having procedures which will uncover irregularities or abuse (reconciliation of accounts, spot-checks etc.).

- **Investigation** - having a procedure for dealing with suspected fraud that is thorough, fair, in accordance with company policy and legally watertight.

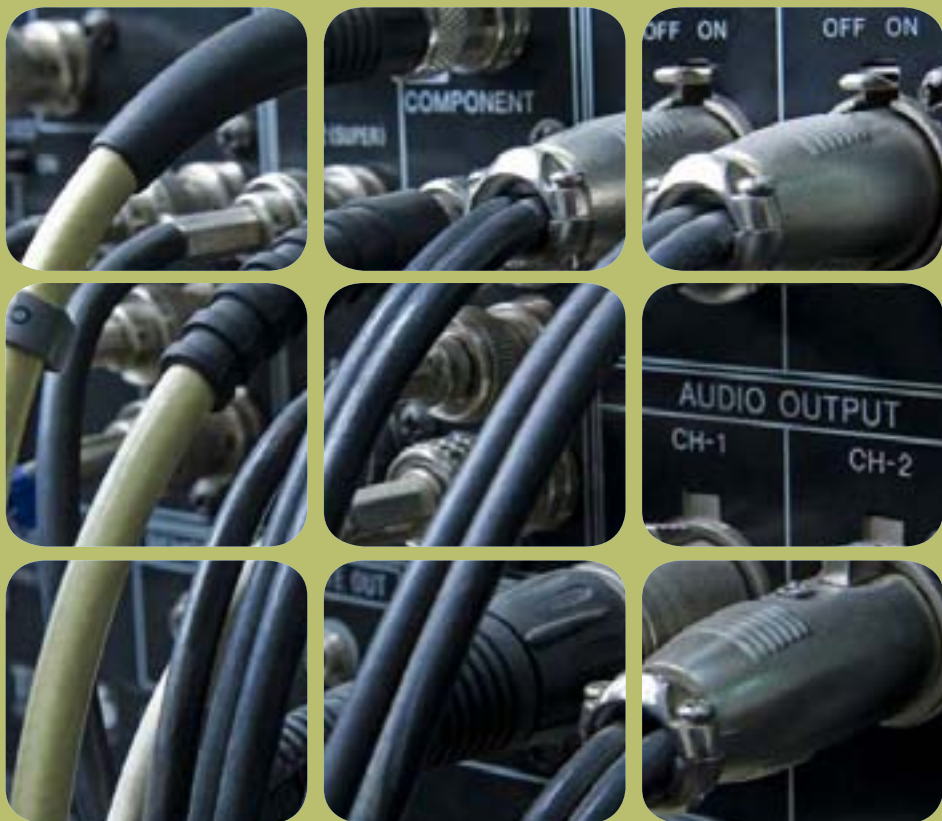
Finally, with all this set out, the business plan should have a series of appendices. These

are sections which are too lengthy, detailed or complex in layout to be incorporated into the main body of the text, or which

provide targeted information for a particular specialist reader.

Rather like this manual, in fact.





6 Programme Planning & Production

Winning an audience

Commercial broadcasting is one of the very few industries which make one thing (programmes) but sell another (advertising). The two are, of course, inextricably linked: it's the programmes which attract the audiences the advertisers want to reach. You can't have one without the other.

Publicly-funded broadcasters, too, need to attract and hold audiences to justify their existence - but they have a tightrope to walk. Unless their programming has a broad appeal, it can become difficult for them to justify their funding from public sources. But, if their output becomes too populist, they risk accusations of 'dumbing-down' and simply duplicating what the market can provide - in which case, again, why should the public subsidise them?

Though getting this right is difficult, it's not impossible. Probably the best definition ever coined for public-service broadcasting is that it exists 'to make good programmes popular and popular programmes good'. And, as we've seen (in Chapter Three), commercially-funded broadcasters too may have public-service commitments written into their licences. Whether the drive comes from mission or obligation, both have to be competitive to win viewers and listeners. Broadcasting is about reaching audiences. If the people who provide the money think in numbers, that's what we have to give them.

The programme mix

Devising a programme schedule is a bit like cookery: do we have enough rice; is there butter in the fridge; can we afford saffron; if not, will some other ingredient do - or will it matter if we leave it out altogether? The

challenge is to formulate a recipe which will feed as many people as possible, satisfy their appetites and keep within our shopping budget.

Getting this balance right is particularly complex for general-output broadcasters. But even generic outlets such as sports channels need to make the same kind of calculation: which sports shall we include and in what proportions; which sporting events shall we cover; what broadcasting rights can we secure (and afford)? The pay-off between the cost of a programme and the audience it delivers is crucial.

Figure 9 shows this balancing-act in graphic form. The actual cost and audience size will, of course, vary from country to country and channel to channel, so the mix shown in the graph is purely illustrative. But it demonstrates the principle well. In this case, too much education (small audience, medium cost) and you'll lose market share; too much drama (big audience but very high cost) and you'll be bankrupt. But the calculation also has to take into account your obligations to the audience - both those enshrined in your vision and mission and those imposed on you from outside, like the terms of your broadcasting licence.

Don't forget, too, the value of repeats. With clever scheduling, they can take the same programme to quite different audiences - and popular programmes often attract many more viewers second time round. Transferring a programme from one channel to another once it's proved itself can also be effective in getting the best value out of your investment.

In considering cost-effectiveness, it's worth bearing in mind that there are three aspects

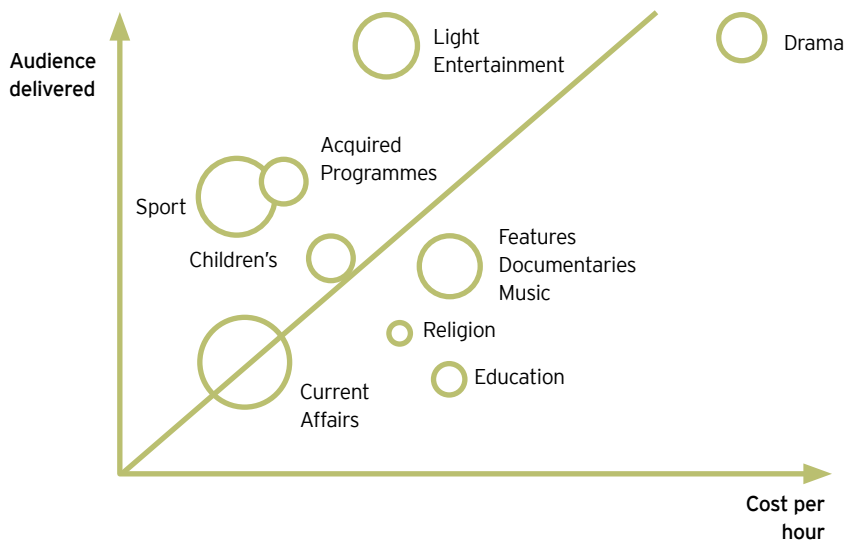


Figure 9: Balancing the output – the size of the circles indicates the amount of programming in each genre

to value for money: the product can be:

- Good
- Fast
- Cheap

Your producers can give you any two of these – but only two:

- You can have it good and fast; but it won't be cheap (you might, for instance, have to buy in extra effort to meet the deadline).
- You can have it good and cheap; but it won't be fast (because you might have to fit the work round times when in-house effort is most economically available).
- You can have it fast and cheap; but it's unlikely to be good (high production values really do have a price).

Scheduling

Though time-shifting, through recording, has long been with us and further technical developments will make every viewer and listener potentially his or her own channel controller, linear scheduling is still a significant factor in most countries.

The first consideration is availability to view / listen. Clearly, there's no point in scheduling a children's programme when the target audience is at school. On the other hand, there are times of day when women, for instance, may form a higher proportion of potential viewers and listeners (but beware of stereotyping: there are countries where women account for at least 50% of the working population). As life-expectancy increases, the wants and needs of older

people, often with significant spending-power, may become a higher priority. And at times of high unemployment the profile of the potential daytime audience can alter dramatically. For radio, the 'drive-to-work' periods at the beginning and end of the day are particularly valuable, as people in cars are potentially a captive audience.

The scheduler needs to be well-informed about and sensitive to all these social patterns. (Not many years ago, programme planners in London – accustomed to life at the pace of a capital city – were astonished to discover that most people in Britain were in bed by 22:30.)

The same can be true of the 'internal scheduling' within a programme. An hour-long news magazine running from 18:00 to 19:00, for example, is likely to place its sports coverage towards the end of the programme, to maximise the male audience: almost everywhere, more men than women watch and listen to sport, so you need to allow as much time as possible for them to get home from work. And it's never a good idea to start or finish an item to co-incide with a programme junction on a competing channel. Keep the topic going and the audience may want to see how it ends; and – since they'll have missed the start of the other programme anyway – they may stay

with you. Bring it to a stop when there's something new starting up elsewhere and you're quite likely to lose them.

For a schedule to be successful, it needs to be easily 'read' and navigated. If you want people to make an 'appointment to view', landmark scheduling is vital. Regular programmes like soap operas need to be in regular transmission slots, so that they can be easily found. If you have a weekly drama or documentary programme, it's a good idea to place it at the same time on the same evening or the zappers will by-pass it.

If you operate more than one channel – or if you work in both television and radio – you can exploit the strengths of complementary scheduling. So you can ensure that, if one channel is transmitting, say, sport, the other is offering a completely different genre which will attract a different audience. Or you might run a bi-media themed week in which television and radio follow a linked agenda, each using the strengths of the medium to cover the ground in different ways. Appendix N gives the case-history of such an initiative which worked exceptionally well.

It's not necessary actually to own multiple outlets in order to operate in this way: you can just as well form partnerships with other independent local media, each making its own



Devising a programme schedule is a bit like cookery: do we have enough rice; is there butter in the fridge; can we afford saffron; if not, will some other ingredient do – or will it matter if we leave it out altogether?

contribution to the exercise and making the whole greater than the sum of its parts. Nor need your collaborators be other broadcasters, particularly in development contexts: in India, media initiatives have been mounted in association with voluntary organisations campaigning in the community to promote literacy, health education, sound agricultural practice, animal husbandry and so on. The *närradio* stations of Scandinavia, which give a voice to interest-groups within the communities they serve, are also a useful model; there are many such local stations in Africa and thousands of them in South America.

The opportunities offered by complementary scheduling are a great strength. But scheduling also has to be competitive. There are always two questions we should be asking ourselves;

- What is the audience doing now?
- What is the competition doing?

We've addressed the first one in considering availability-to-view. But, having won the audience, we have to keep them. I remember seeing in one East European television station a (rather good) live television programme under-run by seven minutes. The producer simply put up a caption on the screen and went off for a cup of coffee. I caught up with him and asked him what he thought the audience might be doing while he was in the canteen - because, I suggested, they surely wouldn't be sitting there looking at his caption; they'd be off to view the opposition.

The manager of the same station was convinced that people wouldn't watch the new commercial stations because 'we are the guardians of the national heritage'. Yet in every bar in the high street the sets were

already tuned to the slick presentation of the opposition. Neither of these managers had taken on board how quickly the competitive environment had developed. (This was in Eastern Europe in the 1990s and the television set in my hotel room was already delivering 22 channels.)

Another consideration in scheduling is slot value. Broadly speaking, you want to spend most of your production money where it will deliver the best audience. So there are sometimes slots where, knowing you can't realistically compete with the opposition, you may want to place 'sacrificial programming' - a relatively cheap piece which will attract a relatively small audience but will enable your big guns to be deployed elsewhere on the battlefield.

But there are two points to bear in mind about slot value. The first is that, increasingly, advertisers want to reach the optimum audience rather than, necessarily, the maximum audience: its demographic profile may be more important to them than its size. So, for instance, a programme which appeals to affluent young males may be attractive to an advertiser of sports-cars even if the audience is not huge; more so than a bigger audience which includes a smaller percentage of potential customers.

The second is that audiences don't behave uniformly even within the same country. In Britain some years ago, the regional commercial television companies had only one slot a week in peak-time in which to opt-out of the federal network to transmit their own regional programmes. Because this slot was opposite the BBC's most successful soap-opera, with massive audiences, many regions scheduled sacrificial programming against it. But one region conducted

audience research which showed that, in that part of the country, the appetite for soap-operas was below average and the appetite for documentaries was above average. So they scheduled some of their strongest (and more expensive) regional documentaries in that slot - and won a remarkable 42% audience share against one of television's biggest blockbusters.

That's why it's so essential to know your audience - how they think and how they behave. If you're in tune with them, they'll seek you out and stick with you. If you're not, they'll migrate to outlets whose style and content suits them better; and there are more options being offered to them all the time. There's more on 'hitting the right note' in Chapter Eight.

Promoting the output

A schedule alone isn't enough to attract and hold an audience; it has to be sold to them. So promotions and trails are a vital part of the output. This is a specialist job. They should be produced by a dedicated department under the control of the commissioner (see Page 65), not by the programme production departments themselves.

Again, promotions and trails can be targeted differentially for different sectors of the audience. Here's an example. A network was due to transmit a dramatisation of a novel by a famous woman author. Most of its stations prepared a single promotion for the programme and simply repeated it in different slots. But one station looked carefully at the product and decided that it had three main selling-points:

- The name of the author

- A strong romantic theme
- An element of action and adventure

They therefore prepared three different promos, each building on one of these aspects of the drama. The first one, built round the author's reputation, they put out in the early evening, for the general audience. The second, emphasising the love story, they scheduled for the afternoon - when their audience was known to include a higher proportion of women. The third, featuring the adventure theme, they transmitted in the late evening - when they knew more men were watching. They achieved an audience rating 4% higher than any other station for exactly the same programme.

So scheduling is dependent on knowing your audience. Scientific and comprehensive audience research systems are very expensive but we need to make the best use of whatever information we can get. Essentially, we need to know:

- The audience rating: the number of people who watch or listen, averaged over the duration of the programme
- The audience share: the percentage of those watching or listening to any channel at the time who are tuned to your programme
- The audience reach: the number of individuals who view a significant part of the programme - usually regarded as 15 consecutive minutes

All three may be defined globally or by specific demographic sectors.

Branding

Promotion is about selling and selling

Promotion is about selling and selling is increasingly about branding. As the multiplicity of broadcasting outlets grows, it becomes ever more important that your own output should be instantly recognised and associated with the impact and reputation you want to project.



is increasingly about branding. As the multiplicity of broadcasting outlets grows, it becomes ever more important that your own output should be instantly recognised and associated with the impact and reputation you want to project. One of the most common questions marketing specialists ask is: if this channel were a motor-car, what would it be? The answer – Rolls-Royce, Mercedes, Volkswagen, Ford, Jeep or whatever – becomes a tool in the definition of a corporate image. You can do the same exercise with the names of high-street shops, newspapers, menu dishes and so on.

Essential to projecting this image is a clear and attractive on-air presence. That means much more than a logo drawn from your corporate identity and a few animations: it requires the creation of a complete visual system which is coherent and consistent across the whole of the output – station idents, trails, promotions, stings and all graphic devices.

Nor, for optimum effect, should the system be set in concrete. It helps if the identity can be varied, within the overall coherent design, to reflect the output. Some channels have a variety of idents, each of them individually produced and hugely expensive, with which they can ring the changes. But it's perfectly possible to design a framework within which images can be changed simply and

economically. So the visuals within the consistent format might, for instance, reflect the season of the year, or incorporate scenes of everyday life from the communities you serve, or be linked to special occasions or celebrations.

Whether or not you use continuity announcers in-vision is a matter of horses for courses. In most countries the technique is now regarded as old-fashioned and stations prefer a purely graphic presentation; but in some parts of the world they remain figures much appreciated by the audience and closely identified with the station, its image and the service it provides. Again, knowing your audience is crucial – but so is judging when the audience might welcome something new.

The commissioning process

Assuming a 'hub-and-spokes' approach (see Chapter Four), the processes of commissioning programmes, producing them and servicing them become the tasks of three separate business centres, operating independently and entering into internal contracts with one another. But the same principle can also be perfectly well applied to a structure such as that in Appendix B – as it was, very successfully, in the BBC for many years.

The process is led by the unit which decides

on the nature and mix of the output, schedules it and promotes it on-air. This function may be headed-up by a channel controller (in a multi-channel operation) or by a director or controller of programmes (for a single-channel broadcaster); there may also be commissioning editors for particular genres of programming (drama, light entertainment, documentaries and so on), as is often the case with publisher-broadcasters. For the sake of illustration, let's call this individual the commissioner. And it's definitely a task for an individual, backed by able planners: it demands a clear vision, editorial drive, a strong sense of the channel's identity and the courage to take risks; so it's unlikely to be done successfully by a committee.

Figure 10 shows diagrammatically how this triangular relationship works. The whole process depends on the construction of an annual plan, a cyclical sequence which ensures that the optimum mix of programming will be produced as cost-effectively as possible. It works like this:

- 1 The commissioner invites a programme proposal for a particular area of the output or a production department suggests an idea for a new programme or series.
- 2 The production department works-up the programme proposal in editorial and production terms.
- 3 The production department draws up a rough outline budget covering cash costs and the probable utilisation of major in-house resources.
- 4 The production department completes a programme proposal form (see Appendix H). The head of the production department signs-off the form and passes it to production planning.
- 5 The commissioner discusses the proposal with his / her transmission planners to evaluate its potential contribution to the schedule and with his / her production planners to evaluate its cost-effectiveness. They decide whether they're likely to accept it and, if so, where it might sit in the schedule.
- 6 At an annual meeting involving the commissioner, his production planners and the head of the production department, the form and content of the programme (and of all the department's other proposals) - with their outline budget and delivery dates - are discussed and agreed (or rejected) in principle.
- 7 If the idea is accepted in principle, the production department completes a detailed budget form for the programme or series (see Appendix I). The head of the production department signs-off the form and passes it to production planning. He or she will usually submit a more detailed editorial treatment at this stage.
- 8 At a second annual meeting (about six months after the first), the final form of the programme or series and its budget are agreed. The head of the production department signs-off his / her acceptance of the finalised programme proposal and the budget. Planning allocates to every programme a unique project number to which all resource utilisation and cash costs will be charged.

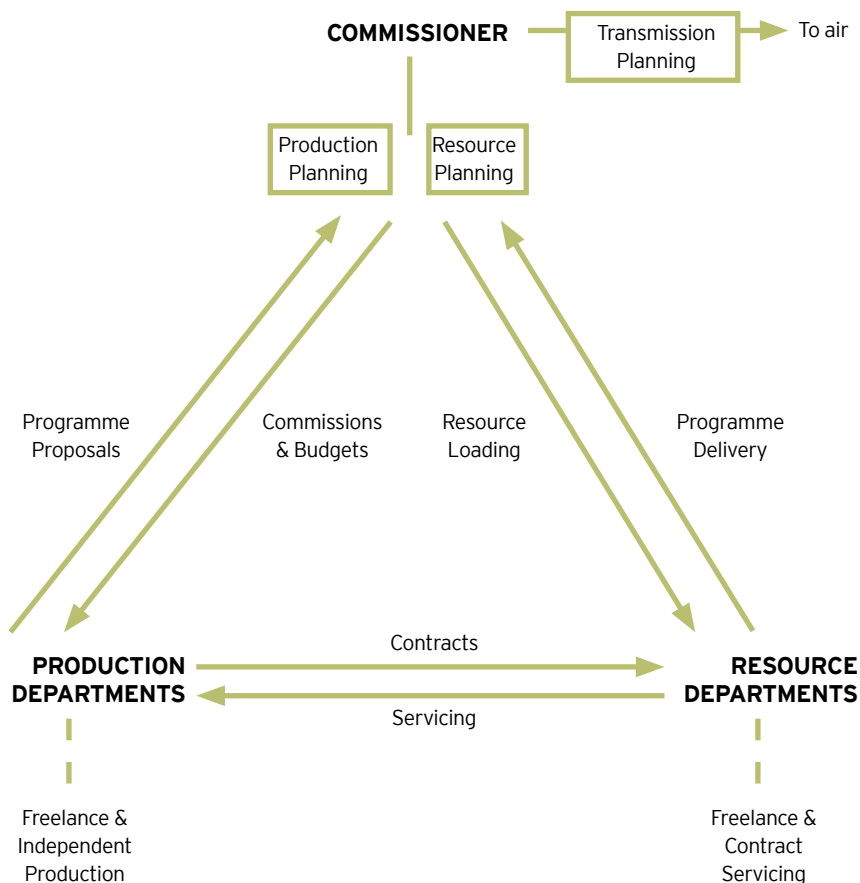


Figure 10: The annual plan commissioning cycle - a triangular relationship

9 The production department then enters into negotiations with the resource operation to agree the allocation and scheduling of the budgeted staff and resources required to realise the programme. The need to 'smooth the resource load' (that is, avoid sharp 'spikes' in resource usage) may lead to scheduling adjustments at this stage, which are discussed and agreed with production and transmission planning.

10 When the details are finalised, booking-form contracts are signed by both sides to confirm their mutual commitments and their timing (see Appendix J). The programme department also negotiates and issues contracts for freelance or independent production effort and resource departments for servicing facilities and effort provided from outside the organisation.

- 11 In accordance with these internal and external contracts, the production department proceeds to realise the programme or series and the resource departments to service it. As resources are utilised, the production department and the relevant resource departments sign-off the effort used. As invoices are received from external suppliers, the production department and the resources departments verify them, certify them and pass them to the finance directorate for payment. In the case of external contributors - writers, performers and other participants - on completion of the programme the production department confirms that they have fulfilled their contracts and, again, certifies them to finance for payment. Details of both kinds of transaction are fed into the management information system as they occur.
- 12 The management information system records actual expenditure against the budget and indicates cost-to-completion (see Appendix K). This is constantly monitored by production planning, who regularly update the commissioner, and by the production department. Any remedial action required may be initiated either by the commissioner or by the head of the production department. If a problem affects the transmission schedule (for instance, a possible late delivery) the commissioner consults with transmission planning on how to fill the gap.
- 13 Meanwhile, the commissioner (who has wisely retained a budgetary reserve) will from time to time tweak the schedule to maximise its competitiveness and will commission short-notice one-off programmes to seize an unplanned opportunity. This may have knock-on effects on the programme or series, which must be coped with by the planning and production departments.
- 14 The programme or series is eventually completed on time and within budget (we hope) and the resources operation places the final tape in the programme library for future transmission.
- 15 Transmission planning pass the (constantly updated) transmission schedule to presentation and promotion. At a regular meeting involving the commissioner, his / her transmission planners and the head of presentation and promotion, the policy and priorities for trails and promotions are agreed.
- 16 Presentation and promotion produce, schedule and transmit the agreed



The whole process depends on the construction of an annual plan, a cyclical sequence which ensures that the optimum mix of programming will be produced as cost-effectively as possible.

pattern of trails and promotions for the programme or series.

- 17 Presentation and promotion send a daily requisition to the programme library listing the tapes required for transmission the following day. The library extracts the tapes from store and dispatches them to the transmission suite. The transmission section puts the programme or series on-air in accordance with the schedule.

- 18 After transmission, at a weekly programme review meeting attended by the commissioner, all heads of production departments and the planners, the programme or series is discussed and critically assessed by the peer group. These opinions are combined with audience research to inform the next round of commissions.

- 19 Whether elated or depressed, everyone then starts thinking about the next great idea and the cycle re-commences. ■■■



7 Resource Planning & Resource Management

Production budgeting

It will be clear that such a commissioning cycle depends on a sound production budgeting system. What's more, it needs to be a devolved budgeting system: budgetary responsibility and accountability should be at the point where the commitment of money and resources takes place. So programme producers are effectively managers of their own creative enterprises.

In many countries, there's no culture of producers operating in this way: they're concerned only with programme content and treatment and have no experience of – or training in – the management of money and resources. That's a potentially fatal weakness but one which can take much time and effort to remedy. In such cases, as a bridging measure, it can be helpful to create a production management unit to oversee the financial and logistic aspects of programme-making and to deal with contractual business, both internal and external.

Such a unit would support production departments in planning and budgeting (stages 3, 4 and 7 of the annual plan process), act as a go-between in striking contracts (stage 9) and ensure watertight cost-control (stages 11 and 12). But the principle of budgets devolved to the point of commitment would still stand.

Production budgets need to be framed in two categories of expenditure: cash costs (money payments to contributors and providers outside the organisation) and resource costs (the use of in-house facilities and staff). Appendix I gives an outline of how such a budget might be drawn up. Setting the resource budget in terms

of costed units of effort, with apportioned overheads, is perfectly adequate. If anyone tries to persuade you to adopt an all-cash budgeting system, don't listen to them – or you'll risk creating a monstrous bureaucracy which devotes huge effort to logging the internal sale and purchase of every paper-clip.

Cash costs are relatively easy to evaluate, since they involve the actual writing of cheques to pay the bills. The use of internal resources is more problematic, since – particularly in organisations where producers are unused to management responsibilities – they may be perceived to be 'free'. Nothing is free. In-house facilities cost you money even when they're not being used – and when they are being used they cost you even more.

It follows that producers must be aware of the real cost of their commitment to resource usage. The internal rate-card should reflect the total cost, including overheads, of every facility deployed. Appendix E explains how this can be done.

Why is this necessary? Why not just separate out overheads and cover them from an over-arching central budget, with which producers need not concern themselves? The answer is that, unless you do attribute true costs to productions, you'll never know where your money is actually going or whether it's delivering good value – and you'll therefore never be able to manage your output to best advantage. 'Central pool' budgeting is a recipe for uncontrolled waste.

A budget is, of course, rarely what you actually do: rather, it defines the limits within which you work. In a system where

budgets are devolved, the budget-holder should be empowered to vary expenditure within those limits, since programme-making is a constantly-moving activity (remember, we're not running a widget factory). So, if the production develops in a way which requires greater expenditure on actors and less on graphics, that decision should be the producer's.

There are, however, constraints on such transfers between budget lines. While total convertibility is certainly possible with cash costs, the same isn't necessarily true of resource costs. If, for example, a production has block-booked in-house studio effort and then decides it would prefer to spend the money elsewhere, that may not be allowable. Cancelling the studio booking won't release any cash for external expenditure – and, if the studio can't be taken up by another production, it will become an unproductive drain on the overall budget. Again, nothing is free, even when it isn't being used. And no organisation can afford to pay twice for the same end-result.

Cost control

If programme-making isn't a mass-production process and the budget is a flexible tool, it follows that rigorous monitoring of expenditure – and adjustment if necessary – is essential.

A management information system (see page 68, stage 12) is needed, ideally computerised but not necessarily so. Appendix K shows the bare essentials of such a reporting system. It records the budget, the expenditure and any variance from the budget for the current reporting period (usually a month); it gives a cumulative total in the same terms for all

the reporting periods to date; and, most important, it projects a cost-to-completion if the current pattern of expenditure is maintained.

For the purposes of illustration, only one budget line is shown (the line for graphics) but the report will record expenditure in every budget category. Within the rules of convertibility, an overspend in one category may be compensated by an underspend elsewhere – as long as the variance in the cost-to-completion column is either neutral or a negative figure. If it shows a projected overspend, that's an early-warning indicator for urgent remedial action.

Setting resource levels

The secret of efficient working is to ensure that all in-house effort is consistently and productively employed and that neither people nor plant lie idle and unused for significant periods. But the demands of programme-making inevitably ebb and flow. So how can we ensure the optimum use of our resources?

First, there's the technique of 'smoothing the load', which is an essential element in the annual plan process (see page 67, stage 9). But it's important too to ensure that the permanent in-house resource – the 'maintained capacity' – is set at the level of minimum demand, not the maximum. When production requirements rise above this level, short-term effort is contracted from outside the organisation. Figure 11 makes this principle clear: if the in-house capacity were set at the level of peak demand, there would be long periods when permanent-staff effort remained unused. When it's set as nearly as possible to the troughs, in-house effort will be fully employed (or nearly so,

since no such system can be perfect). In any case, waste is minimised.

Out-sourcing

This kind of 'mixed economy' operation – a combination of in-house and contracted effort – can be highly cost-effective but it requires careful management.

At the corporate level, in non-broadcasting functions – infrastructure services like cleaning, catering or transport – the arguments for out-sourcing are strong. If your business is broadcasting, why try to run a catering or a transport business as well? There are also good arguments for out-sourcing the commercial operation to a

sales-house. But here are two words which should ring warning bells: British Airways.

In a drive to save money, British Airways got rid of its in-flight catering operation and contracted-out the service to a monopoly provider. When in 2005 that catering company ran into industrial relations problems which led to a strike, the knock-on effects forced BA to cancel all its flights for four days – costing it at least £40 million and incalculable damage to its reputation (see 2e in the risks on page 55 and the risk management matrix in Appendix G).

Months later the service still wasn't fully back to normal. There was no alternative supplier in the industry which could provide

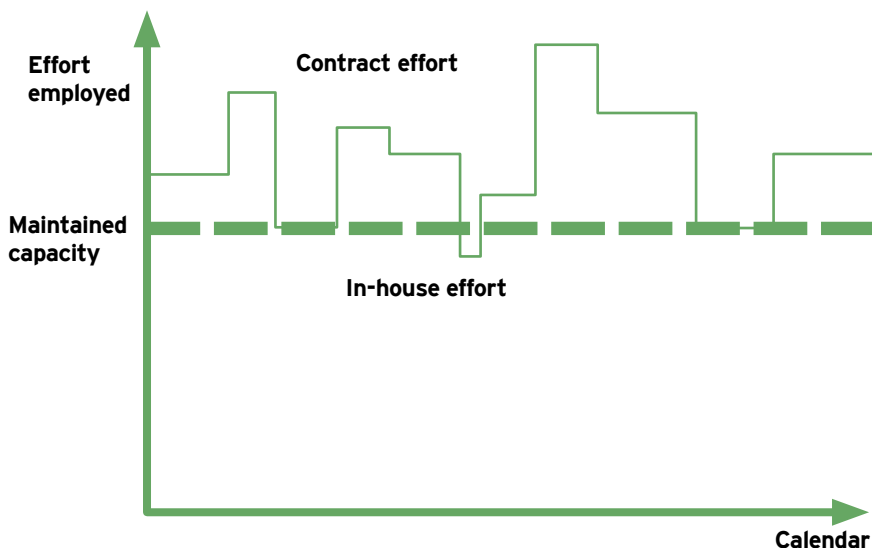


Figure 11: Setting 'maintained capacity' at the optimum level
– to meet trough, not peak, demand

the volume of output required. So the airline's core business was effectively held to ransom by a failure elsewhere which was beyond its control. The same could happen to a broadcaster totally dependent on external servicing, particularly if a single supplier were to corner a disproportionate share of the action.

In programme-making too, the commissioning of programmes from independent producers can often bring into play new ideas or a particular specialist expertise which doesn't exist in-house. Some broadcasting licences specify a percentage of programming which must be commissioned in this way; in Britain the minimum figure is, at the time of writing, 25% and is likely to rise. But we shouldn't under-estimate the amount of management effort which is required for quality control of this output. That's because, while in-house producers work within a departmental culture which shares views and experience and builds up a body of knowledge and values, external providers aren't part of that family. While they may build up a strong reputation and a firm relationship with the broadcaster, their commissions are essentially one-offs, won in fierce competition with other independent bidders. The in-house operation may therefore in

some areas have more resilience, enabling it to stick with an experimental idea over a long period while it matures.

In resource operations the advantages may be clearer. Indeed, external facilities houses may actually be able to provide better services than those available in-house. That's because they tend to specialise in one area of activity (picture-editing, electronic graphics and so on) and to operate within that field at high intensity. They're therefore able to 'sweat their assets' for a wide variety of customers and so re-equip themselves with state-of-the-art equipment every three years or so. A big broadcasting operation, with much more plant to maintain, couldn't possibly expect to renew all its resources at that rate.

For publisher-broadcasters, of course, both programme-making and servicing are 100% out-sourced; for conventional broadcasters, a well-judged 'mixed economy' would seem to offer the best of both worlds.

Multi-skilling

As with other buzz-words (like bi-media working), much nonsense is talked about multi-skilling. But also, as with out-sourcing,

Sometimes all that's needed is to think of different ways of doing things: to adopt techniques which are more economical than the conventional approach and which enable you to make programmes in a style or a format you couldn't otherwise afford.



if properly managed it can generate greater efficiency, more job-satisfaction and an aid to career progression.

It should be obvious that not everybody has the capacity to master every skill. (My computer's word-processing program gives me access to hundreds of fonts; that doesn't qualify me as a graphic designer. Nor does the availability of desk-top editing technology necessarily make a journalist into a good picture-editor.) On the other hand, many formerly arcane skills have long since been de-mystified. If operators can demonstrate an aptitude for activities outside the traditional media tribalisms (with training, of course) they should be encouraged to do so. The case-history on Page 130 shows what can be achieved on this front.

Technical standards

Cost-effectiveness is boosted significantly if you have a single technical standard for every stage of the production process: recording, editing and transmission. I once visited a television operation which used no less than five different technical formats – largely because they didn't have the money to replace obsolete equipment. It was therefore impossible for them to implement staffing and efficiency savings. It's more

than worth forgoing cutting-edge technology in order to ensure that what you do have is fully compatible and inter-operable.

In terms of long-term planning, you'll need a technical strategy which looks ahead but, at every stage, keeps current operations both affordable and compatible: it's no good, for instance, having a production system which out-paces your archiving system. This is particularly important when you're considering a step-change such as a migration from analogue to digital or from tape to disk or solid-state systems. Your technical strategy needs to work hand-in-hand with a comprehensive training strategy.

Alternative thinking

Everywhere practitioners complain that limited money and resources prevent them from doing what they really want (those in rich countries are no exception). But sometimes all that's needed is to think of different ways of doing things: to adopt techniques which are more economical than the conventional approach and which enable you to make programmes in a style or a format you couldn't otherwise afford. The case-history on page 134 describes how one broadcasting outfit broke new ground in this way. ■■■



8 Editorial Management

Judging a programme proposal

However efficient your resource management, it won't do you much good unless you've got the right product to make, schedule and promote in the first place. So how should the commissioner set about judging a programme proposal?

Let's consider television. The first question to ask is whether the idea is intrinsically suited to the medium. Television is really good at:

- The concrete
- The illustrative
- The particular

It's arguably less good at:

- The theoretical
- The discursive
- The general

So, how to judge a proposal? Try asking yourself whether the programme idea is:

- **Current** - not necessarily in the sense of 'current affairs'; but something which will strike a chord with the contemporary audience
- **Pictorial** - capable of being expressed through images
- **Interesting** - nobody watches boring programmes
- **Story-based** - have a real human story to tell
- **Surprising** - the 'well, I never knew that' factor
- **Controversial** (perhaps) - it's related to being current
- **Fitting** to the channel's aims and style
- **Practicable** - not a proposal to serialise War and Peace in an impoverished local station

- **Worthwhile** in terms of budget and resources (delivery of audience)

In making their pitch to the commissioner, production departments therefore need to make clear:

- **Why** is it interesting?
- **Who** will be in it?
- **Where** will it be shot?
- **How much** shooting / editing will be needed?
- **How much** will it cost?

Again, Appendix H suggests how such a programme proposal might be presented.

Managing production

A production department goes through the commissioning process outlined in Chapter Six and secures its commission. Now how does it manage the way in which its producers actually work - and ensure that they deliver maximum value for money?

First, we must ensure that they undertake adequate research. Research is designed to:

- **Test** the idea
- Ensure that the story is **authoritative**
- **Confirm** the information you already have
- **Discover** new information
- **Find** participants
- **Recce** locations
- Ensure you **think in pictures** from the outset

The military have a useful (and understated) motto: time spent in reconnaissance is seldom wasted. So the **recce** is an essential tool to achieve efficient production:

- **Look** around you (where are the



Producers should listen to the picture-editor: he or she is their first (and expert) viewer. The editor's huge advantage is that he / she hasn't usually been involved in the planning and shooting of the material.

vantage points?)

- **Talk** to people (they'll tell you things which aren't obvious to a stranger)
- Look for the **telling shot** which will encapsulate the story (visual acuity)
- Work out potential shot **sequences** (which will save much time during the shoot and in the editing)
- Listen for potential **sound problems** (the neighbouring sawmill may not be operating if you recce at a weekend)
- Check the **sun angle** for the time of day (if the recce is at 1000 and the shoot is planned for 1600, take that into account)
- Check the **power supply** (there's nothing more frustrating than finding you can't plug the lights in or that the cables aren't long enough)
- Specify any **special equipment** required (too late to discover on location that you should have ordered a very long lens)
- Check for **potential hazards** (which may be physical or technical)
- Check out **parking, catering and toilet facilities** (if the nearest legal parking-place is 15 minutes walk away, you have a problem; if you have to drive for 30 minutes to get lunch, you have a big problem; if nobody can find somewhere to go to the loo, you may have a mutiny)
- Obtain any necessary **permissions** (nothing worse than being 'moved on' by the police simply because you haven't

obtained a simple clearance to shoot at the location)

- Confirm **dates and times** (to both the crew and the participants)
- Issue a **schedule** with call-times, contact numbers and maps (so that nobody has any excuse for not being in the right place at the right time)

How many of your producers follow all these guidelines? If they don't, they could be incurring significant unproductive costs for you, their managers. I confess to two such failures when I was a producer, both of which still make me hot with embarrassment. On a logistically demanding documentary project in France I failed to confirm at what time a factory finished work for the day, so we had to return very early next morning to complete the shoot. And in another schedule I didn't make a clear enough distinction between two English towns with the same name but 50 miles apart; needless to say, the crew went to the wrong one. Both mistakes were entirely my fault, neither made me very popular with my colleagues and both had consequences for my budget. *Verb. sap.*

If producers do get these elements right, they're at least working within a sensible framework for the shooting stage. But it's **editing** that really makes the programme:

it's the shots and the structure which shape viewer reaction.

So producers should listen to the picture editor: he or she is their first (and expert) viewer. The editor's huge advantage is that he / she hasn't usually been involved in the planning and shooting of the material. Many a time directors have asked why an editor hasn't included a particular shot in the first assembly. The editor says: because it didn't work. The director says: but we spent an hour on location getting that shot. And the editor says: the audience doesn't know that; it still doesn't work. Listen to editors (and weep if you want to).

This isn't a handbook on picture-editing but here are some guidelines which may help your producers to reach out to their audiences:

- **Grab attention** in the first two minutes
- Introduce **highlights** and **surprises**
- **'Tease'** the high-points
- **Vary** the pace
- Allow the audience to **catch up**
- Judge the **'natural lifespan'** of a shot or sequence
- **Cut within the action**, matching speed through the frame
- Aim for a **consistent style** in transitions (cuts, mixes, fades and so on)
- Put **pictures first**, music (if any) second and commentary third
- Make the first assembly no more than **15% more** than the finished duration
- Judge it for **pace** and **flow**
- At the end of the day, trust your (and your editor's) **instincts**

Finally, here are some simple do-and-don't suggestions about **writing** (for television programmes):

- **Keep notes** throughout the production process
- Write the **commentary last**, not first
- Write **for the ear**, not for the page
- Use **short sentences**
- Use easy **conversational language**
- (In English) write for about **three words a second**
- Avoid **relentless talk**: let the story 'breathe'
- **Don't describe in words** what the pictures and sound already tell us
- Don't make the words **'fight' or contradict** the pictures
- Don't overload the commentary with **facts and statistics**
- Remember that viewers **can't re-cap**
- **Don't pre-empt** the surprises
- Choose an **appropriate voice** for the content and style
- Shot-list carefully with **time-code cues** and **record to the pictures**
- Let the reader of the commentary **suggest changes** which help his / her delivery

The golden rule is always to try to put yourself in the position of the viewer or listener. Journalists need to be particularly mindful of this because they're naturally more familiar with and more involved in current events than most people (in general, they show a level of knowledge well above that of even the most able 5% of their audience.)

An American university conducted objective tests to assess the comprehension of television news items on a scale of 1 to 8. Out of 507 people, not a single viewer scored 8 and only 2% scored even 6 or 7. But when journalists were asked the same questions they scored an average of 7.9. What emerged was that, while the professionals

were well-versed in the jargon of reporting, terms such as 'economic embargo', 'bilateral agreement' or even 'inflation' were not at all well understood by ordinary people. That wasn't because the audience was stupid or the broadcasters irresponsible; rather, it was because the professionals were assuming a level of competence in the viewing and listening process which was not at all common currency. (A senior BBC executive once commented that perhaps broadcasting professionals tend to agree rather too much and too readily on what constitutes a good professional programme.)

At international conferences and seminars, I'm often challenged about the 'pictures before commentary' principle. My answer is that television isn't just radio with pictures: visual images can often be effective and even eloquent with no commentary at all. (It's a common exercise on training courses to get students to tell a story in purely visual terms.) Secondly, it's infinitely easier, quicker and cheaper to edit the words than to chop the pictures about – and much less liable to destroy the rhythm of the piece. If you tackle it the other way round, you may well end up with the kind of coverage which is all too common in so-called 'protocol news': a gabbled read-through culled from an official communiqué, laid over arbitrary mute shots of cars arriving, men in suits speaking (though we never hear what they say) and cutaways of an intent audience – or of indifferent journalists. A model lesson in how to encourage your audience to switch off or switch over.

On the other hand, there are times when we have gripping pictures but no real story, or an important story with no adequate pictures. There's certainly no problem in including the former, provided we do so in a

way which doesn't distort editorial priorities. But in the latter case we do need to avoid what one critic described as 'discussing the balance-of-payments in terms of ten seconds of the Finance Minister coming down the steps from an aeroplane'. There are cases where the best answer is simply to show those involved talking about the issues involved. One of the most riveting and moving television sequences I've ever seen consisted of such a 'talking head' (that awful term) held, unedited, for many minutes, in which a mountaineer described how he had remained with an injured colleague on an exposed ledge for hours until he died. It could have been broadcast as a radio item, yes; but being able to see the agony on the man's face said as much as his words.

Programme review

An essential element of editorial management is a programme review system. We've already considered a weekly commissioner-level review (page 69, stage 18); but that's a forum for heads of department only. Production teams themselves need to be involved in a productive peer-review process.

There are many ways of organising this but I suggest that maybe a monthly meeting is the most realistic for hands-on practitioners. When I ran a network production centre, we developed this system rather successfully. Each month, a programme would be nominated from each of the production departments (Network Television, Network Radio and the BBC Natural History Unit – which worked in both television and radio). Every member of staff, from every department (including non-production departments) was encouraged to attend. A 'critic of the month' would be nominated to

A senior BBC executive once commented that perhaps broadcasting professionals tend to agree rather too much and too readily on what constitutes a good professional programme.



kick-off the discussion on each programme and there were only two rules: the critic of the month had to have no direct connection with the production department concerned; and the producer of the programme was never allowed to speak first but only last - to respond to the discussion.

It was a remarkably successful formula. It proved particularly interesting when the critic of the month came not from a programme department but from a non-production area like finance, administration or human resources - true representatives of the audience at home, with no pre-conceptions. There were some chastening moments for production staff.

Appendix L gives a check-list of headings under which you might consider how well - or otherwise - a programme has worked. This particular example is for a news magazine programme (since that includes such a wide variety of techniques); but it can be adapted to any other format.

From idea to screen

Managers of programme departments may find useful the following check-list, which summarises the production process for a fairly complex studio-and-location programme:

- 1 The idea
- 2 Preliminary research
- 3 Discussion of the idea
- 4 Assessment and plan: number of programmes, duration, target transmission slot
- 5 The idea in terms of money, resources and time
- 6 Programme proposal and budget estimate
- 7 Acceptance, agreed budget and time-scale
- 8 Research schedule; research
- 9 Preliminary information to designer
- 10 Book resources: studio, location shooting, OB, recording, editing, artists
- 10 Location recce; shooting schedule
- 11 Library film and stills
- 12 Agree design plan
- 13 Music, titles, graphics
- 14 Shoot, edit, mix and dub location material

- 15 Studio floor plan
- 16 Distribute rehearsal script to lighting, technical resources, sound, costume, make-up
- 17 Technical planning meeting
- 18 Presentation and promotion information
- 19 Checking period for graphics etc.
- 20 Outside rehearsal and technical run
- 21 Camera plans
- 22 Camera script and camera cards
- 23 Studio rehearse and record
- 24 Editing and dubbing
- 25 Transmission
- 25 Assessment

Production guidelines

We've already considered codes of conduct and codes of practice (see Chapter Three and Appendix A). In whatever form you choose to distribute it, it's absolutely

essential that every member of staff involved in production should have available (by which I mean their own copy) a ready-reference document to guide them in the exercise of editorial judgement. The document should be neither too long and detailed nor at all intimidating: it should be a tool to which anyone is able to resort confidently and thankfully. The principles set out in Appendix A should speak for themselves; they apply, *mutatis mutandis*, equally well to television and radio.

Production guidelines of this kind are based on the practice of 'reference-up'. That is to say, they should give clear indications of first principles but, if any member of staff is in any doubt whatsoever about the correct route to pursue, he or she should refer the matter to his / her immediate editorial superior - and this process should be repeated right up the line to the ultimate editor-in-chief. There should be absolutely no suggestion that a reference-up is a confession of inadequacy because, if junior practitioners feel it might make them vulnerable, they won't do it - with potentially disastrous consequences. Any senior manager worth his or her salt would rather field a hundred false alarms than see the organisation mired in a costly law-suit or a ghastly political controversy. But nor should reference-up become a system for



There should be absolutely no suggestion that a reference-up is a confession of inadequacy because, if junior practitioners feel it might make them vulnerable, they won't do it - with potentially disastrous consequences.

obtaining routine prior approval for content, treatment or participants: that way lies micro-management from above or political interference or both. The guidelines, backed up by proper training, should both enable and empower practitioners to make autonomous decisions at the appropriate level, while allowing them access to advice and support when they need either.

One of the most sensitive issues in editorial judgement is whether and when covert recording – in sound and / or vision – may be justified. The code in Appendix A (section 8) gives the most commonly-accepted criteria and Appendix M suggests a form in which clearance for such techniques might be requested and authorised in a watertight way. The case-history on page 137 describes a piece of investigative journalism in the public interest which couldn't have been achieved by any other means.

It's helpful in this context to establish an editorial culture in which members of staff

appreciate that their professional roles entail significant duties and responsibilities; these are to:

- **The audience** – always the first consideration and the first duty
- **The participants** – who shouldn't feel that they've been traduced
- **The facts** – which are sacrosanct (while opinion is free)
- **The story** – which must be clear, accessible and supported by the facts
- **The law** – because breaches will cause them and their employer much grief
- **The medium** – because it deserves being used in an appropriate and responsible way
- **The employer** – because they signed up to deliver the goods in return for being paid
- **The profession** – because they should want to maintain the highest standards
- **Themselves** – because they need to be able to look themselves in the eye each morning and be satisfied that they're doing a decent, honest job ■■■



9 Managing People

We're told that these days we should call this human resources – a term to which I have to confess I'm more than a touch resistant. If, during my professional career, I'd been categorised as a 'human resource' (rather than as a person) I don't think I'd have been best pleased. But that's modern management-speak for you.

Anyway, labels aren't that important: it's what you actually do that matters. So here are some common-sense basics which you need to manage your people effectively, to motivate them productively and to progress their career development:

Systems

Human resources systems need to cover at least the following:

- Contracts
- Job descriptions
- Appointments procedure
- Induction
- Training
- Assignment
- Appraisal and career development
- Remuneration
- Disciplinary procedure
- Grievance procedure
- Appeals procedure
- Industrial relations
- Equal opportunities
- Health and safety at work
- Records

Contracts

Every employee should have a legal contract setting out simply the basic terms and conditions of his or her employment. In most cases, a simple one-page document will be adequate. A contract isn't the same as

a job description: a job description serves a different purpose and may need to be amended quite frequently in the light of developments in technology or organisation; which is why you need a separate contract which wouldn't have to be revised in that event.

Job descriptions

Every employee, at every level, should have a job description which he or she has signed-off to indicate its acceptance. Senior posts, with greater responsibilities, will obviously require more complex documents than more straightforward jobs but all should be drawn up to exactly the same formula. They should cover the purposes of the post, the line of accountability of the post-holder, his or her authority (including financial authority), where the job fits into the management organisation and its key tasks. Appendix N gives a suggested format for such a job description – in this case for a senior manager, because that case illustrates the requirements most fully.

Appointments procedure

Authority to make appointments should be devolved to the appropriate line management level, not held centrally. Recruiting policy should cover provision for posts to be filled internally or externally and, if internally, whether by competitive appointment or career-development promotion. Advertising and interview / testing techniques should be transparent and fair.

Induction

Every employee should follow a standard induction programme. This should

introduce the individual to his or her department and prepare him or her for a specific job; but it should also give a comprehensive introduction to the organisation, its culture and its corporate systems (including health and safety at work), backed up by the issue of a staff manual. It should include a tour of the premises and meeting key people in all departments and at appropriate levels. A check-list should be provided to ensure that all the relevant aspects are 'ticked-off'. The staff manual should cover management structure, policies and procedures, regulations (confidentiality, restrictions on work outside the organisation, health and safety, discipline etc.), conditions of service (working hours, pay, holiday entitlements, sick leave etc.) and corporate culture.

Training

Training is an essential part of staff development and may be provided in-house or through an out-sourced contract. Though individual departments may contribute to courses, to inter-departmental training attachments or to other training programmes, the scheme should be co-ordinated by the central human resources department but driven by editorial and operational needs. These needs should be based on careful analysis and be part

of a 'ladder of learning' with measurable outcomes. You may want to place conditions on access to training - such as a commitment to the organisation for a minimum time after qualifying.

Assignment

It needs to be clear which aspects of people-management are to be conducted by line managers and which by the central human resources department. In general, line managers should deal with the individual employee and with working issues; the central department should deal with general policy and records and with overseeing the appointments, disciplinary, appeals and grievance procedures.

Appraisal and career development

Every employee should have an annual appraisal interview with his or her direct line manager, to discuss performance, identify shortcomings and training needs and chart the next steps in career development. To ensure consistent treatment of all employees, there should be a standard reporting form for these interviews (the same for all levels), to be signed-off by the post-holder and the line manager and endorsed by their senior



The suggested assessment scale runs from 1 to 6. Always use an even number. If you don't, too many managers will take the easy option of ticking the middle box - so everyone ends up being assessed as 'average' and the report becomes useless for proper career development.

manager. Appendix O gives an example of a format for such a form. Together with adequate pay, this is an essential element in staff motivation and retention, convincing employees that there is a future for them if they stay with the organisation.

No employee can have more than one line manager; but they may also report to a functional manager to whom they have a 'dotted line' of responsibility in specialist areas. So the form should provide for input from functional managers. Note too that the suggested assessment scale runs from 1 to 6. Always use an even number. If you don't, too many managers will take the easy option of ticking the middle box - so everyone ends up being assessed as 'average' and the report becomes useless for proper career development.

Managers will gain nothing by being less than honest in this process. I recall the case of one producer who was past his prime and whose head of department was keen to replace him. Unfortunately, the head of department had never quite summoned up the courage to criticise the producer's performance explicitly and his file was full of glowing appraisal reports. This made it extremely difficult - and ultimately expensive - for the organisation to persuade him to move on; it also left him, understandably, considerably aggrieved.

Remuneration

It can be motivating to staff to have an element of performance-related pay - a system of discretionary awards for high achievement or an exceptional contribution to the organisation. The remuneration budget should include a provision for such rewards and should be delegated to

line-managers as a percentage of their overall salaries budget. But they should avoid making such awards as a continuing percentage enhancement of basic pay: if they do that, the discretionary budget will inexorably dwindle year-on-year. It's much more satisfactory and sustainable to make one-off bonus payments for the current year, so leaving the budget intact for distribution to others in future years, as circumstances change.

Disciplinary Procedure

The procedure for dealing with disciplinary offences should be clear, transparent and fair. It should also be devolved so that it's administered in the first instance by line managers, in order to leave room for a possible appeal to higher authority. There should be provision for the employee to be accompanied at the hearing (if he or she wishes) by a colleague or other adviser, such as a representative of a recognised trade union. The employee should have the right to appeal against the ruling. The system must accord scrupulously with employment law or you'll risk damaging litigation.

Many offences - such as persistent poor timekeeping, inadequate professional performance or bad relationships with colleagues - should normally be a matter for the line manager. It should be made clear what sanctions fall within the manager's remit; he or she might, for instance, have the right to admonish an employee, to issue a written warning (with a deadline for improvement) or to withhold a bonus payment. Other more serious offences, such as theft or fraud, will provide grounds for dismissal if proven and will need to be referred to a higher level for an endorsement of the decision. Any offences which are

cause for summary dismissal should be spelt out in the staff manual.

Grievance Procedure

Any employee should have the right to state a grievance without fear of victimisation; the procedure should also be conducted in the first instance by line management, with the complainant having the right to appeal against the decision.

Appeals Procedure

There should be two levels of making an appeal against a disciplinary ruling or the rejection of a grievance, the first to a higher level of line management (for instance, the appropriate controller – British terminology again) and the second to board of management level. These should be administered by the central human resources department; but it should be clear that the final decision is an executive one.

Industrial Relations

The company may wish to recognise specified trade unions for representative or negotiating purposes but there should be no requirement or pressure on an employee to join a union if he or she doesn't want to – nor not to join if he or she does. All contracts should be contracts with the individual employee.

Equal Opportunities

The same principles should apply in employment matters as in editorial policy (see Appendix A, section 11): no discrimination on grounds of race, colour, religion, gender or sexual orientation. Harassment or bullying at work should be serious disciplinary offences. There will be some posts for which a physical disability makes a candidate ineligible (a camera operator can't have impaired vision and a sound recordist needs acute hearing) but an inclusive approach should be adopted wherever possible, adapting the working environment if necessary.

Health and Safety at Work

The company has a duty of care for the welfare of its employees while at work. There should be clear lines of responsibility for safety and safety regulations should be widely promulgated and regularly updated. If an assignment presents particular hazards, a proper risk assessment should be made and safeguards specified. A pocket-sized check-list may be helpful.

Records

Employees' records should cover appointments, employment history, training undertaken, appraisals and other relevant information. Employees should have right of access to their personal files. ■■■■

Conclusion

For countries-in-transition the media can be one of the most powerful weapons in the development armoury – so it's right that broadcasting licences should be properly demanding in terms of serving the public interest.

That doesn't mean that public-service broadcasters should be the direct servants of, or just mouthpieces for, the government of the day. They need to be agents for every aspect of development, which includes the promotion of democracy, accountability, good governance and the empowerment of the people. That requires a pluralist system in which broadcasting is seen not as a function of government but as an essential element of civil society: both its regulation and its management, even when it's publicly-funded, should be conducted independently and at arm's-length from government.

That's a principle for which practitioners need to campaign tirelessly – and to persuade politicians that, in the modern world, it will actually serve their interests better than a state-controlled propaganda machine. In any case, technical change is bringing such a proliferation of alternative sources of information and comment that broadcasters which can't compete successfully in this new open forum won't survive: without the credibility which comes from editorial independence they'll inevitably lose audience share and ultimately become irrelevant to their people.

In some countries-in-transition, there's a long way to go before broadcasters find themselves working in such a free-media environment. But, whatever the context, they can still make themselves more efficient – and therefore more competitive – by ensuring they make the most effective use of their money, resources and people, especially where these assets are limited. The essentials are:

- Getting the structure, organisation and corporate culture right
- Adopting a modern management approach based firmly on delegation
- Formulating a comprehensive corporate plan which includes risk-assessment and risk-management
- Having in place sound programme commissioning, budgeting and cost-control systems
- Planning, scheduling and promoting the output so as to optimise audiences and revenue
- Allocating and managing the use of resources to best effect
- Having in place systems which ensure both editorial integrity and producer efficiency
- Adopting HR policies and practices (including training) which will develop the potential of employees to the full

The aim of this manual has been to provide you with a 'tool-box' which will help you achieve all those management goals. ■■■

Appendix A

A CODE OF EDITORIAL PRINCIPLES AND PRACTICE

1 Introduction

- 1.1 This Code applies to factual material, to fictional/entertainment material, to promotions and trails, to acquired programmes and to advertising.
- 1.2 It takes as its departure-point Article 19 of the Universal Declaration of Human Rights, 1948:

Everyone has the right to freedom of opinion and expression; this right includes the freedom to hold opinions without interference and to seek, receive and impart information and ideas through any media and regardless of frontiers.

The remarkable strength of this Article is that it is truly universal and unconditional. It does not even require the media to behave 'responsibly', as long as they remain within the law.

- 1.3 Nevertheless, we believe that democracy is not only about freedom: it is also about responsibility. Indeed, irresponsible or unethical conduct puts media freedoms at risk. We believe that the responsibilities of the media include duties of accuracy, balance, fairness and decency. The Code therefore sets out the policies and practices which we expect of free media operating responsibly and accountably as an essential element of civil society.
- 1.4 Democracy is essentially not about

agreement: it is about how we handle disagreement. Nor is democracy simply the rule of the majority - though the majority vote is one of its essential tools. What is important to democracy is that, in the debate which leads up to the majority decision, all voices are properly and fairly represented; and that, after the vote, the interests and views of the minorities in society continue to be safeguarded. The Code is fully committed to this principle of democratic pluralism.

- 1.5 While responsible governments and politicians and responsible media should share a common aim - the best interests of their society - their roles are different. In a healthy democratic society, the relationship between politicians and free media is, quite properly, likely to be wary, questioning and sceptical, rather than close, cosy and adulatory. We believe that the media should operate freely at arm's-length from government and that their legitimate duty in a democracy is disclosure in the public interest and the holding to account of public institutions and individuals.
- 1.6 The Code does not claim to be comprehensive or all-embracing: no Code can cover every contingency. What follow are therefore guidelines for ethical professional conduct to which the organisations subscribing to it have committed themselves and their staff.

- 1.7 Individuals or institutions who believe they have a legitimate ethical grievance against any broadcasting organisation for a breach of the Code are entitled to [LOCAL PROCEDURE FOR COMPLAINTS AND SANCTIONS].

2 Accuracy, balance and fairness

- 2.1 Broadcasting practitioners should report and interpret news and current affairs honestly. They should aim to disclose all known relevant facts and should verify their sources. They should not broadcast material which is inaccurate, misleading or distorted, whether by wrong or improper emphasis or by any other factor.
- 2.2 If a significant inaccurate, misleading or distorted statement is broadcast, it should be corrected promptly, with due prominence and, where appropriate, accompanied by an apology.
- 2.3 Though campaigning journalism has a vital role in a democracy, there remains a duty to be balanced and fair in the treatment of news and current affairs and in dealings with members of the public.
- 2.4 For programmes which appear regularly in the schedule, it is acceptable to achieve a proper balance across the series, rather than in every individual programme.
- 2.5 Any individual or organisation which is attacked editorially should be given a fair opportunity to reply on-air.
- 2.6 Broadcasting organisations should report fairly the result of any legal

action brought against them or any regulatory judgement made against them.

3 Politics and elections

- 3.1 Broadcasters should aim to reflect the diversity of political opinion in society and be the enablers of free and open debate on political matters. Their role is to represent independently the public interest, not that of the parties.
- 3.2 Coverage of the positions and views of political parties should broadly reflect their representation in society, particularly during election campaigns.
- 3.3 Broadcasts by or on behalf of political parties should always be identified as such.
- 3.4 Currently active politicians should not appear as newscasters, interviewers or reporters in news programmes; in other contexts, their party allegiance should be clearly identified.

4 Leaked and restricted material and the protection of sources

- 4.1 The leaking of official and other material is usually done not by the media but to the media - often by politicians or other organisations themselves or by their servants. Where there are leaks, it is for the originators of the material to attend to their plumbing. It is the proper duty of free media to expose any information they receive to public debate in the public interest.
- 4.2 Practitioners have a moral obligation

to protect confidential sources of information and to respect confidences knowingly and willingly accepted in the course of their work.

- 4.3 In cases of national emergency, it is proper for the media to limit disclosure in order to avoid danger to life (e.g. of armed-services personnel in wartime) or to public safety.
- 4.4 Embargoes should be respected unless a breach by other media, or by the originator, has brought the embargoed information clearly into the public domain, when it becomes legitimate to broadcast it and to comment on it.
- 4.5 The laws of copyright and intellectual property should be observed and the right to use quotations under the 'fair dealing' convention should not be abused.

5 Identification and attribution of material

- 5.1 It is axiomatic that the audience should never be in any doubt as to the nature of the material being broadcast. There should be a clear distinction of what is fact, what is comment and what is speculation. 'Spoof' formats should not mislead in such a way as to cause public alarm. Care should be taken over the use of recognised figures such as newscasters in other programme contexts. The use of subliminal images is not permissible.
- 5.2 Material which has been provided by government, by other official sources, by commercial concerns, by campaigning organisations or by members of the public should always

be identified as such; so should simulations and reconstructions of real events. Where library material is used, it should be labelled as such and not passed off as new or original.

- 5.3 Where broadcasting can play a positive role in the control or alleviation of natural disasters, it is acceptable to release editorial air-time for official announcements, instructions or advice, provided that their nature and origin are made clear.

6 Privacy and the public interest

- 6.1 The broadcasting of information about the private lives or concerns of individuals without their consent is acceptable only if a serious and legitimate public interest outweighs their normal human right to privacy.
- 6.2 'In the public interest' is not the same as 'of interest to the public': intrusion is not justified by mere curiosity. Revealing the private affairs of public figures is legitimate where these are relevant to their performance of, or fitness for, their public roles.
- 6.3 Examples of legitimate overriding public interest are: the detection, exposure or prevention of crime or corruption; the protection of public health and safety; or preventing the public from being misled on an important matter by the public statement or action of an individual or institution.
- 6.4 Recordings of people in public places, or of people inside institutions when their presence is incidental, may be regarded as in the public domain. When such

material is used to illustrate a specific point, care should be taken not to associate an identifiable individual with a potentially damaging implication (e.g. a general medical statistic or an extreme political opinion).

7 Grief, bereavement and distress

- 7.1 Approaches to people in extreme distress should be made with sensitivity and discretion; intrusion and voyeurism should be avoided.
- 7.2 Broadcasters should be prepared to cancel or postpone scheduled programmes if their themes or treatment would appear offensive or inappropriate in the light of current events such as violent incidents or natural disasters.

8 Harassment, pursuit and covert recording

- 8.1 Practitioners should not normally seek interviews or information by intimidation, harassment or persistent pursuit, nor should they invade individuals' privacy by deception, eavesdropping or covert technical means.
- 8.2 The use of concealed cameras or microphones to obtain covert recordings is justified only when: exposure of the evidence gathered is in the public interest; it is essential to the credibility and authority of the piece; the material could not have been obtained by any other legitimate means; and the practice has been explicitly agreed at the most senior editorial level.

- 8.3 Contacts should be told when a telephone conversation is being recorded, except when the provisions for covert recording apply.

9 Subterfuge

- 9.1 Practitioners should use straightforward means to obtain information, normally identifying themselves and their organisation when doing so. The use of a false identity or similar techniques is justified only where disclosure is in the public interest and the material could not have been obtained by any other means.

10 Interviews

- 10.1 Conventional interviews should be arranged, conducted and edited fairly and honestly. Interviewees are entitled to know in advance the format, subject and purpose (though not the detailed content) of the interview, whether it will be live or recorded, whether it may be edited and whether only part of it may be used – or whether it may not be used at all.
- 10.2 They are also entitled to know in advance the identity and roles of other likely participants in the same item or programme.
- 10.3 If a prospective participant attempts to impose conditions on an interview (e.g. by refusing to appear with other interviewees, by insisting that the contribution is not edited or by demanding a list of questions for vetting in advance), the broadcaster may withdraw the invitation. Any

conditions which are accepted may be made clear to the audience.

- 10.4 Anyone has an absolute right to refuse to take part in a programme. If they do so, their refusal should be described to the audience in neutral terms (e.g. 'declined our invitation' or 'was unavailable for comment'). The presenter may deploy the known views of a non-participant in the argument, provided this is done in a fair and balanced way.
- 10.5 The presentation and/or editing of an interview should not distort or misrepresent the views of the interviewee.
- 10.6 The editing of an interview should not give a false impression of dialogue, or of live transmission when it has been recorded.
- 10.7 There should be sound reasons for allowing anonymity to an interviewee; it should not normally be accorded to fugitives from justice.
- 10.8 'Doorstepping' should be resorted to only when a direct approach has failed or when it might lead to the destruction of evidence or the suppression of information which is in the public interest.

11 Discrimination

- 11.1 Practitioners should avoid any discriminatory or derogatory reference to people's race, colour, religion, sex, sexual orientation or preference, age, physical or mental disability or illness.

- 11.2 These characteristics should not be referred to in a pejorative context except where they are directly relevant to the report or add significantly to listeners' understanding of the matter.

- 11.3 In this context, particular care should be taken over references to vulnerable minorities.

- 11.4 While broadcasters are free to report and comment on all matters of public interest, they should not do so in a form likely to promote or encourage racial or sectarian hatred or discord.

12 Religion

- 12.1 While all public institutions are properly subject to scrutiny, practitioners should respect the special place which religions are likely to hold in the lives of their adherents. Sensitive and balanced treatment is particularly important in a multi-faith society.

- 12.2 Practitioners should be aware of the offence which can be caused to believers by casual, gratuitous and expletive references to religious figures.

13 Strong language

- 13.1 The gratuitous use of strong swear-words and of obscene or blasphemous language should be avoided. The broadcasting of such terms is justified only where it is essential to the audience's understanding or to the dramatic development of a story. The context, the time of transmission and the likely audience profile are important considerations, particularly when the audience is likely to include children.

14 The involvement of children

- 14.1 Generally, children under 16 should not be interviewed in the absence of, or without the consent of, a parent or other adult responsible for the child.
- 14.2 Children should not be approached or interviewed at school without the permission of the school authorities.
- 14.3 The broadcasting without consent of material about a child's private life cannot be justified solely by the fame, notoriety or position of his or her parents.

15 Victims of sexual crimes

- 15.1 The victims of sexual crimes should not normally be identified, nor material broadcast from which their identity is likely to be inferred.
- 15.2 Children under 16 should not be identified when appearing as witnesses in sexual offence cases.
- 15.3 Reports of cases alleging sexual offences against a child may identify an adult concerned but should not identify the child, nor should they include facts which imply a close relationship between an accused adult and a child victim.

16 Portrayal of sexual conduct

- 16.1 When reporting or portraying sexual activity or conduct, practitioners should be sensitive to the danger of offending public decency or the feelings of the likely audience. Careful attention should be paid to the context and to the time of transmission, particularly when the audience is likely to include children.

17 Portrayal of violence

- 17.1 The realistic portrayal of violence must be justifiable in its content and intensity as being essential to the integrity of the programme.
- 17.2 Violence combined with sexuality should not be portrayed in a manner designed to titillate the audience; explicit detail and prolonged depiction should be avoided. Again, scheduling and the protection of children are important considerations.

18 On-air warnings

- 18.1 An appropriate warning should be broadcast before or at the beginning of a programme containing material which is likely to be disturbing or offensive to the average viewer or listener, bearing in mind the nature of the broadcasting station, the time of transmission and the likely audience.

19 Crime and anti-social behaviour

- 19.1 Crime and anti-social behaviour, especially where it involves violence, should not be glamorised, or reported or portrayed in a manner likely to encourage imitation or experiment. Particular attention should be paid to the time of transmission and the likely audience.
- 19.2 Detailed information about methods of suicide, the making of explosive or incendiary devices or the illicit use of drugs should not be transmitted in a way which might instruct or encourage such behaviour.

- 19.3 The relatives of people accused or convicted of crime should not normally be identified unless the connection is directly relevant to the matter reported.

20 Kidnapping and hi-jacking

- 20.1 No information should be broadcast which is likely to endanger lives in, or prejudice attempts to deal with, a kidnapping or a hi-jacking. It is acceptable to agree 'news black-outs' with the police and other authorities in such cases.

21 Demonstrations and civil unrest

- 21.1 Practitioners should be aware that media coverage can influence events and that their presence at the scene may be exploited by elements in the crowd. They should consider withdrawing if their participation appears to be prolonging a dangerous situation or making it worse.
- 21.2 Live coverage of demonstrations and disturbances should be placed in context and incidents which have been deliberately contrived for media coverage should be identified as such.

22 Relations with the police

- 22.1 It is no part of the duty of free media to protect criminals or to encourage crime. Nevertheless, practitioners should beware of appearing to act as direct agents of the police: in some circumstances this could call into question their editorial independence or put the safety of their staff at risk.
- 22.2 Untransmitted material should not be

released to the authorities except in response to a court order.

- 22.3 When accompanying the police on operations such as raids, practitioners should be aware of the danger that they might themselves be committing an offence (such as trespass).

23 Payment in criminal cases

- 23.1 Payments should not be made, directly or indirectly, to criminals for information or material related to their crimes; nor should such payments be made to their associates or relatives.
- 23.2 No payment or offer of payment should be made, directly or indirectly, for information or material to any person expected to be a witness in criminal proceedings until the proceedings are concluded.
- 23.3 Payments of this kind may very exceptionally be justified if information which ought to be broadcast in the public interest cannot be obtained by any other means. They should be approved at the highest editorial level.

24 Advertising, product-placement and 'undue prominence'

- 24.1 Advertisements and advertiser-sponsored material should be clearly distinguished from editorial and programme matter.
- 24.2 Advertising should normally be confined to paid-for advertising time. Product-placement in editorial formats in return for payment or other considerations must be acknowledged

as such; it should never appear in news and current affairs programmes. Otherwise, where reference is made within programmes to commercial products or services, they should not be given greater prominence than is justified by purely editorial considerations.

- 24.3 Advertising material should conform with the principles 'legal, decent, honest and truthful'. In terms of taste, decency and social responsibility it should observe the same criteria as editorial material. It should not disparage identifiable competitors or other products and comparisons should be based on facts which can be substantiated. Testimonials or endorsements should be genuine and should relate to the endorser's personal experience. Advertisements directed at children require particular care.

25 Competitions

- 25.1 Practitioners should ensure that, in competition programmes, there is no collusion between broadcasters and contestants which results in an advantage for any contestant over the others.

26 Personal interest and influence

- 26.1 Practitioners should not allow personal or family interests to influence them in the conduct of their professional duties.
- 26.2 They should not allow themselves to be influenced by any offer of payment, gift or other advantage, nor by advertising or commercial considerations.

27 Financial journalism

- 27.1 Practitioners should not use for their own or their families' profit financial information received in their professional capacity before it is publicly available.
- 27.2 They should not comment on financial holdings in which they or their families have an interest without disclosing that interest to their editor and, where appropriate, to the audience.
- 27.3 They should not buy or sell financial holdings about which they have broadcast recently or on which they are about to comment. ■■■

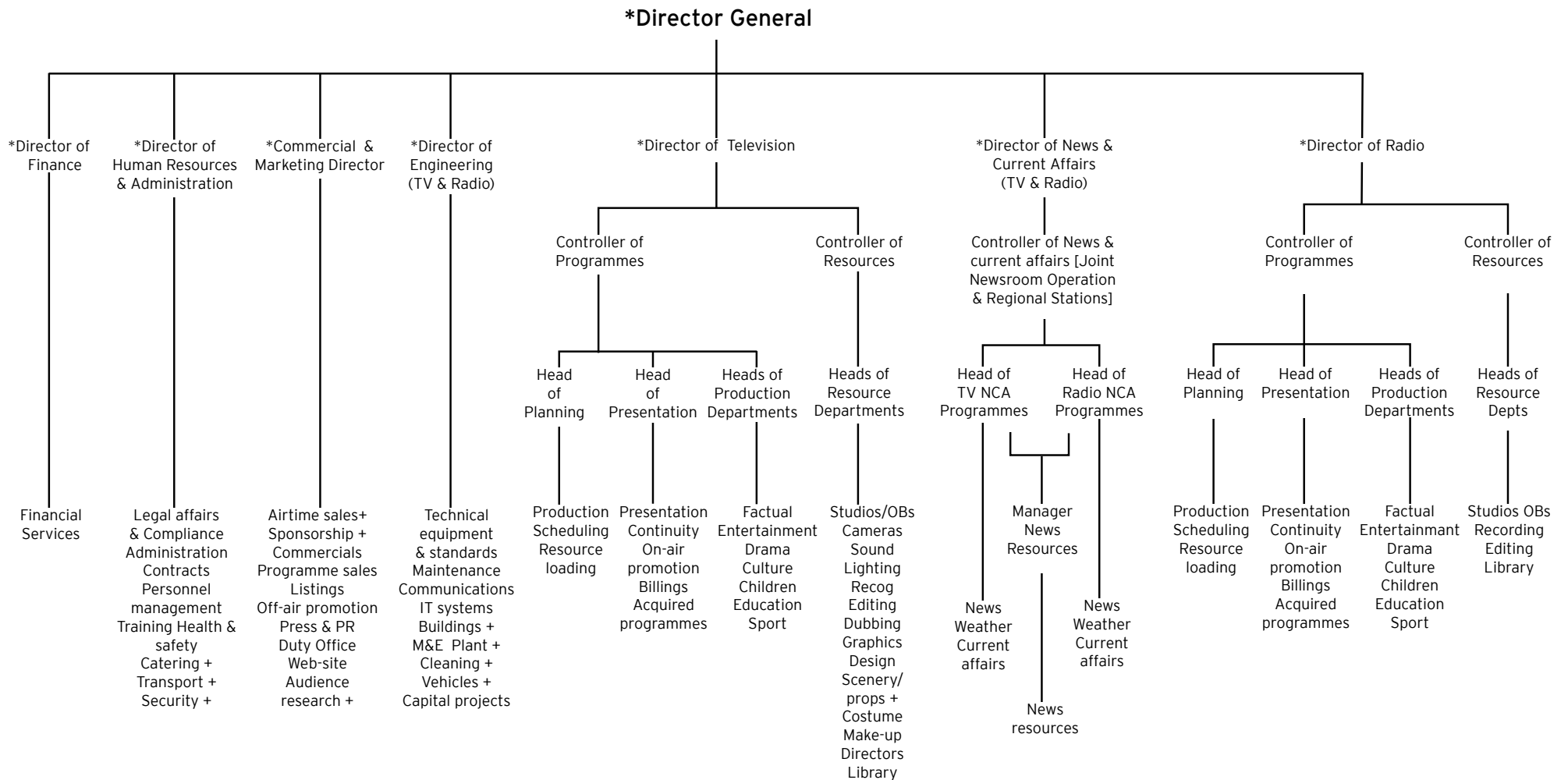
Appendix B

A LINE-MANAGEMENT STRUCTURE FOR A TYPICAL BROADCASTING ORGANISATION

(British Terminology)

* = Member of the Board of Management

+ = Function to consider for out-sourcing



Appendix C

A PLAN FOR RE-STRUCTURING A BROADCASTING ORGANISATION

Vision, Mission and Strategy

VISION

A high-quality, independent and efficient public-service broadcasting operation which reflects, debates and celebrates the life, interests, concerns and culture of the country and its people.

MISSION

To realise the vision by transforming the organisation in the following areas:

- Management structure and practices
- Corporate culture
- Maximising revenue
- Programme commissioning, budgeting and scheduling
- Production and resource management
- Plant and premises specification and utilisation
- Staffing patterns
- Out-sourcing
- Editorial focus
- Production standards
- On-air presentation
- Human resources policies and infrastructure
- Financial services
- IT applications

STRATEGY

The organisation will concentrate its efforts on the issues which are wholly within its own control by defining:

- The mission goals
- How do we get from here to there?

1 Management Structure and Practices

Aim To re-configure the organisation to reflect new lines of responsibility and accountability and to replace outdated specialist tribalism with a modern approach to management and to programme-making.

How? Adopt a structure based on the 'hub-and-spokes' pattern, particularly with regard to resources. Rationalise the distribution of responsibility and accountability accordingly. Devolve management and budgetary responsibility as far 'down the line' as possible. Codify the structure in clear and consistent job descriptions (see Section 12). Provide professional training for managers at all levels.

2 Corporate Culture

Aim To replace the current territorially-defensive 'blame culture' with a cross-disciplinary, collaborative team approach.

How? Start at the top and, if senior managers cannot or will not buy in to the new system (with training if necessary), replace them.

Appoint middle managers to the new functions who are effective and motivating team-leaders.
 Make staff participative partners in the enterprise.
 Require departments to hold regular staff meetings to communicate policy and discuss ideas.
 Encourage openness and honesty in both directions.
 Insist that managers get out of their offices and 'walk the floor'.
 Publish a regular in-house newsletter (which need not be elaborate or expensive), produced by the new communication division.
 Identify changes which can generate 'quick success stories' and publicise the results internally.
 Convey the message that the new regime will be properly demanding but also properly rewarding to work for.
 Show appreciation for the achievements of able and productive staff at all levels and encourage the recalcitrant and the incompetent to leave.

3 Maximising Revenue

Aim To increase income from advertising, sponsorship and sales without jeopardising core public funding.

How? Consider out-sourcing the commercial operation.
 Grow audiences (see Sections 9 and 11) to improve the proposition to advertisers.
 Target advertisers and sponsors differentially.
 Use audience research and commercial results to inform the

commissioning process, so that output and airtime sales form a 'virtuous circle'.
 Ensure a formula for public funding which is not put at risk by commercial success.

4 Programme Commissioning, Budgeting and Scheduling

Aim To encourage creativity, achieve the optimum programme mix and reach the maximum audience while ensuring best value for money.

How? Introduce a regular annual plan commissioning and scheduling cycle. Adopt the 'commissioning triangle' approach.
 Retain a commissioners' budget reserve for flexibility.
 Make programme proposals a 'bottom-up' process.
 Include overheads, staffing and infrastructure costs in programme budgets, so that the system is based on the real cost of the output.
 Devolve agreed budgets to at least head of production department level.
 Set up the production / resource contracting interface (see Section 5).
 Schedule output in accordance with audience and competitor behaviour.
 Commission and schedule with input from audience research and the commercial directorate.

5 Production and Resource Management

Aim To realise programme proposals to the highest achievable standard while ensuring the optimum utilisation of staff and plant.

How? Establish a dedicated resources structure separate from engineering. Develop multi-skilling where it is practicable and advantageous. Establish allocation and shift patterns which ensure the optimum use of staff and resources. Devolve budgets for commissioned programmes to production departments. Set up a production management unit to act as a bridge between production and resource departments, to agree allocations and contracts between them and to monitor and control budget expenditure. Establish a management information system which tracks budget expenditure and constantly updates cost-to-completion (see Section 13). Provide professional training in the necessary management techniques.

6 Plant and Premises Specification and Utilisation

Aim To ensure that accommodation and equipment are appropriate to requirements and are set at the right levels to ensure optimum use and minimal down-time.

How? Conduct a zero-based exercise to establish the pattern of accommodation and equipment needed for efficient and cost-effective working, given the new resource allocation systems and staffing levels. Where there is excess capacity, determine whether it can be used economically to increase or improve output. If any facilities can be dispensed with, without impairing the quality or quantity of the output,

dispose of them or rent them out.

7 Staffing Patterns

Aim To achieve 'quality not quantity', reducing permanent staff to the minimum levels for efficient and cost-effective working.

How? Conduct a zero-based budgeting exercise to establish the numbers needed for efficient and cost-effective working, given the new systems, in both production and resource departments. Ensure that this level of 'maintained capacity' leaves the minimum amount of effort unused at any time. Where scheduling constraints require additional effort, buy it in on short-term contract; assist the creation of this external market if necessary. Use some of the savings generated to fund enhanced salaries, so as to attract and keep good staff. (And use the rest to enhance the output.)

8 Out-sourcing

Aim To out-source any non-broadcasting infrastructure functions which can be provided more economically by external contractors (see also Section 5).

How? Identify the functions which can be provided in the external marketplace. Seek competitive tenders for the provision of these functions. Where there is an economic advantage, contract them out.

NOTE: See also the 'mixed economy'

proposals for contracting additional production and resource effort in Section 7.

9 Editorial Focus

Aim To make the channel a more significant 'must-watch' element in the viewing patterns of local audiences.

How? More nation-wide internal coverage.
More relevance to the daily lives of the audience.
More questioning journalism.
More content unique to the channel.
A higher proportion of origination.
Editorial independence.

10 Production Standards

Aim To deliver programme quality at least comparable to that of competing channels.

How? Properly demanding (devolved) editorial management.
Clarity over aims and means.
Supervision, control and accountability.
Attention to detail.
Training to high professional standards.
Fostering motivation and commitment (see Sections 8 and 10).
Instituting a participative programme review system.

11 Presentation and Promotion

Aim To make the output distinctive and attractive, to develop a recognised brand and to maximise promotional opportunities.

How? Establish a 'perceived image' for the channel (where it sits in the market-place).
Ensure that styles, sets, presenters etc. are in tune with that image.
Design a comprehensive and consistent on-air identity system (not just a logo and a few animations).
Use the graphics department more effectively.
Actively promote and trail the output across the schedule, with input from audience research and the commercial directorate.
Use 'differential promotion' to match the available audience for trails and promos.
Cross-trail between channels and between radio and television.
Set up a communication division which includes press, PR and duty-office functions.

12 Human Resources Policies and Infrastructure

Aim To provide a service which manages people, their working conditions and their career development to the benefit of both the organisation and the individual.

How? Draw up comprehensive job descriptions in a consistent format for all levels.
Set up a codified system of annual appraisal, with the aim of assessing performance, identifying shortcomings and establishing training and career development needs.
Ensure that recruitment and promotion processes are fair and transparent, based on merit only.

Review industrial relations and relationships with trade unions and professional organisations.

Adopt and codify an equal opportunities policy; ensure that managers at all levels are trained to implement it.

Employ all staff on personal contracts; contracts should be simple and brief.

Do not commit the organisation to hourly overtime pay.

Reward good performance through annual one-off bonuses (not through continuing increases to basic salary), based on annual departmental appraisals.

Ensure that staff are trained both to perform better and to progress within the organisation, so encouraging retention.

Tell everyone what you are doing and why.

13 Financial Services

Aim To provide a modern financial servicing and control system appropriate to the needs of the new management structure and practices.

How? Establish that finance is a servicing, not an executive function.
Adopt commercial rather than civil

service accounting practices.

Set up a comprehensive system of budget centres.

Set up a costing system which takes into account overheads and staffing and attributes all expenditure to the budget centres where it is incurred.

Set up a management information system which tracks expenditure and, in the case of programmes, cost to completion (see Section 5).

Establish a devolved signing-authority register.

14 IT Applications

Aim To improve efficiency and cost-control by computerising functions wherever this is advantageous.

How? This should be the subject of a separate specialised study.
The areas which would certainly benefit from a computerised management information system are:

- Financial services
- Programme costing
- Programme planning and scheduling
- Production and resource management
- Human resources records



Appendix D

A GLOSSARY OF FINANCIAL TERMS

Attributable cost The cost incurred in the making and distribution of products which have been sold.

Capital expenditure All expenditure related to the purchase of fixed assets (q.v.).

Cash Cash is generated when the cash inflow (receipts) exceeds the cash outflow (payments).

Cash-flow A measure of cash coming into or being paid out by the business.

Creditors Money the business owes to its suppliers.

Current assets Cash held, or other assets which are converted into cash in the course of trading.

Current liabilities Amounts owed which will have to be paid within 12 months.

Debtors Money owed to the business by its customers.

Depreciation A means of charging the cost of fixed assets (q.v.) to the operations benefitting from their use.

Dividend The part of earnings (q.v.) paid out to shareholders to give them an income on their investment.

Earnings The profits left for shareholders when all the business costs (including interest and tax) have been met. Some will be paid out as a dividend, the rest re-invested (retained profit) q.v.

Factoring Selling debtors' liabilities to a third party, at a discount, for cash.

Fixed assets Plant, equipment, facilities and processes which provide the infrastructure for the business and are purchased for internal use, not for re-sale.

Interest Money paid to lenders as a return on their investment.

Liquidation The winding-up of a business - often due to an inability to pay its debts.

Liquidity The ability to pay debts as they fall due.

Loan capital Long-term investment in a business in the form of a loan.

Net capital employed The sum of loan capital and net worth (q.v.).

Net worth The shareholders' investment in the business: share capital plus reserves.

Operating profit Also called PBIT (profit before interest and tax). A measure of local operating performance obtained by deducting attributable costs (q.v.) from receipts from sales.

Profit The difference between the amount received for a product or service and the cost of producing / providing it. Profit is assessed when the business makes the sale, not when the customer actually pays.

Retained profits Profits which are re-invested in the business.



Appendix E

A GUIDE TO ALLOCATING OVERHEAD COSTS TO BUDGET CENTRES

This guide is based on a line-management structure such as the one in Appendix B.

Budget centres must be related to a budget structure which reflects the management organisation. Each budget centre should represent an activity about which management needs specific information. Some activities might be grouped together into a single budget centre because they're individually of low value or easily controlled. But in the case of overhead costs it's essential that such grouped activities can reasonably be allocated or apportioned to other budget centres on a common basis.

Overhead cost centres serve a dual purpose. First, it's essential to know, for example, the cost of running the buildings; secondly, it's only by distributing such costs among user budget centres that the real total cost of activities can be assessed. For instance, just about every activity occupies space in the building, so each should be charged with a share of the premises costs.

As a general rule, if it's possible to associate a cost wholly with an individual budget centre then it should be allocated directly to that centre.

Items which can't be attributed directly in this way must be allocated or apportioned on a basis which the managers of the budget centres concerned can accept as fair and reasonable. For instance, it might not be reasonable to apportion the cost of office

supplies on the basis of the number of staff in each centre because some staff (like drivers or catering staff) will make a minimal call on stationery and associated facilities. But, once these obvious non- or very light-consumers have been discounted, other centres should be apportioned an element of the cost. Compromise and common sense are necessary: a balance needs to be struck between simplicity and formulae which would require an unreasonable amount of research and analysis to deliver a marginal improvement in integrity.

Direct programme expenditure should be charged to the appropriate programme budget centre. With an annual programme plan procedure in place (see Chapter 6), all of these items can be aggregated simply as 'programme cash costs' before being allocated to individual programme budgets.

Some overhead costs can't be apportioned on any basis other than the judgement of the managers concerned. For example, the chief executive will need to suggest how the total cost of his operation should be allocated among the activities under him.

Some overhead cost centres won't be allocated to programme or to resource budget centres because they're not part of the programme-making operation. So transmission costs, for instance, will not be allocated because they are exclusively a function of engineering; nor will any part of the commercial and marketing budget centre's costs. (If the organisation were a company earning all its income through the

programmes it transmits, then the costs of all activities would need to be charged to programmes in order to set realistic selling prices; resource cost rates, based on the costs gathered in each cost centre, would then be directly comparable with external programme making costs.)

Because of the 'cascade' effect of overhead services it's necessary to have an agreed sequence for their allocation or apportionment. For example, the finance operation provides a service to human resources and human resources provides a service to finance: one has to come before the other. A sensible sequence might run like this:

- 1 Prepare a cost centre for buildings, including the cost of their servicing and maintenance, and apportion the total cost among other budget centres on the basis of the net usable area occupied, in square metres.
- 2 Allocate the chief executive's costs among the budget centres on the basis of an agreed formula. So finance might occupy an estimated 15% of his time, news an estimated 30%. In directorates where there is more than one budget centre, the allocation should be to the management line of the budget. The allocated amounts need not total 100%, as an element of the chief executive's activities will be 'corporate governance' and should come under his own budget centre.
- 3 Allocate management costs at directorate level to the other budget centres in the directorate on the basis of a formula agreed with the director concerned.
- 4 Allocate finance costs to budget centres on the basis of a formula arrived at by the finance directorate.
- 5 Allocate administration and human resources costs to budget centres on the basis of formulae agreed with the relevant director. So, for instance, HR, legal services, reception, security and catering might be apportioned on the basis of staff numbers; services such as the mailroom, messengers and drivers might be allocated on the basis of a supervisor's judgement or of work rotas.
- 6 Allocate engineering costs: equipment maintenance to equipment budget centres; communications and computer services on the basis of the directorate's assessment.
- 7 Allocate Training & Development among budget centres on a basis agreed with its head.
- 8 Allocate programme management functions to production budget centres.
- 9 Libraries might be allocated on the basis of the judgement of the librarian.
- 10 Other budgets should need no apportionment. ■■■

Appendix F

A GUIDE TO THE FINANCIAL ASPECTS OF A BUSINESS PLAN

Business planning is an examination of all aspects of a business: it involves a thorough review, directed by the chief executive but in which all managers take part, particularly the senior management team. The end-result should be a plan for the business for the next three or five years and financial budgets which reflect that plan.

Finance

Core funding

This section should summarise the expected core funding of the organisation (e.g. licence revenue, government grant etc.). It should state what allowance has been made for capital expenditure and what level of borrowing, if any, is planned for this purpose. (There should be no borrowing for revenue expenditure.)

Commercial income

There should be a statement of the expected advertising revenue (and any other commercial income) for each year of the period. In order to arrive at these figures, each of the following should be considered:

What is the size of the total advertising market - print, billboards, radio, television and so on?

How will it grow? What are the main market influences? What clues are there?

What market share does the organisation need to achieve during the five year period

in order to reach its financial targets?

What are realistic targets for each year of the plan?

What is the maximum time limit placed on advertising in a broadcasting hour? What are the implications for the rate card if the targets are to be achieved?

How would such a rate or rates compare with those of the organisation's competitors?

What is the marketing strategy? What is the choice of advertising agencies? How many will be used - are there specialists in certain sectors of the market? Separate strategies are needed for television and radio but there are opportunities for deals across both media. Is programme sponsorship an option?

Given the strategy and the target, what size of marketing department is needed, with what skills? Can they be recruited? When are they needed: there might need to be small additions each year? What will they need to be paid? Who is going to bill clients - the finance or the marketing department? (All payments should be to the finance department). The marketing department should maintain a (computerised) database, recording customer information - details of business done, with whom, when, whether they have settled their bills on time etc.

The projected cost of the marketing operation each year should be noted in this section. If additional staff are required, then

both the numbers and their cost (salaries and any related costs) should be shown in the appropriate year, from the time they are expected to be recruited. (For example, if one assistant is required in month eight of the first year, then one third of the annual cost should be shown in that year and the full annual cost in each of the next four years.)

Importantly, are any changes to the programme schedule thought to be necessary in order to attract the required amount of advertising?
Promotion must help to raise awareness of the station among advertisers. How is this to be handled? What can agencies do and what can the organisation best do for itself?

Is there a house style? Does the organisation's logo also appear on letter-headed paper, on business cards, on billboards and in the press? How are individual programmes to be promoted? What use can be made of the web-site?

Advertisers will want regular data on the size of viewing and listening audiences. When and how is this to be obtained? It may be that costs can be shared with other stations but an estimate needs to be made, year by year.

Programmes

Are the hours of broadcasting right?

What are the strengths and weaknesses of the programme schedule? What differentiates the programmes from those of competitors? What are the strengths of the competitors' best programmes?

Does the type of programme need to be changed in any way? More youth and sport,

fewer game-show programmes, for example?

Does the style of programmes need to be changed - more location work and less time in the studio? Fewer or more live programmes? Is there a need for more/better graphics?

Should there be more variety in the programme schedule? Perhaps some programmes should run for, say, 13 weeks rather than 5?

Do acquired programmes fit comfortably with the rest of the output and do they represent value for money? Should there be more or fewer acquired programmes?

How might the quality of programmes be improved, artistically and technically? There should be a regular programme review meeting when senior programme-makers have the opportunity to express their views on programmes recently transmitted.

Changes planned as a result of considering these issues are likely to have a cost. This must be assessed and noted each year, from the year when each change is to be made.

Resources: staff

An organisation chart should be attached to the plan as an appendix, together with the names of the management staff expected to fill the positions.

In a further appendix there should be a list of each of the departments under the control of the various managers, showing for each category of staff (e.g. producer, designer, driver), the numbers presently employed and the numbers expected to be employed over each of the three or five years. There might

be one page for each year, since more than one column will be needed, and there should be room for some explanatory notes: one column will be needed to record reductions in numbers and their value in terms of salaries and any related costs; but there may also be increases in some categories, depending on the decisions taken about the issues referred to under marketing and programmes. And there may be increases in areas not yet dealt with - the corporate management areas such as finance and human resources. Any planned changes in these areas over the five year period need to be noted and explained.

The costing of the changes must recognise when each is expected to happen. Major staff reductions will presumably take some months to complete, in which case the cost reduction in the first year will not be as much as that in a full year. Other issues to consider include future pay policy: do present salary levels enable the organisation to recruit staff of the right quality; is the general level of salaries to be increased; is there to be a system of bonuses related to performance; are working patterns to be changed in any areas - shift working, or alterations to the length of the working day? Whatever changes it is decided to introduce, their timing and cost must be included in the budget calculations.

Do staff possess all the necessary skills, to the right level? Are major training programmes needed in any areas? What training is needed, when, and how much will it cost?

Resources: equipment

What are the present and future needs, given the future programme policy and the

current state of equipment? Are there too many studios, too few edit suites; are more portable cameras needed, better graphics facilities? The choice of manufacturer should be left to the engineering directorate but decisions on what sort of equipment, and how much of it, should be determined in discussions between engineering and the programme-makers.

What is the IT policy? There must be a strategy and it should be written down. Requirements for the development of computerisation in all areas of the company, and how they are to be handled, need to be agreed for the three or five years of the plan and evaluated.

Every single proposition for future capital expenditure needs to be itemised in a capital budget covering each year of the plan. Obviously, those projects regarded as of greatest importance will be in the first two years: the chief executive must ultimately decide, if necessary, on the order of priorities.

It is wise to include in the budget a relatively small amount as a general reserve, for unspecified minor items of equipment.

It will probably also be helpful to divide the budget into two, one section dealing with the replacement of existing equipment, the other with equipment which is additional. Transport requirements need to be dealt with in a similar way and are worth a separate section in the budget.

Resources: premises

Do the buildings meet current and future requirements? If, in the coming years, there are fewer staff, can economies be made by

vacating some areas altogether and, if they cannot be sold off, perhaps renting them out?

Are any major structural changes needed (such as the provision of a joint newsroom for television and radio)? If yes, then the cost needs to be included in a separate section of the capital budget.

What about the standards of maintenance and decoration? Do improvements need to be made? When, and how much will they cost? If they involve capital expenditure, the cost should be included in the capital budget; otherwise it should be noted for inclusion in the operating expenditure budget.

What is the likely level of future spending on such things as telephones, electricity and office supplies?

Financial control and business procedures

Budget centres should be in accordance with the organisation chart included in the plan: every manager should have a budget and the sum total of all these budgets will equal the total budget for the year.

Authority and responsibility go hand in hand. Each manager is responsible for his budget, including the salaries of his staff and any other items of expenditure directly related to his activities. He has the authority to spend against his budget without reference to anyone else, subject to his observing agreed business procedures and any other internal rules (e.g. in areas like salary levels). But it is also his responsibility to see that he delivers what is expected of his department within the budget he has been given.

The capital budget is the responsibility of the engineering directorate and no other manager should have the authority to purchase fixed assets.

The role of the director of finance is to co-ordinate and consolidate the budget preparation, advising managers as required, and he may well advise the chief executive on final adjustments. But the agreed budgets then belong to the individual managers. His department continues to pay salaries and external suppliers of goods and services, and to do the associated book-keeping, and he continues to be responsible for the integrity of all financial information; he is also responsible for reporting actual expenditure to managers on a regular basis, so that they know how they are performing against their budgets. He should also consolidate such reports for senior management and the chief executive.

The head of marketing should have a budget covering both income and expenditure, while all other managers should have expenditure budgets only.

Information should be provided monthly, with actual expenditure under each heading alongside the budget. A third column should show any variations. As the year progresses, reports should include each new month and accumulate results for the year to date. Once the system is familiar, it may be worth including a further column in which the managers themselves are required to insert their own forecast for the remaining months of the year. With that information, senior management would be able to see each month the estimated financial position at the end of the year.

The director of finance and the director

of engineering need to work together to produce depreciation charges for all fixed assets; that is, the cost of each asset needs to be divided by the number of years the asset is expected to be in service to produce an annual charge. The depreciation charge for editing machines would go against the editing budget, the depreciation of vehicles would go against the transport budget and so on. A register covering all fixed assets, together with their installed values, is essential; in which case the task is one of deciding the useful life of each asset, dividing that figure into the asset value and associating the depreciation charge with the appropriate budget centre.

The director of finance should produce a regular monthly cashflow statement, showing all estimated receipts and payments for each month of the year, preferably on a rolling 12-month basis; that is, by adding a further month as each month passes.

Written business procedures are needed. These should make clear who has the authority to enter into long-term contracts, who has the right to spend, and how such transactions must be handled.

For example, managers should be allowed to spend only on items which form part of their budget - the director of human resources, for instance, would not be allowed to buy videotape. Financial limits may be placed on managers' authority. For example, a head of servicing might be permitted to buy timber for making scenery but only up to a specified value in a certain period; any requirement above that amount would need the approval of the controller of resources. It may be that most, or even all, such purchases continue to be ordered through the procurement department - but the decision to order is that of the manager.

The way in which transactions are required to be made must also be specified. Purchase requisitions should be in a standard form and require the signature of the appropriate manager. If there is a procurement department, copies of its orders would go to the finance department as soon as an order is placed. And the manager concerned would be responsible for notifying finance that goods or services had been delivered, so that the supplier's invoice can be paid.

Every manager with authority to spend needs to know precisely the nature and extent of his financial authority. This can most conveniently be included with his job description.

Financial evaluation and budgets

The result of all this is a budget which details the planned income and expenditure for each of the next five years. Almost every decision in relation to the issues raised in each section of the plan has a financial consequence, all of which should take their place in the final overall budget. Read in conjunction with the plan it should be possible immediately to understand its composition.

Once the business plan is given final approval, each component of the budget should be devolved to the appropriate managers.

The budget

In accordance with the management structure, each director will have his appropriate part of the total budget. But each director's heads of department and managers will, in turn, also have a devolved

budget for which they will be responsible. Exactly which items of expenditure should be included in each budget is something to be settled at the outset: the director of finance must ensure that every item appears in someone's budget. Those that cannot readily be attributed to any one operation should be held at a suitable managerial level. (For example, all telephone expenditure might be held as a single item in the director of engineering's budget.) Direct programme expenditure, such as that needed to pay for artists and other external services, should be held by the controllers of programmes and allocated subsequently to individual programme departments as programme budgets are agreed.

Most importantly, the overall budget should be built, brick by brick, from the bottom, with the most junior manager submitting his budget proposals to his immediate senior manager – but strictly in accordance with

the business plan. The programme-related areas cannot prepare their budgets until there is a clear programme plan for the first year, so this needs to be settled in good time for the rest of the process to be completed. (In the remaining years of the budget, the programme-related areas will need to take account of developments specified in the business plan but broader cost assessments can be made than would be expected for the first year.)

All budget proposals should be on a simple, standard form, accompanied by brief explanatory notes. The director of finance should prescribe the forms and agree the timetable for completion and consultation with his senior management colleagues.

It would be unusual for all budget proposals to be agreed without amendment and, in setting the timetable, sufficient time must be allowed for consultation and revision. ■■■

Appendix G

A MATRIX FOR A RISK MANAGEMENT STRATEGY

[illegible]

Appendix H

AN OUTLINE FORMAT FOR A PROGRAMME PROPOSAL

Production Department:

Programme Genre:

Proposed Title:

Number of Programmes:

Duration:

Interval:

Theme

Format

Treatment

Production team

Performers/Participants

Audience projection

Proposed outline budget and major resources utilisation

Cash Budget

Studio utilisation (specify studio):

in week no(s):

OB utilisation (specify OB unit):

in week no(s):

Single-camera utilisation:

in week no(s):

Single-camera shooting ratio:

Editing (specify 2/3-machine):

in week no(s):

Scenic construction effort:

in week no(s):

Programme commission

PROPOSAL SUBMITTED on date: Signed Head of Production Department

COMMISSIONED as finalised above, subject to approved production budget (attached)

Delivery date:

Signed Commissioner

COMMISSION AGREED

Signed Head of Production Department

Appendix I

AN OUTLINE FORMAT FOR A PROGRAMME BUDGET

Production Department:

Title:

Project Number:

No. of Programmes:

Producer:

Duration:

Resource Utilisation	Unit	Qty.	Rate	Cost	Cash Budget	Cost
Production					Actors	
Producer	MD				Musicians	
Asst. Prod./Director	MD				Presenters	
Director	MD				Participants	
Researcher	MD				Writers	
PA	MD				Copyright	
					Facilities	
Studio/OB Operations					Hospitality/catering	
Studio (specify)	H				Travel/subsistence	
OB unit (specify)	H				Hired transport	
Pre-set and light	H				Hired equipment	
					Graphics materials	
Single-camera Operations					Scenic construction	
With sound operator	MH				Scenic materials	
No sound operator	MH				Hired/purchased props	
Lighting effort	MH				Make-up materials	
					Tape usage	
VT Operations					Repeat costs	
Play-in/recording	H				Other costs (specify)*	
2-machine editing	H				Contingency	
3-machine editing	H					
Programme Services						
Graphics	MH				TOTAL CASH	
Design	MH					
Properties	MH					
Costume	MH					
Make-up	MH					
Transport						
In-house vehicles	MH					

*Specification of 'other' cash costs

BUDGET SUBMITTED on date: Signed Head of Production Department

BUDGET APPROVED as finalised above Signed Commissioner

BUDGET AGREED Signed Head of Production Department

Appendix J

AN OUTLINE FORMAT FOR A RESOURCES BOOKING FORM

Production Department:
Title:
Project Number:

Producer:

Resource	Unit	Quantity	Rate	Cost	Date(s)	Times
Studio/OB Operations						
Studio (specify)	H					
OB unit (specify)	H					
Pre-set and light	H					
Single-camera Operations						
With sound operator	MH					
No sound operator	MH					
Lighting effort	MH					
VT Operations						
Play-in/recording	H					
2-machine editing	H					
3-machine editing	H					
Programme Services						
Graphics	MH					
Design	MH					
Properties	MH					
Costume	MH					
Make-up	MH					
Transport						
In-house vehicles	MH					
				<hr/>		
TOTALS FOR THIS BOOKING				<hr/>		

Cash Budget Costs incurred by Resource Department(s)	Cost
------------------------------------------------------	------

TOTAL CASH COSTS	

BOOKINGS AGREED	Signed for Resource Department(s)
-----------------	-----------------------------------------

Date:	Signed for Production Department
-------	----------------------------------------

RESOURCES DELIVERED	Signed for Resource Department(s)
---------------------	-----------------------------------------

Date:	Signed for Production Department
-------	----------------------------------------

Appendix K

AN OUTLINE FORMAT FOR A MANAGEMENT INFORMATION SYSTEM REPORT

Code	Budget centre	Current period			Cumulative total			Cost to completion		
		Budget	Actual	Variance	Budget	Actual	Variance	Budget	Actual	Variance
G01	Graphics	300	350	+50	1500	1250	-250	5000	4800	-200

For illustration, only one line of the report is shown (for graphics) but in reality every facility used would have its own reporting line. The figures are notional.

The report shows that, in the past month (the current reporting period) the production has spent 350 on graphics against a budget for the period of 300 - an overspend of +50.

But, when the amounts for all graphics expenditure to date are added up, the total is 1250 against a budget of 1250 - an accumulated underspend of -250.

This becomes the base-line for the projected spend required to complete the programme; in this case, the production is forecasting a total of 4800 against a budget of 5000 - giving an overall underspend on graphics of -200.

As long as the total of the figures in the last column is zero or a negative number, the programme will be completed within budget. If it is a positive number, remedial action is required.

Appendix L

A CHECK-LIST FOR PROGRAMME REVIEW OF A NEWS-MAGAZINE FORMAT

CONTENT

News / Features
Topical / Timeless
Hard / Light
Mix / Balance

Access
Priorities

ILLUSTRATION

Studio / Location
Live / Recorded
Actuality Pictures / Sound
Library / Archive Material Stills
Graphics / Animation

Interviews
Demonstration
Reconstruction
Performance
Inserts

ENGAGING THE AUDIENCE

Stings
Teases
Re-caps
Interaction / Participation

TECHNIQUES AND STYLE

Studio set: use / 'look'
Lighting
Graphics: house-style
illustration
punctuation

Presenters: number / roles
looks / words
delivery
interaction

Transitions
Coping with mistakes

Appendix M

A FORM FOR THE AUTHORISATION OF COVERT RECORDING

To:

Date:

From:

Department:

Programme Title:

Planned Transmission Date:

Date of Proposed Recording:

Nature of Action/Sound to be Recorded:

Names and Roles of Participants:

Equipment to be Used:

Reasons for Covert Recording:

Comments by Senior Manager:

Covert Recording APPROVED / NOT APPROVED

(Signed)

(Date)

Appendix N

A FORMAT FOR A JOB-DESCRIPTION

Job Title

Director of Television

Primary Purpose (one only)

To direct and control, editorially and managerially, the Company's television operation in accordance with Board policy and the requirements of the Broadcasting Licence.

Secondary Purposes

- 1 To develop the Company's television programme policy so as to deliver high-quality programmes to the widest possible audience, so maximising advertising revenue.
- 2 To manage personnel, production and resources so as to ensure maximum cost-effectiveness.

3 To contribute, as a Member of the Board of Management, to the development of Company policy.

4 To represent the Company within the industry and elsewhere on television matters.

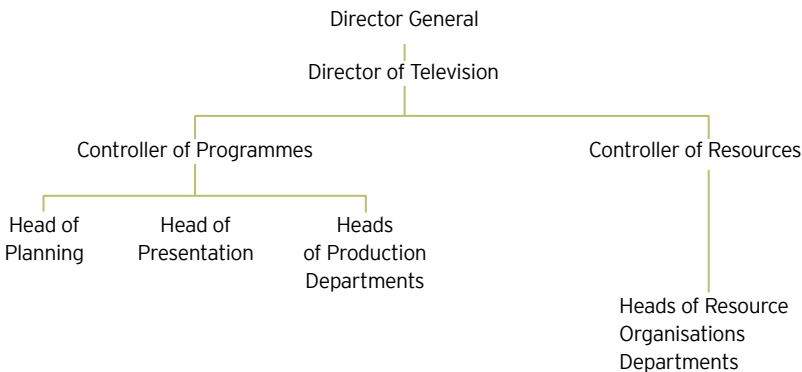
Accountability

Accountable to the Director General.

Authority

Has line management authority, through the Controller of Programmes and the Controller of Resources, over all staff in the Television Directorate.

Has authority to commit all approved television budgets, with a signing limit of XXX.



Key Tasks

- 1 Directing and overseeing the work of the Controllers, including their application of approved budgets.
- 2 Ensuring the editorial integrity, legality and compliance of all television output.
- 3 In consultation with the Commercial Director and in conjunction with the Controller of Programmes, ensuring the planning of a competitive and cost-effective programme schedule, ensuring its timely delivery within budget and its optimum presentation and promotion.
- 4 In conjunction with the Finance Director, ensuring value for money in support and servicing contracts within his or her area of responsibility.
- 5 In consultation with the Director of Engineering and in conjunction with the Controllers, preparing proposals for the annual capital expenditure budget.
- 6 Conducting the appraisal process for the Television Controllers.
- 7 Any other task necessary to fulfil the requirements of the post.

Signatures

Post-holder Date

Senior Manager Date

Appendix O

A FORMAT FOR AN APPRAISAL AND CAREER-DEVELOPMENT FORM

Department:

Job Title:

Name of Post Holder:

Period of Appraisal: From to

Assignment(s) during Appraisal Period:

Date of Appraisal Interview

Line Manager's Assessment of Performance:

	(on a scale of 1 - 6)					
	Outstanding					Inadequate
Technical competence	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Creativity / originality	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Energy / commitment	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Responsibility / thoroughness	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Leadership / initiative	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Team working	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Power of expression	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Strengths to build on:

Weaknesses to address:

Comments by Line Manager:

Comments by Functional Manager(s) (if any):

Comments by Post-holder: (Signed)

Recommendations for training and/or further experience

Agreed performance targets for next appraisal period:

Longer-term performance targets:

Salary / Bonus recommendation:

Signed by Line Manager

Signed by Post-holder

Comments by Senior Manager:

Endorsed by Senior Manager Date

Case History 1

HOW ENFORCED RADICAL CHANGE TRANSFORMED A STRATEGIC PLAN

This case-history is an example from Britain but, though circumstances may differ elsewhere, the management lessons to be drawn from it are universally applicable: don't let your master-plan become a strait-jacket; be prepared to think flexibly; question traditional structures and 'tribal' interests; reduce management hierarchies and bureaucracy; use technology to reduce costs; recruit versatile people and train them to be innovative; ensure that the money ends up on the screen, not in corporate posturing; make serving the audience the driving force.

In Britain, commercial terrestrial television has operated historically through a federal system. The country is divided into regions and a licence is awarded for the broadcasting rights in each region. The companies holding the licences provide a national network service through shared programming but produce their own output for their own region, opting-out of the network schedule for its transmission. The licences run for ten years and are awarded by a regulatory body independent of government.

The 1990 Broadcasting Act set up a new procedure for the award of licences. Applicants had to submit to the regulator their plans for the service they would provide under three main headings: programmes, technical systems and finance. The regulator was to make an initial assessment of whether the bid passed a basic 'quality threshold' and, if it didn't,

the applicant would be eliminated. For those still in the running, the award would then be decided on the basis of sealed bids, the licence going to the applicant which undertook to pay the highest annual sum to the government. (This system was fatally flawed because the government failed to set a reserve price for the auction - but that's another story.)

In the South-West region, there were three applicants: the incumbent, which had held the licence for the previous ten years, and two competitors. One of the competitors failed the quality-threshold test and was eliminated. So it became a straight contest between the incumbent and a new company, Westcountry Television.

Westcountry had ambitious plans for the region. The incumbent was achieving an audience share below the average for the network and the viewer profile tended to be older and down-market. Audience research showed that its brand wasn't readily recognised. The amount of output was limited and so was coverage of the region: surface communications were difficult and unless news items from the remoter parts of the region had been recorded by 1400, they couldn't be delivered to the single central studio complex in time for the 1800 news programme. The company's buildings and equipment were ageing and working practices outdated.

Westcountry was keen to make a fresh start. They prepared a business plan

which addressed all these problems. They proposed to increase the output by 50% and almost to double the number of journalists covering the patch. They would solve the communications problem by siting small local studios in seven key towns across the region and linking them with a digital microwave network for instant transfer of material. They would produce an hour-long news magazine programme every evening from Monday to Friday (which no other regional licensee in the country did) and would enable three of the local studios to opt-out of it for truly local bulletins. They would develop an integrated 'total identity' branding system and reduce technical staff costs by multi-skilling and by using cutting-edge technology in an all-new studio complex. (The use of robotic cameras, for instance, would enable one operator to do the work of six in a conventional studio; a low-energy, 'cool' fluorescent lighting system would save a fortune in air-conditioning costs.) All of this was set out in the business plan.

It was generally considered that the economy of the South-West region could deliver enough advertising revenue to enable a licensee to pay the government something between £7 million and £9 million a year and still have a viable business. When the sealed bids were opened, Westcountry had bid £7.2 million - and won. The incumbent had bid £16.4 million - and lost.

How could that be, when the final stage was supposed to be a straightforward auction with the licence going to the highest bidder? Because the regulator judged that the incumbent's bid was far too high to be sustainable and that they couldn't possibly deliver the service they'd promised - or, indeed, even stay in business - with such a drain on their income. So the licence was

awarded to Westcountry.

Elated, Westcountry's senior management team began to set up their new operation. Then the world fell apart. The incumbent, believing it had been unfairly treated, decided to appeal against the regulator's decision.

The remedy provided in the Broadcasting Act was an application for judicial review, which would determine whether the regulator had acted properly or not. The incumbent duly applied through the high court but the application was turned down by a judge who described it as 'doomed to inevitable failure' (which doesn't sound much like a judge hedging his bets). Nevertheless, they decided to take the case to the next stage of appeal.

In the appeal court, another judge decided that in his view they did indeed have a *prima facie* case and granted them a judicial review. It was conducted by three judges, who again rejected the incumbent's argument. So they decided to appeal yet again, this time to the House of Lords, the highest appeal court in the land. Five law lords finally determined that the regulator had indeed acted properly, the legal battle ended and Westcountry received its licence.

But in the meantime their master-plan had been stalled. The shareholders who had put up the money to launch the company had, understandably, frozen all expenditure until they could be sure they had a business: no recruiting, no purchasing of equipment, no building - until they actually held the licence.

The period between the granting of the licence and going on-air had originally been 14 months - already a very tight schedule for an all-new operation using much ground-

breaking technology. The legal process had taken five months; now they had only nine months to get on-air. The critical go / no-go start-date for their new building was long past. With nine months to go, the company had only five full-time staff - all of them very senior, very experienced and extremely lonely.

What could they do? Clearly, the detailed master-plan on which they'd spent so much time and effort had to be re-thought. This exercise proved that it's surprising what you can come up with when your back's to the wall.

A new building was now out of the question, so an existing building had to be found. The search was on. And one day the Controller of Operations and Engineering took a wrong turning and, quite accidentally, found himself in a new business estate with a row of standard industrial buildings for rental. It was a moment of inspiration. Plan B was born.

The industrial estate was on the outskirts of the town and so very much cheaper than a city-centre site. The company decided to rent one of the units - which was really no more than four walls and a roof - and simply use it as a 'shelter' within which to build their facilities. All the construction work could therefore be done using dry-building techniques, which were much quicker and cheaper than the original design. Effectively, the new television station became a 'box-within-a-box' but still housing the very latest technology. Instead of installing expensive computer-flooring, all the cabling was run across the 'lid' of the internal box and dropped down into the equipment spaces; the air-conditioning equipment also went into this loft-space, rather than into an (also more expensive)

excavated basement.

Because the building was smaller than the original design, there was less room to house staff producing non-news programmes. But this too proved a positive factor, giving rise to a 'mixed economy' of in-house production and programmes commissioned from independent producers.

The result was a concept which attracted much attention from the industry and won an important award for innovation. But most significant to the company was what it achieved for the business plan. At a time when advertising revenue was falling and conventional operators were frantically trying to cut costs, Westcountry was, at a stroke, able to take 17% out of its cost-base before it even went on-air.

Combined with Westcountry's company culture, this led to a highly cost-effective and profitable operation. Its key characteristics were, in summary:

- Priority went to the output and to regional coverage, not to prestigious real-estate ('putting the money on the screen')
- The organisational structure was flat, with only three layers of management
- The management style was 'hands-on' and 'walk the floor'
- Operational functions were integrated, crossing outdated tribal boundaries (for a simple news bulletin, the entire studio operation and broadcasting chain could be run by only two technicians)
- Staff were versatile and trained for multi-skilling
- All were on personal contracts
- The building was utility (senior managers' offices had the same

furniture as the newsroom) but the technology certainly wasn't

- The newsroom computer system was the first in the UK to run on ordinary PCs
- The main studio was the first to use cool (and economical) fluorescent lighting
- A single technical standard was employed for shooting, editing and transmission. (At that time a well-proven and economical analogue system was perfectly adequate, since the nature of the programming didn't require complex digital treatments)
- The digital microwave-link network used 34MB/sec compression (another first for a UK broadcasting operation)
- Programme commissioning was 'mixed economy' (in-house and independents)
- Support functions (like cleaning, catering and security) were out-sourced

Westcountry achieved notable commercial success and, after three years on-air, was bought by one of the big network companies for seven times the original investment.

Readers might find useful the following check-list for the count-down to Westcountry's debut on-air.

Launching a new station

Research
Formulation

Site
Design
Building works
Infrastructure works
Technical equipment
Newsroom computer system
Other IT systems

Communications systems
Regional bureaux
Regional opt-outs
Company culture
Management structure
Employment policies and contracts
Appraisal / reward systems
Editorial and operational guidelines
Health and safety systems
Out-sourced contracts
Corporate identity
On-air identity
Programme schedule
Internal production
Commissioned programmes
Acquired programmes
Presentation and promotion
Transmission

Recruitment
Training
Work-up
Dummy runs
To air

Quality control
Licence compliance
Duty-office service
Press, publicity and public relations
Advisory bodies
Community relations

Teletext
Bi-media potential
Internet delivery

Relationship with the national network
Relationship with other broadcasters and the industry
International links



Case History 2

HOW ALTERNATIVE THINKING MADE A SUCCESSFUL SERIES POSSIBLE

The BBC had in its schedules a highly-successful television drama series set in a provincial city-centre hospital. This is the story of how it came to be realised in a new and innovative way.

Casualty ran for many years and attracted good audiences. Its characters were well-known and popular and it had strong scripts which dealt with both issues and relationships in a realistic way; the production values were high. It was produced by the drama department based in London (where it was also edited) but it was shot in Bristol, which represented the fictional city of Holby.

The first run of *Casualty* suggested that, in terms of content and treatment, they had a winner. But the first series was built round scenes shot in a multi-camera electronic studio. These lacked the pace and visual impact of the scenes shot on location with a single camera: you could 'see the joins'.

The producer was keen to give the whole series a 'location look' - more like a feature film than a studio drama. But the cost of mounting the entire production in this way was prohibitive. What could be done?

The Bristol servicing departments scratched their heads - and arrived at a solution which became known as the 'location warehouse'. If it wasn't feasible to shoot on location in and around a real hospital, why not create their own permanent fictional hospital? The designers set about defining exactly what spaces would need

to be reproduced: reception, treatment room, operating theatre, offices and so on. They then designed a composite set which would encompass every interior likely to be included in a story-line.

They rented a simple warehouse building on an industrial estate and, inside it, built their hospital interior. Because it was to be permanent, not dismantled and re-erected, it could be constructed much more robustly than a conventional studio set: a staircase, for instance, was actually cast in concrete, giving a much more realistic sound-effect. The spaces were at two levels, to allow energetic movement and visual interest - though the lift didn't actually move between the floors: the doors opened and shut on two fixed cubicles, one on the ground floor and an identical one on the upper level; scenes involving it were covered by shooting its 'departure', 'journey' and 'arrival' separately and editing them together.

The warehouse was given some fairly rudimentary sound insulation treatment - but nothing, of course, which would achieve anything like a studio acoustic. It was still far better, and far more controllable, than working in a real hospital. The production also 'owned' the site and could therefore use it as and when required, without having to consider other users or external factors.

The advantages of the single-camera approach and fast editing were immediately apparent. And, most significantly for programme costs, the set was left in the

warehouse throughout the year, even when the series was not being shot. It was actually cheaper than erecting and dismantling a studio set and storing it between series.

And so *Casualty* acquired more realism, pace and impact in a controlled environment at a fraction of the cost of shooting it like a feature film. ■■■

Case History 3

HOW TELEVISION AND RADIO CAN WORK IN PARTNERSHIP

In a deprived quarter of one provincial city, community relations deteriorated to the point where serious rioting broke out, largely involving ethnic-minority youths, and led to violent confrontations with the police. Though order was eventually restored, the situation remained tense and relationships between the police and the local community were badly strained.

In the aftermath of the events, the regional television station decided to make three half-hour programmes dealing with the issues. The first would be a documentary made from the point of view of the community, expressing their frustrations and feelings of victimisation. The second would be a documentary from the perspective of the police, showing the challenge they faced in policing an area where drug-related crime and violence were rife. And the third would be a studio discussion in which representatives of the two sides in the conflict would be brought together to debate what the two documentaries had revealed.

The documentaries were good, strong pieces. But the studio discussion (at 30 minutes) had all the limitations you would expect of such a television format. What made the treatment different was that, at the end of the programme, the presenter

was able to turn to the viewers and invite them to continue the discussion themselves, in a phone-in on their local radio station.

The response was dramatic, bringing into the forum voices the television programmes couldn't have reached: the drug-addict who would never have appeared on camera, telling his story; the wife of a police officer who, because she was anonymous, felt able to speak frankly about her husband's job and the effect of the events on her family. The programme had been planned to last an hour but the participation was so intense that the station manager scrapped the rest of his planned evening schedule and extended it to three hours.

It's a marvellous example of playing to the strengths of the two media - the illustrative power of television and the involving power of participatory radio. And, of course, the flexibility which local radio can bring into play; not many television planners would find it easy to transform a whole evening's output in that way.



Case History 4

HOW INVESTIGATIVE REPORTING SERVED THE PUBLIC INTEREST

This is a story in the best traditions of the media working to uncover wrongdoing and to disclose the facts for public scrutiny - and a good example of the legitimacy of covert recording when the circumstances justify it.

A young Indian journalist had a doctor friend who worked in the local hospital. One day, the doctor told him that there appeared to be 'something fishy' about the supply of needles and drips for intravenous treatments. The figures seemed to suggest that more of this equipment was being used than he knew was being imported and distributed. What was going on?

The journalist was intrigued, smelt a story and decided to investigate. The doctor told him that, after it had been used once, all of this equipment was supposed to be sent away for destruction. So the journalist lay in wait and covertly followed one of the ambulances taking a load of contaminated equipment to the incinerator. What he discovered was that, instead of being destroyed, it was being passed to a criminal gang who cleaned it up, re-packaged it and sold it on as new. Apart from the element of fraud, the public health risk was obviously huge.

The journalist knew that, if his story was to stand up, he needed evidence of what was happening. He decided to pose as a potential buyer of the illegal goods and to record his meeting with the criminals with a concealed camera. His camera operator pretended simply to be giving him a lift on his motor-bike and hid the camera in the

crash-helmet he was carrying.

The meeting took place and the conversation confirmed what he had suspected. But then, disaster. When they returned to base, they found that the sound-recording hadn't worked. So, at great personal risk - and despite the inevitable suspicions of the criminals - he arranged a second meeting 'just to confirm a few details' and covered all the essential ground again. This time everything worked and he had on tape irrefutable evidence of the criminal traffic.

He then presented the evidence to the state's health minister; but the minister declared, in a recorded interview, that he was sceptical about the story. So the journalist sought out the local member of parliament, in whose constituency the re-cycling was taking place, and took him to the location. The MP felt obliged to say, on-camera, that he would take action.

He therefore tabled a question in the national parliament which exposed the scandal and galvanised the authorities into action. As a result of the journalist's investigation, the criminals were arrested, fifteen trucks carrying illicit supplies were impounded and a new system of safe disposal through dedicated incinerators was introduced.

Journalism of this order demands persistence and courage, as well as a watertight system for controlling the use of covert recording. The benefit to the public good is incontrovertible





The Author

John Prescott Thomas read modern languages at Oxford and began his broadcasting career at the BBC as a producer in educational radio and television, where he made programmes on a variety of arts, science, social and political subjects before becoming Head of School Television in 1981. In 1984 he was made Head of the BBC Bristol Network Production Centre, which includes the BBC Natural History Unit, and in 1986 was appointed to the new post of Head of Broadcasting South and West, adding to his network responsibilities three regional television operations and eight local radio stations.

In 1991 he left the BBC to become the founder Managing Director of Westcountry Television, the new and innovative commercial station for South West England. He returned to Bristol in 1995 to set up his own company, JPT Media Associates, providing international consultancy, editorial

and training services to the media industries, education and the arts. He has since worked with governments and broadcasters in some twenty countries-in-transition, mainly in the areas of media legislation, regulation, management and training.

He was made a Fellow of the Royal Television Society in 1995, is a member of UNESCO's UK Media in the Public Interest Working Group and served for ten years on the Board of CIRCOM Regional, the European association for regional television. He is an honorary Doctor of Arts at the University of the West of England (where he has also been Deputy Chairman of Governors and has held a Visiting Professorship in the Faculty of Art, Media and Design), a former Chairman of South West Arts and a former Director of the Watershed media centre and of the South West Media Development Agency. His writing credits include several multi-media works and a television drama. ■ ■ ■



In some countries-in-transition, there's a long way to go before broadcasters find themselves working in a free-media environment. But, whatever the context, they can still make themselves more efficient – and therefore more competitive – by ensuring they make the most effective use of their money, resources and people.