

Purpose of Review

It is now two years after the Media Studio was created in August 2008 from the Custom Communication Division's publishing teams. It is time to review the current structure, its strengths and weaknesses, and to place that within the context of the BSA's publishing activity. It is further appropriate to compare the results with the CCD publishing teams that operated successfully from roughly 2000 to 2008. From this information, we will set out the future plans for the Media Studio, placing this planning within the overall structure of the BSA Strategic Plan and within the Communication Services Department and the Marketing Group.

Approach

The Communication Services department manager met with every employee and team leader in the Media Studio, soliciting their observations about what was working well and what needed improvement. Throughout this time first hand observation of the work and the processes was underway. In addition, a select number of clients were interviewed on their level of satisfaction with the services delivered by Media Studio.

Data was gathered comparing operational information over the past several years to gain insight into differences between the self-contained publishing teams and the current agency model.

General Observations

Our editorial account managers are challenged to keep up with the dynamic nature of their customer service tasks. However, our customers are for the most part delighted with their projects and with the efforts of the account managers.

Several editors would prefer to move back into the self-contained publishing team model. Unfortunately, we do not have the headcount to make this happen. Moreover, our design and graphic staff are working very well in the current structure. Ideally, I'd like to see a strong creative director over our design and graphic production area. This is something to consider for the future.

I feel strongly that we need to involve the entire Media Studio in conducting a SWOT analysis, using data from this report as well as the 2010 customer satisfaction survey, which completed this month. See my full recommendations at the end of the report.

Strengths

Boy Scout Program Knowledge
 Multi-project Process Management
 Outcharge system for allocating cost and prioritizing projects
 Access to contract labor to expand skill sets and capacity
 Cost accounting system for capturing and allocating all costs
 Strong publishing skill sets
 Work across several organizations within BSA --- Supply Group, Council Solutions, etc.
 Employee dedication to Scouting mission

Weaknesses

Multi-project process management leads to focus on production with subsequent process orientation (limited flexibility) and limited creative work
 Keeping up with accelerated BSA pace of change across many different operational entities within BSA, trying to coordinate many different elements of publishing projects (Innovation, Program Impact, etc.)
 Limited capacity supported by contract work, which allows increased capacity but takes time to ramp up

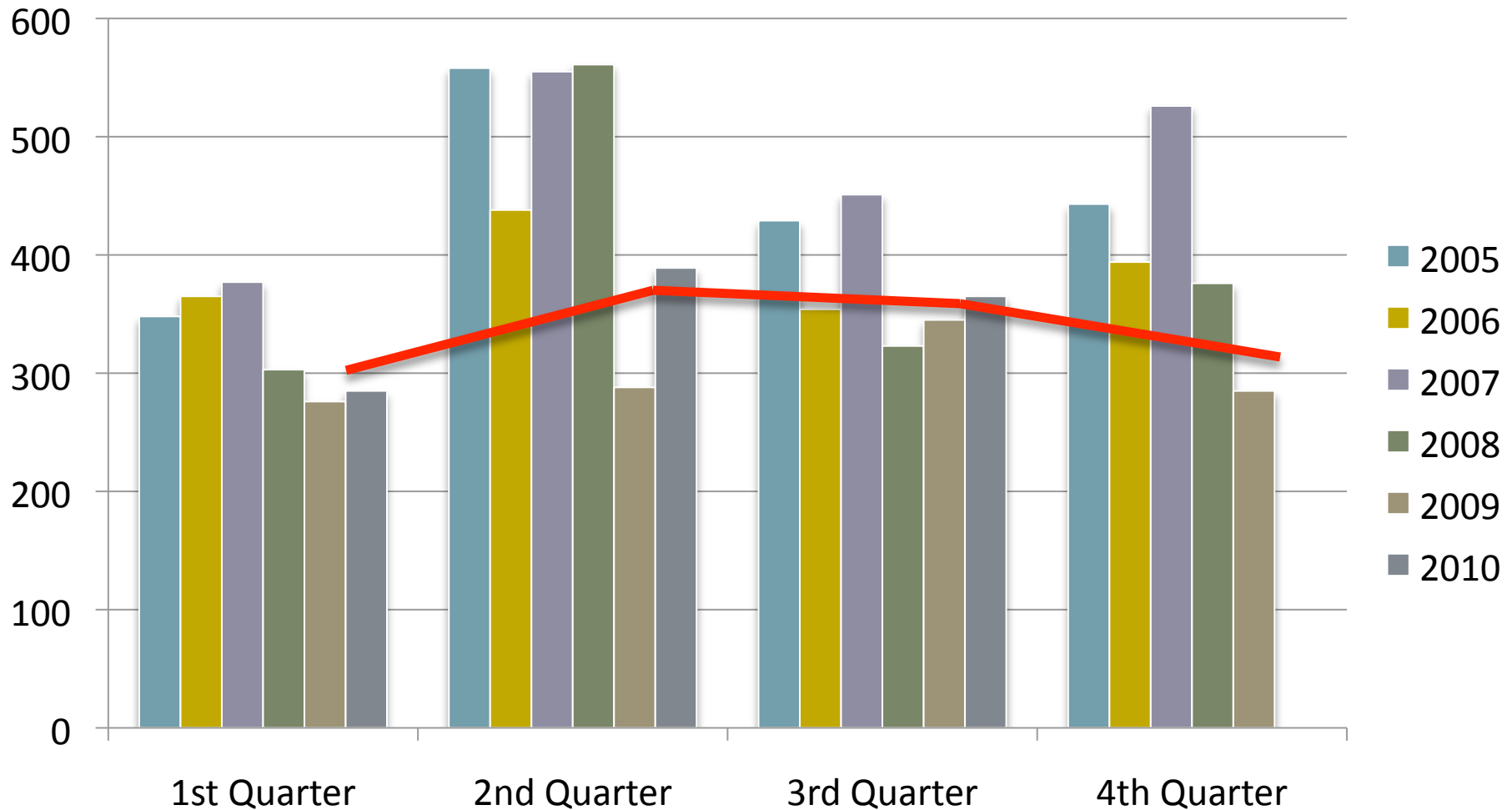
Opportunities

Contract labor to expand skills, build learning, and improve capacity
 Offshore resources to lower cost and speed time to delivery
 Streamline processes to improve cycle time (must determine how to measure cycle time)
 Improve creative the time allowed for developing creative options along with our creative resources
 Replace our Project Tracking System

Threats

Outcharge system is under appreciated by customers and could be abandoned
 Technology is placing sophisticated publishing tools on everyone's desktop
 BSA has a do-it-yourself approach
 Competitive agencies and freelancers that work directly with our internal customers
 Project Tracking System replaced before major problems develop

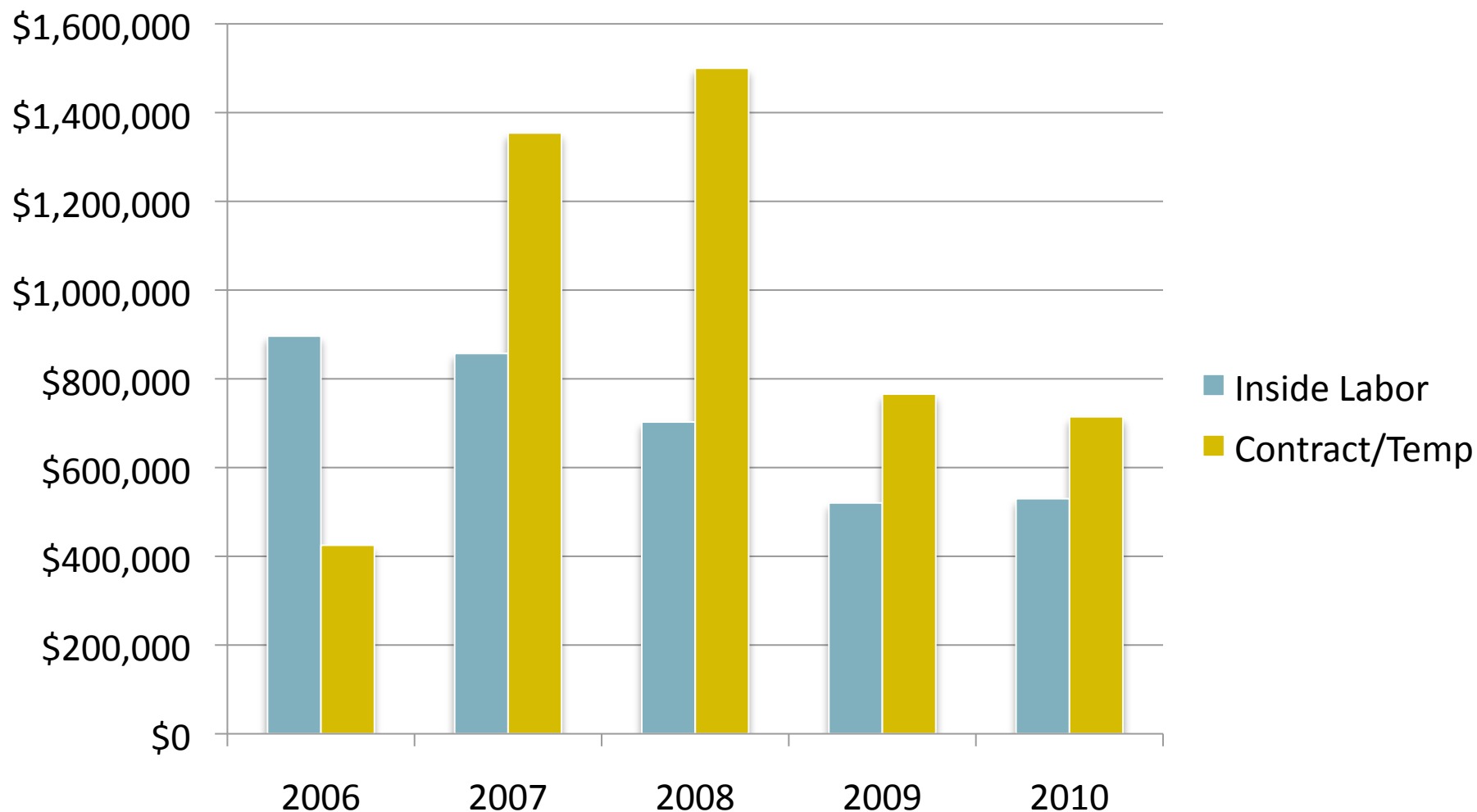
Project Volume



First and third quarter project volume have remained consistent over the past five years. Second and fourth quarter volume have declined dramatically, bringing these peak seasons more in line with the first and third quarter levels. This would indicate that project workload has remained at a consistently high level with fewer peak demand periods.

Employee count in 2006/7 was 31 versus 23 in 2009/10 with 2008 a transition year. Projects completed per employee remained consistent at 50 in 2006, 52 in 2009, and 54 in 2010. 2007 hit a peak of 62 projects completed per employee.

Project Labor Charges



Inside project billed labor charges have declined due in large part to the lower number of employees (31 in 2007 versus 23 in 2009). High contract charges in 2007 and 2008 were due to the Merit Badge Pamphlet revisions delivered in April 2008 and the Centennial Edition of the Boy Scout Handbook delivered in early 2009. This also demonstrates that the strategy of supplementing inside labor with contract/temp labor allows the organization to meet varying demands without hiring additional employees. It also demonstrates that we are staffed well below the total labor requirement for our projects.

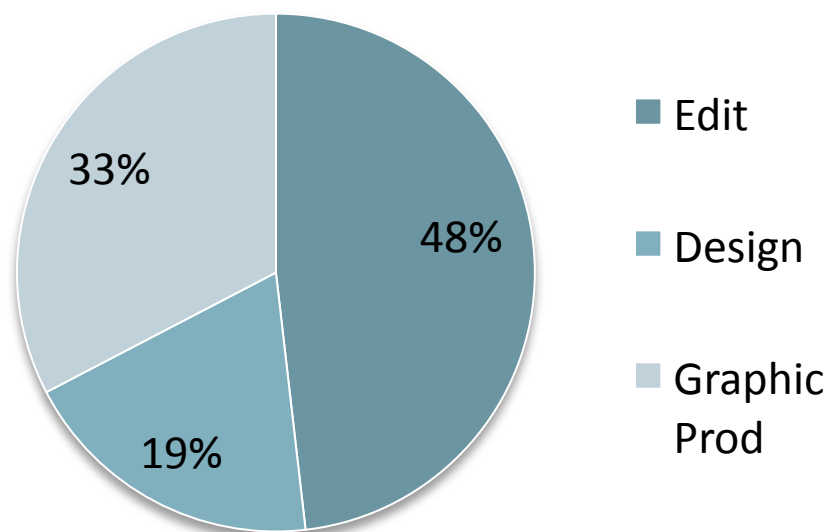
Percentage of Billable Time

Position	2006/7 Production	2006/7 Billable	2009/10 Production	2009/10 Billable
Editor	74.0%	62.5%	78.5%	48.6%
Design	77.1%	75.4%	72.7%	49.1%
Graphics	74.7%	74.3%	91.2%	78.6%
Total	74.8%	68.3%	80.2%	56.4%

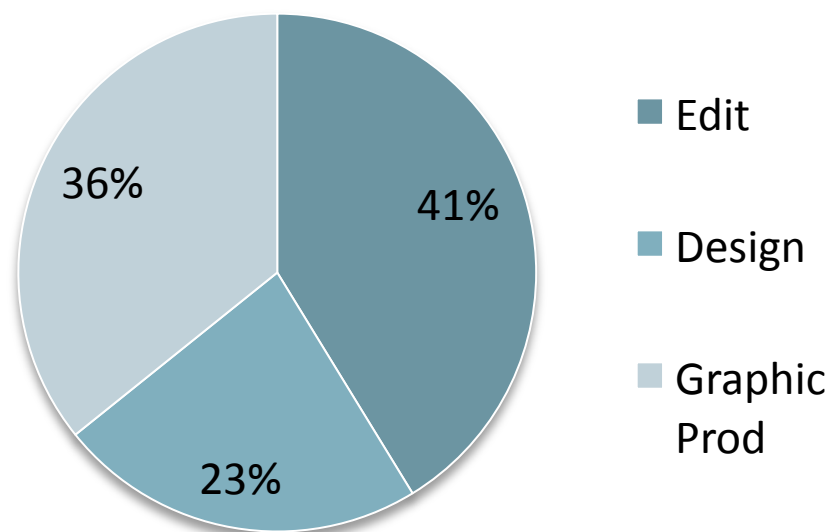
Labor Mix 2006/7

Labor Mix 2009/10

Billable Time 2006 to 2007



Billable Time 2009 to 2010



Labor Mix Discussion

The previous page compares the labor mix and billable times from 2006/7 and the self-contained publishing teams to the 2009/10 agency model currently employed.

Of note is the higher levels of billable time in Editorial and Design during 2006/7 along with the higher percentage of billable labor in Editorial for the same time frame. I attribute this to having dedicated copy editors in place that could bill 80% to 90% of their time to projects. Currently our staff is tasked with both editorial assignments and customer service assignments that by their nature fragment the percentage of time that can be billed to projects. Furthermore, we are currently using freelance and contractors to engage in this type of dedicated project labor.

Customers and On-Demand Projects

	2007	2008	2009
Customers	194	202	211
On-Demand Hours	1,617	2,042	2,425
On-Demand Instances	1,265	1,791	2,979

The number of customers has grown by 9%, placing further demands on account management. In addition, on-demand projects, those that are dropped off for immediate response (usually within hours or a few days), take an increasing amount of time, with growth from 2007 to 2009 of 50% in labor hours and 135% in the estimated number of instances.

Labor Source Model

	Employee	Contract	Freelance	Offshore
Acct Mgmt	100%	0%	0%	0%
Writing	0%	0%	100%	0%
Editorial	50%	20%	30%	0%
Design	40%	40%	20%	0%
Production	60%	20%	0%	20%

An ideal mix of labor sources would utilize employees only for those tasks that require inside knowledge and access. Account Management would be a key as would some Editorial work. Others may require outside labor for special expertise as well as the benefit of being outside the office to better focus on the job at hand. Cost may be another issue.

Summary

The agency structure currently employed is working very well in design and graphic production --- allowing shared workload and collaborative efforts to meet demands.

The editorial area remains challenged in meeting the dual demands of customer service and high quality editing for the majority of our work --- technical book publishing. It is further challenged with employing editors in meeting customer service needs.

The recent move of Multimedia reporting to the department manager has been a sound move, freeing up the Media Studio Director to focus on the print business.

Our future plans need to take into consideration declining resources and quite possibly headcount for our publishing operation. This is the environment for all businesses.

Action Plan

Finalize the rudimentary SWOT analysis provided here using the customer satisfaction survey results that was completed this month (November 2010).

Involve all Media Studio team members in the SWOT analysis and in the follow on action planning.

Develop a plan moving forward that provides editorial teams that can support and back up our vital customer service operation.

Continue to build and implement individual employee development plans to improve skills sets in management, customer service, and technology. Provide training for teams in communication and trust building.

Develop a formal marketing plan and a systematic approach to nominating BSA projects for awards and publishing results.

Recommendations

Consider moving editorial account managers into small teams that would support one another during the normal course of business. For example, team one, two, or even three EAM's with a editorial assistant/production coordinator. This would provide physical back up in absences or when in meetings.

Determine optimum traffic systems. Update or replace PTS. Edit team traffic management via editorial assistants or a dedicated function.

Make office space arrangements that support the editorial teams, providing some level of privacy while fostering cooperation between the editors.

Provide open creative workspace in many areas to demonstrate to clients and staff our agency focus.

Future Thoughts

Review all production processes with a keen eye toward streamlining the process and improving cycle time.

Give future consideration to establishing a creative director position over design and graphic production teams.

Consider increasing the number of dedicated copy editors on staff from the current one to at least two.

Consider billing contract hours at BSA rate of \$30/hour. Excess contract costs go to Media Studio cost of doing business.

Continue to develop a marketing program highlighting services and awards. Develop promotional information about the outcharge system's benefits.