Q&A: Behind Mark Read's Plans to Protect WPP's People, Clients and Future

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Nearly two years into his gig as WPP's CEO, Mark Read is now faced with the challenge of guiding the massive holding company through a global pandemic.

Of all the major holding companies, WPP has perhaps been the most transparent about the steps it's taking internally to cut costs. Last week, WPP said it is freezing new hires, reviewing freelance spend and stopping "discretionary" costs, which include travel, hotels and awards show payments.

The company, which counts the likes of Wunderman Thompson, Ogilvy, Grey, GroupM and Mindshare under its purview, is also postponing planned salary increases for 2020.

Speaking with Adweek, Read said he's hopeful that WPP's various agencies will find a way through this.

"We're still seeing new business continue, which I think is reassuring," he said. "Most of our clients, as much as possible, are continuing to plan their spend."

Read more of what he had to say below.

This interview has been lightly edited for clarity.

What is the scale of layoffs and furloughs at WPP?

Mark Read: I don't think that we can rule out job losses as we go through this situation, but we are going to do everything

we can to protect as many people as we can within WPP. One of the steps that our leadership team has taken has been a voluntary 20% pay cut for the second quarter. We'll look at that at the end of the second quarter and see what's appropriate.

I think we're going to have to work our way through the budgets in the next few months. There's never been a time as uncertain as the current environment. We're working our way through the steps that we need to take as an organization.

How have you been communicating with WPP's various agencies throughout all of this and quelling their anxieties?
There's been a tremendous amount of communication. The leaders of our companies have been holding regular calls with each of their companies. I've held virtual town halls; I did one with India this morning. We had 1,500 people on the call. I've done them with Brazil, Italy, Spain, France, the U.K. and our teams in New York. We've had 1,500-2,000 people on each of those calls. That's been a really effective way to communicate with a large number of people and gives them the opportunity to ask me questions directly on how we see things, what our clients are telling us and how we see the outlook for the business.

What are some of the biggest concerns you've heard from agency leaders and their employees?
It's tough on people. It's tough on people that have families, people that live just with a partner and people who live alone. It's not easy for anybody. I think it's even tougher on our more junior staff who may share apartments, live in smaller properties, not have the benefits of gardens and whose social life is often through the office. I am cognizant of the fact that it's tougher for the more junior people in our organization.

People are extremely busy despite the lockdown. Balancing all of the competing demands on their time has been tough on lots of people, particularly with schools being shut.

Do you feel as though WPP is in survival mode right now?
I don’t feel in any way that we, or our clients, are in survival mode. There’s an urgency about taking action, but what I see our people doing is helping out their clients in a tough situation. We did some research that showed that 84% of consumers will judge companies based on what they do at this time and 50% of consumers believe it’s important for companies to use their voice in this situation. We’re seeing many companies really step up and play a leadership role in terms of helping communities.

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