

sALT & sHein
SEARCH · SELECTION · SUCCESS

ANNUAL INSIGHT INTO THE COMMUNICATION PROFESSION
2011 REPORT

2011

Salt & Shein is the only Australian recruitment consultancy specialising solely in search and selection of corporate affairs and communication executives.

With a proven track record sourcing the market's best talent, Salt & Shein delivers a personalised service to top-tier Australian and international firms across all industry sectors.

We specialise in the corporate communication function in all its forms, from Corporate & Public Affairs, PR, Investor Relations, to Marketing Communication and Employee Communication.

Our team provides the commercial experience, intuition and insight to ensure the right practitioner for the right job in every environment – in-house, consulting and contracting.

MESSAGE FROM THE DIRECTORS

The Australian marketplace is rapidly changing for communication professionals, with the fallout from the GFC, the rapid growth of social media and networking, and the ever growing competition for airtime and attention.

Every year, we conduct a survey to benchmark the changes with the view to assisting practitioners as well as employers to find the right skills for the challenge or opportunity at hand.

Every year the survey has grown in terms of scope and significance, and this year is no different.

In December 2010, we surveyed 461 communication professionals and asked 30 questions about their jobs and skills as well as their aspirations and fears.

This is by far the most comprehensive survey of its kind ever undertaken in Australia and we present it with pride knowing that for thousands it will be a critical tool in deciding their next steps in 2011.

Regards,

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“Participants are clearly representative of the profession and the size of our sample means we have meaningful and detailed data for the benefit of employers as well as practitioners.”

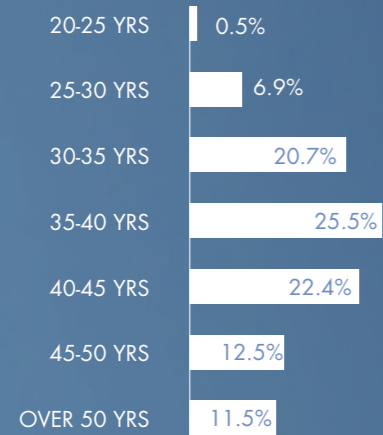
Peter Salt, Director.

OVERVIEW OF PARTICIPANTS

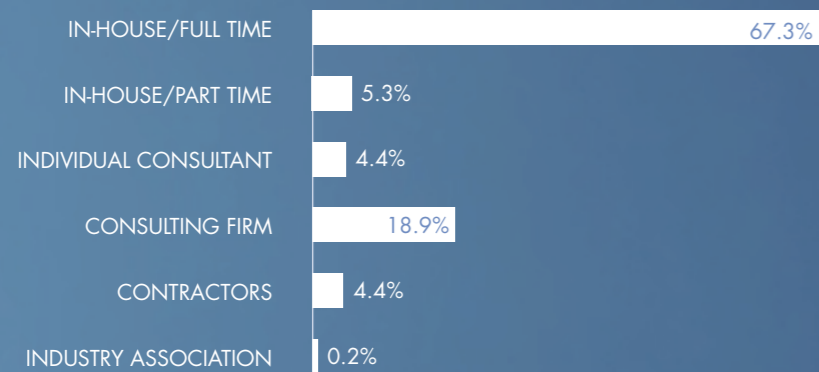
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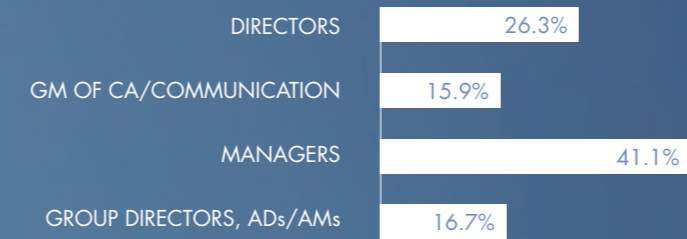
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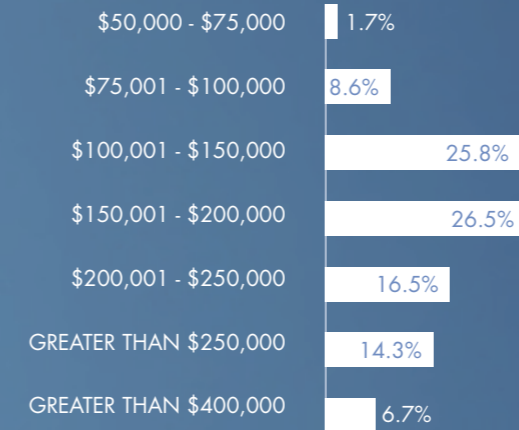
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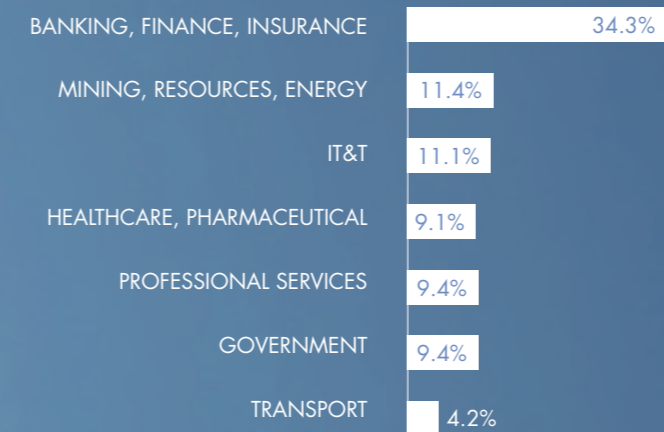
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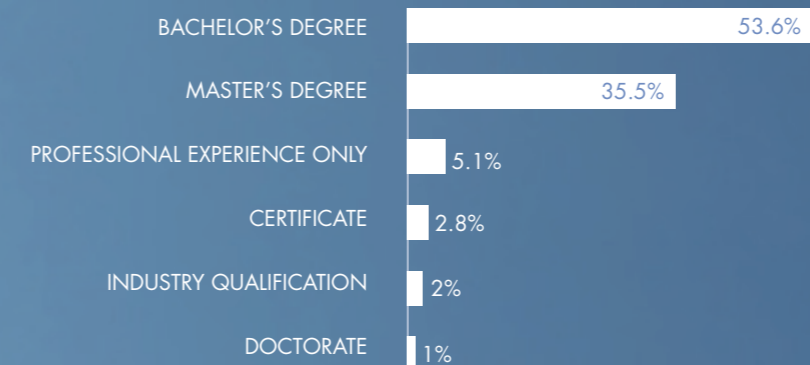
REMUNERATION



INDUSTRY



HIGHEST QUALIFICATION



TODAY'S COMMUNICATION PROFESSIONAL

REMUNERATION

| HOW MUCH OF THE REMUNERATION IS FIXED? | |
|--|---------------|
| 30.9% | All of it |
| 30.9% | More than 90% |
| 30.2% | More than 75% |
| 8.1% | More than 50% |

| INCENTIVE LINKED TO: | |
|----------------------|--|
| 45.3% | Overall performance of the company |
| 31.4% | Specific KPIs for your team |
| 9.9% | Overall performance of the Australian business |
| 9.7% | KPIs for the corporate affairs or communication team |
| 3.8% | Overall performance of the regional business |

ROLES

| WHY CHOOSE IN-HOUSE, CONSULTING OR CONTRACTING? | |
|---|--|
| 58.2% | In-house roles provide the greatest knowledge because I'm part of the organisation |
| 42.8% | I prefer the security of a permanent in-house role |
| 18.9% | Consulting provides the greatest knowledge gain due to constant flow of new challenges |
| 14.7% | I'm attracted to the flexibility of contracting |
| 10.1% | I would prefer a consulting role because of the variety |
| 6.9% | I would only contract if it were absolutely necessary |

REPORTING

| WHO DO YOU REPORT TO: | |
|-----------------------|--------------------------|
| 6.4% | Board |
| 51% | MD or CEO |
| 36% | Head of CA/Communication |
| 3% | Head of Human Resources |
| 3.6% | CFO |

TODAY'S COMMUNICATION PROFESSIONAL

TEAM

| SIZE OF TEAM: | |
|---------------|--------------|
| 22% | 20+ People |
| 21.6% | 2-3 People |
| 17.4% | 4-6 People |
| 14.8% | 11-20 People |
| 13.4% | 7-10 People |

| TEAM KPIs: | |
|------------|------------------------------------|
| 24.2% | Issues management |
| 24.2% | Media coverage |
| 22.1% | Corporate brand promotion |
| 17.5% | Greater employee engagement |
| 4.8% | Product promotion |
| 3.9% | Increasing Government activity |
| 3.3% | Minimising Government intervention |

DOING THE JOB WELL

| MOST IMPORTANT FACTOR TO DO YOUR JOB WELL? | |
|--|--|
| 69.9% | Quality of the team |
| 64.8% | Strong network (media, government, industry) |
| 55.7% | Technical skills such as writing |
| 53.4% | In-depth knowledge of current affairs issues |
| 44.8% | Freedom to take measured risks |
| 33.7% | Clear goals set from above |

| WHICH OF THESE IS MOST IMPORTANT TO YOU? | |
|--|--|
| 28.6% | Industry association functions |
| 19.7% | Attending conferences |
| 19.7% | Professional online networking such as LinkedIn |
| 12.1% | Events run by your company |
| 10.5% | Events run by professional services associations |
| 6.2% | Keeping in touch with people you studied with |
| 3.2% | Social networking such as Facebook |

“Contracting has emerged as a great way for employers to source specific skills for discrete projects and for individual practitioners to gain flexibility and experience across a wide range of sectors.”

Josh Shein, Director.

TODAY’S COMMUNICATION PROFESSIONAL

NEXT JOBS

| IF LOOKING FOR ANOTHER POSITION, THE MOST INFLUENTIAL FACTOR WOULD BE: | |
|--|--|
| 42.2% | Advancement or greater responsibilities |
| 28.8% | Higher fixed remuneration |
| 8.8% | Learning a new sector |
| 6.6% | Learning a new dimension of corporate affairs |
| 5.5% | Move from consulting to in-house |
| 4.9% | Ability to earn greater income linked to the company’s performance |
| 3.3% | Move from contracting to permanent employment |

| OTHER IMPORTANT FACTORS INCLUDE: | |
|----------------------------------|---|
| 36.5% | A more innovative employer |
| 32.7% | Greater emphasis on corporate affairs as a value driver |
| 30.9% | More flexible work hours |
| 24.8% | A larger company |
| 20% | Higher level direct reports for corporate affairs |
| 19.5% | A recognised team leader |
| 19% | A larger team |
| 17% | Regional responsibilities |
| 14.4% | Geographic switch |
| 14.2% | In-house skills development program |
| 13.9% | A more secure employer |

| WHAT WOULD BE MOST HELPFUL FOR YOUR NEXT JOB? | |
|---|-----------------------------------|
| 29.9% | Greater peer networking |
| 24.7% | Formal management skills training |
| 22.7% | Leadership education |
| 9.2% | Industry education |

INDUSTRY SNAPSHOTS

BANKING, FINANCE AND INSURANCE

Practitioners working in Banking, Finance and Insurance are well qualified and well paid including an incentive based on company performance.

They work in large teams where the primary KPI is employee engagement.

They value the quality of the team around them, technical skills and the freedom to take measured risks when performing their jobs.

Their next jobs are unlikely to be with their current employer. Half would approach a recruitment consultancy and a quarter would rely on their peer network to find their next role.

For their next job they will seek advancement, with a greater emphasis on Corporate Affairs, higher reporting levels and more flexible hours with an innovative employer. Remuneration is important but not the lead motivator.

KEY FINDINGS

- Nearly half are paid between \$100,000 and \$200,000.
- Only 15% have all their salary fixed, 40% have 90% fixed with incentives linked to company performance.
- Nearly half report to the Head of Communication, and HR + CFO about 10.4%. Only 4% report directly to the Board.
- 30% work in teams of more than 20 where employment engagement is the strongest KPI.
- The next job will offer advancement with a greater emphasis on corporate affairs, higher reporting levels and more flexible hours with an innovative employer.
- Only 15% would look within their current organisation for their next job.

INDUSTRY SNAPSHOTS

MINING, ENERGY AND RESOURCES

The communication workforce heavily reflects the speculative nature of the mining and resources sector. Practitioners in this sector either work in small in-house teams or as part of large teams in a consulting environment. They are motivated by the quality of the team, knowledge of current issues and technical skills.

Their primary KPI tends to be issues management.

Communication staff are well paid – 31% earn more than \$250,000 per annum. A higher level of people have a fixed salary, but those who do take an incentive as part of their remuneration tend to attribute this to about 25% of their package. Incentives are linked to the company's performance or specific KPIs which are possibly around projects or sites.

Their next roles will almost certainly not be with their current employer. Practitioners will be seeking a larger and more secure organisation with a more innovative employer and a recognised team leader.

KEY FINDINGS

- Highest percentage of consultants of all sectors.
- 20% are on a fixed salary – 38.5% say fixed component is greater than 75%.
- Bonus strongly linked to company performance, followed by specific KPIs.
- 64% report to the Head of Communication or the MD/CEO, but surprisingly a quarter of communication staff report to HR or CFO.
- 37% work in teams of 2-6 people, while a further 40% work in teams of more than 11 – reinforcing the mix of small in-house teams and consulting firms.
- Issues management is the dominant KPI for the team, well ahead of the second most common KPI which was corporate brand.
- While only 10%, the practitioners in this sector were the highest scoring for increased CSR being an attractive offering for their next job.

INDUSTRY SNAPSHOTS

IT & T

IT&T Communication practitioners are split 70/30 between in-house roles and consulting.

The key KPI is media coverage followed by corporate branding. Issues management and government relations do not rate highly.

This is the only sector where increased remuneration is more important than advancement and where practitioners want to change jobs to 'learn a new industry' rather than building a profile within the industry they are in. More than 40% of practitioners want to work for a more innovative employer, while others will be looking for a larger team and more secure working environment.

KEY FINDINGS

- 99% have either a Bachelor's or Master's degree.
 - 35% say budget is the same, 43% say grown by up to 10%.
 - To develop their peer network they rely on:
 - industry association functions (27%)
 - professional online networking (24.2%)
 - social networking (12.1%)
- This is the sector where social networking rated more than 37% as the most important peer relationship development tool.

INDUSTRY SNAPSHOTS

HEALTHCARE & PHARMACEUTICALS

Practitioners in this field appear to be more rounded – with team KPIs being equally ranked as corporate brand, issues management and government relations. Not far behind these are product promotion and employee engagement.

They are well paid but few reach the \$400,000+ salary range despite being the most highly qualified of practitioners – 10% of those surveyed holding a Doctorate as a qualification.

To advance themselves they are the only group seeking professional management skills training. They are also the only group to place zero importance on social networking.

KEY FINDINGS

- Jobs are 72% in-house, 24% consulting and 3% contracting.
- 40% are paid above \$200,000 per year but nobody above \$400,000 annually.
- 37% have fixed salaries with no incentive component – the highest level of any sector.
- 66% work in teams of less than 6 people (smallest teams of any sector), and a further 40% work in consultancies with teams of more than 11.
- Priorities for the next job will be career advancement, greater emphasis on corporate affairs and more flexible work hours.
- The next employer will be more innovative and in a larger company with a larger team.
- 37% need management skills training to get to the next level – this was the only sector where this rated as the number one requirement for advancement.

INDUSTRY SNAPSHOTS

PROFESSIONAL SERVICES

Practitioners working in Professional Services indicated they are required to demonstrate a mix of communication skills at a very high level.

This may be a reflection of expectations surrounding their reporting structure – given almost all those surveyed reported directly to the Board, CEO or MD.

That said, when asked what their main reason for switching jobs would be, most said they would be looking for increased emphasis on corporate affairs.

In terms of confidence in their job security and their future budgets, practitioners in Professional Services remain confident.

KEY FINDINGS

- Jobs are split 64% in-house, 29% consulting and 6% contracting.
- Most are paid between \$100,000 and \$200,000.
- 35% have 100% of their remuneration fixed, with another 35% having more than 90% fixed. This is the sector least likely to have incentives linked to their remuneration.
- 8.4% say budget has grown in last year, 41.9% say stayed the same...lowest number of any sector reporting a reduction in budget.
- Nearly 97% say the budget will stay the same or grow in the next year.

INSIGHT

FALLOUT FROM THE GLOBAL FINANCIAL CRISIS

The impact of the Global Financial Crisis has been positive for practitioners by reinforcing their value particularly in the areas of issues management, media and government relations.

The GFC has cemented higher levels of reporting with most practitioners now reporting to the Board, CEO or MD if outside their unit.

Practitioners have a positive outlook on their budget growth and their futures in this industry.

KEY FINDINGS

| PRIMARY CONSEQUENCES OF THE GFC: | |
|----------------------------------|--|
| 28.2% | Downsizing across the board |
| 27.2% | Good corporate affairs is more valued than ever |
| 26.5% | We were not affected |
| 9.6% | Has been positive for our business |
| 8.6% | Corporate affairs was one of the first budgets to be cut |

| SINCE THE GFC, COMMUNICATION AS A PROFESSION HAS BECOME: | |
|--|----------------|
| 17.2% | More secure |
| 66.4% | About the same |
| 16.4% | Less Secure |

| THE CURRENT ECONOMIC ENVIRONMENT MAKES ME: | |
|--|-------------------------------------|
| 20.6% | More likely to look for another job |
| 16.7% | Less likely to look for another job |
| 62.7% | Same |

| BUDGET CHANGES LAST FINANCIAL YEAR: | |
|-------------------------------------|--------------------------|
| 25% | Grown by more than 10% |
| 15.4% | Grown by less than 10% |
| 41.6% | Stayed the same |
| 11.1% | Reduced by less than 10% |
| 7% | Reduced by more than 10% |

| ANTICIPATED BUDGET CHANGES OVER THE NEXT FINANCIAL YEAR: | |
|--|-----------------------------|
| 20.7% | Growth by more than 10% |
| 20% | Growth by less than 10% |
| 47.6% | Stay the same |
| 9.1% | Reduction of less than 10% |
| 2.6% | Reduction of more than 10%. |

INSIGHT

SOCIAL MEDIA

Social media has been adopted across almost all forms of communication by all levels of professionals. It should be noted though that practitioners at a Director level remain reluctant to utilise it in crisis management. Most significant is that 52% of practitioners say social media has replaced the focus on all traditional media.

This is an important change for those seeking to generate media coverage or for corporate affairs teams where the volume of clips is a significant KPI. As individuals, online networking such as LinkedIn is very popular for maintaining peer networks.

KEY FINDINGS

| SOCIAL MEDIA IS MOST SIGNIFICANT FOR: | |
|---------------------------------------|--|
| 24.4% | Corporate brand development |
| 18.1% | Internal communication |
| 15.1% | Community relations |
| 13.9% | Crisis management |
| 10.8% | Maintaining relationships with journalists |
| 9.9% | Political communication |
| 7.8% | Product marketing |

| THE SHIFT TO ONLINE COMMUNICATION HAS REPLACED THE FOCUS ON: | |
|--|-----------------------|
| 52.5% | All traditional media |
| 16.9% | Industry journals |
| 15.8% | Newspapers |
| 8.1% | Radio |
| 6.7% | Television |

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media relations
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