

Inaugural Communicators' Remuneration Study

An assessment of
compensation, roles and skills
October 2006

Conducted on behalf of
Salt & Shein by
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Communication Specialist
& PhD Candidate
Laminar Consulting

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Research Purpose & Approach

WELCOME TO SALT & SHEIN'S INAUGURAL COMMUNICATORS' REMUNERATION STUDY. WE CONDUCTED THIS STUDY TO PROVIDE COMMUNICATION PRACTITIONERS AND THEIR COLLEAGUES WITH INSIGHTS INTO JOB SCOPES, REMUNERATION PRACTICES AND TRENDS.

The results should assist you in:

- Benchmarking and negotiating remuneration;
- Identifying factors important to recruiting communication practitioners; and
- Managing, motivating and retaining employees.

This initiative will be conducted annually by Salt & Shein.

We engaged Greg Crowther from Laminar Consulting (a communication specialist and PhD candidate) to design the study and prepare this findings report.

In September 2006, 610 communication practitioners in the corporate, public and non-for-profit sectors were invited to participate in an online questionnaire. A total of 176 practitioners responded, representing a response rate of 29%. Respondents represented in-house practitioners (76%) and external advisors/consultants (24%). Just over half of respondents (57%) were female.

Reflecting their seniority, almost two-thirds of respondents (65%) had 10+ years experience as communication practitioners.

Disclaimer:

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Key Findings

Note: The median was used in this study to measure the centre of the data. The mean was not used because it is affected by unusually high or low data points and remuneration and bonus levels were measured in bands.

Respondents – senior communication practitioners – were asked to identify their **total annual remuneration** (all in company costs excluding cash bonuses and other incentives). The overall median remuneration range was \$150,001–\$175,000. This range was also the median for in-house practitioners. The median range for external advisors/consultants was \$125,001–\$150,000.

The sectors paying above the median range were transport and logistics, and industrials. The role and communication discipline of respondents influenced remuneration levels. For example, those heading a communication function or business unit or managing government relations received higher levels of remuneration compared with those managing communication with employees, community and media. Likewise, reporting to a CEO, CFO or head of strategy resulted in a remuneration level up to twice the overall median range.

The **median cash bonus** range (expressed as a % of salary) was 11-20%. This was the same range for in-house practitioners. The median range for external advisors/consultants was 1–10%.

Almost half of respondents (48%) described their remuneration as adequate. More than a quarter (28%) described themselves as well remunerated or extremely well remunerated. A slightly smaller number (24%) regarded themselves as under-remunerated.

Fifty per cent of respondents indicated they **report directly to the CEO or other senior executive**. The majority (51%) had between 1 and 6 direct reports involved in communication activities.

The three most reported KPIs for communication practitioners were:

- Quality of relationships with stakeholders
- Managing perceptions
- Accurate representation of the organisation in marketplace reports (analyst and media reports).

Less than one-third of respondents (31%) indicated their organisations had succession plans for the communication function. Forty per cent indicated a desire to change jobs in the next 12 months and 30% were unsure about whether or not they would change.

Respondents were asked to indicate their **desired career paths**. More than 75% indicated they would like to move to another organisation and remain in communications. Of the remainder, 14% said they would like to remain with their current organisation and take on a broader role, and less than 6% indicated they would prefer to move out of a communication role.

The most popular factors that would **influence communication practitioners to change jobs** were:

- Increased remuneration
- A more challenging role
- Be part of a leadership team
- A more meaningful role
- Report directly to the CEO.

The top 10 **challenges faced by communication practitioners** in performing their roles were:

1. Managing expectations – internal and external
2. Performing with limited people, budget and other resources
3. Gaining buy-in of management and client to timely and/or meaningful communication
4. Getting messages across in a cluttered environment
5. Staying on top of accelerating day-to-day demands
6. Leading and developing people while still 'doing' communication
7. Demonstrating the nexus between communication and organisational outcomes
8. Dealing with internal politics and bureaucracy
9. Communicating consistently in light of shifting organisational plans, priorities and practices
10. Winning and growing business (as internal and external advisors).

Respondents identified the top 10 **attributes of effective communication practitioners** as:

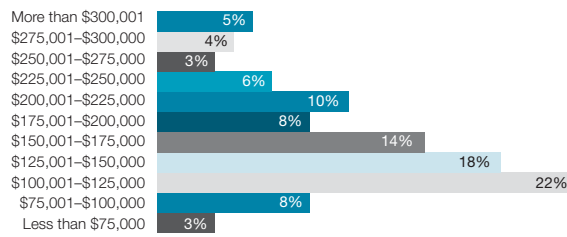
1. Communicate powerfully
2. Be creative
3. Have a strong network of contacts
4. Be respected by senior executives
5. Know the organisation and its environment thoroughly
6. Plan well; execute superbly
7. Provide timely, objective and pragmatic advice
8. Thrive under pressure
9. Motivate and inspire
10. Bridge big picture and micro issues.



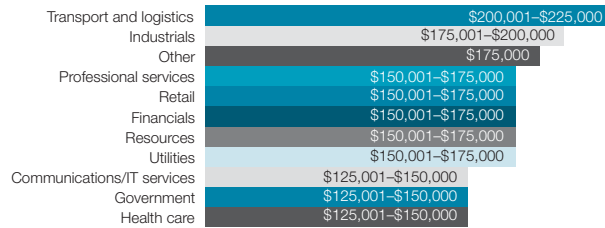
1. 2006 Total annual remuneration (all in company costs) excluding cash bonus, shares, options or share performance rights

In-house vs External median ranges
 In-house practitioner \$150,001-175,000
 External advisor/consultant \$125,001-150,000

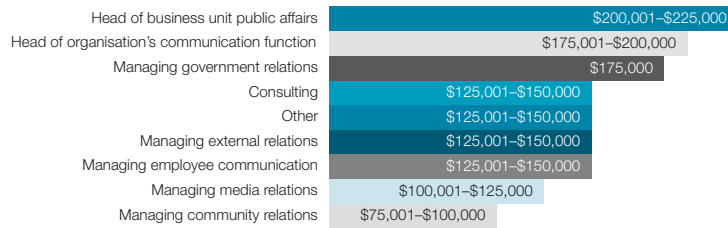
Graph 1 (overall)



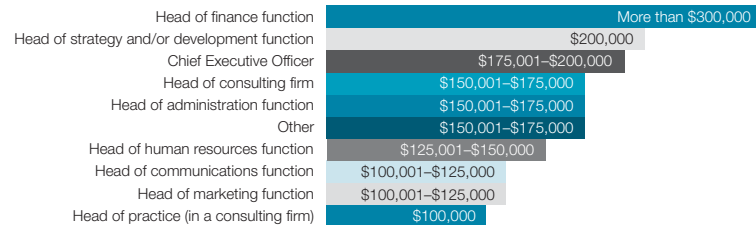
Graph 2 (by sector)



Graph 3 (by role)



Graph 4 (by reporting line)

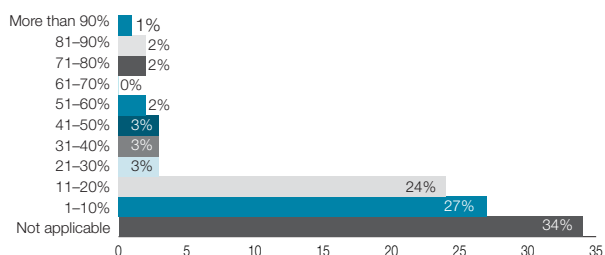




About Roles

2. 2006 Bonus payments (as a % of salary)

Graph 5



In-house vs External median ranges

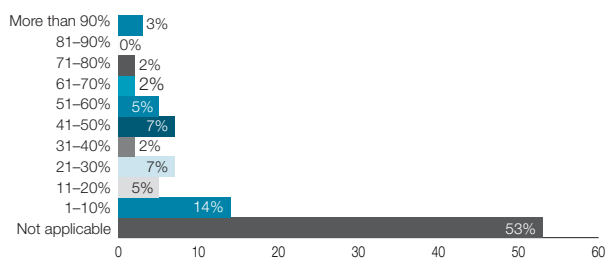
In-house practitioner 11-20%

External advisor/consultant 1-10%

3. Influence of financial targets on short-term incentives

Respondents indicated the proportion of their short-term incentives influenced by financial targets

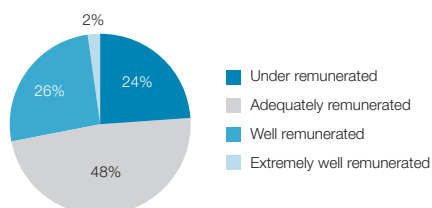
Graph 6



4. Attitudes towards level of compensation

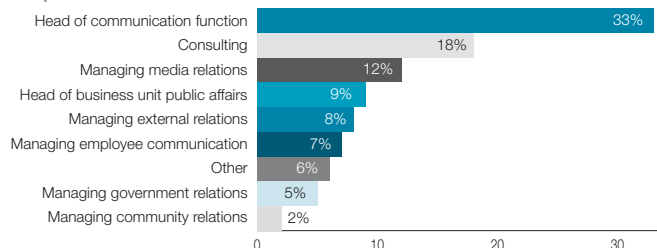
Respondents indicated their attitude towards their current level of remuneration

Chart 1



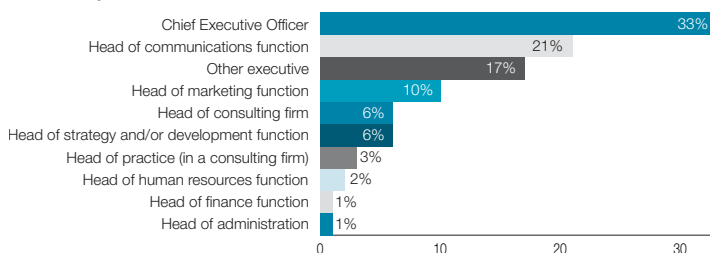
5. Current role

Graph 7



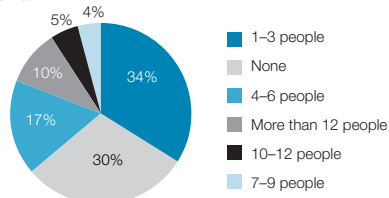
6. Person to whom communication practitioner reports to

Graph 8



7. Number of communication staff reporting to respondents

Chart 2





8. Key Performance Indicators for communication practitioners

Respondents nominated the following KPIs as ones used in their roles

Table 1

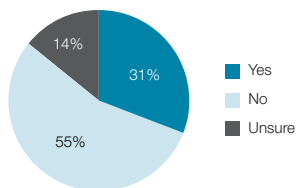
	% of respondents
Quality of relationships with stakeholders	54.5
Managing perceptions	49.4
Accurate representation of the organisation in marketplace reports (analyst and media reports)	47.2
Minimising the number of "surprises"	25.6
Dissemination of timely information to the marketplace	23.3
Meeting timeframes for communication events (e.g. annual reports, stakeholder meetings)	22.7
Other (incl. financial performance; client satisfaction; business performance)	19.9
Managing to a budget	17.6
Employee climate/satisfaction survey ratings	14.8
Ranking of organisation in marketplace surveys	4.0
Turnaround of requests for information by the marketplace	3.4

Note: Multiple response question i.e. respondents could choose more than one response

9. Succession planning

Less than a third (31%) of respondents indicated their organisations have succession plans for their communication function

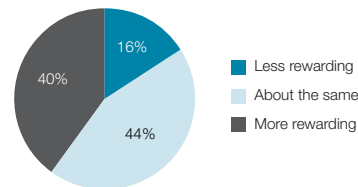
Chart 3



10. Job satisfaction

Respondents indicated how rewarding they find their job in 2006 compared with 2005

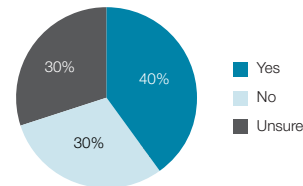
Chart 4



11. Desire to change jobs

Forty per cent of respondents indicated they would like to change jobs in the next 12 months

Chart 5



12. Desired career path of communication practitioners

Respondents indicated their desired career paths. More than 75% saw their futures as being in other organisations

Table 2

	% of respondents
Head of communication with a larger organisation	28.4
A broader role in another organisation	15.9
Other (incl. investor relations; move in-house; retire)	15.3
Head of communication with a similar sized organisation	14.8
A broader corporate office role in your organisation that includes communications	14.2
Consulting role	5.7
A broader corporate office role in your organisation that does not include communications	3.4
A line or business unit role in your organisation	2.3



About Skills

13. Factors influencing job change

Respondents nominated the factors that would influence them to change jobs.

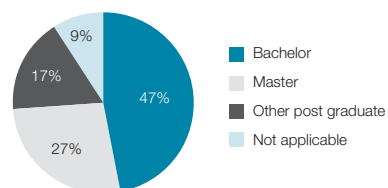
Table 3

	% of respondents
Increased remuneration	59.7
A more challenging role	50.6
Be part of a leadership team	47.2
Have a more meaningful role	33.5
Report directly to a CEO	29.5
Work in a higher profiled organisation	22.7
Other (incl. broader role; better work/life balance; dynamic colleagues)	19.3
Have a bigger budget	17.6
Have a higher profile	15.3
Work in a larger organisation	12.5
A role not in communication	7.4

Note: Multiple response question i.e. respondents could choose more than one response.

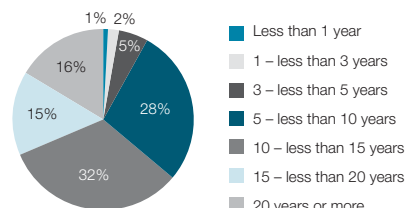
14. Highest level of tertiary education completed by communication practitioners

Chart 6



15. Length of experience as a communication practitioner

Chart 7



About Salt & Shein

At Salt & Shein we take pride in being the best we can be in corporate communication and corporate affairs executive recruitment.

For us success is measured by what our clients (those recruiting and those putting themselves forward as candidates) say because they are at the centre of everything we do.

Salt & Shein is Australia's first search and selection firm dedicated to corporate communication as a recruitment discipline. Our reach extends internationally through like-minded specialist partners in Asia, Europe and North America.

Our sole focus is the corporate communication function in all its forms. From Corporate & Public Affairs, PR, Investor Relations, to Marketing Communication and Employee Communication.

This culminates in clients getting the right people appointed sooner and candidates finding the best fit appointments in terms of their competencies and their personal and professional aspirations.

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Defining Leadership through Communication

