European Communication Report 2008

A SURVEY BY THE EUROPEAN ASSOCIATION OF COMMUNICATION DIRECTORS (EACD) AND THE INSTITUTE OF MEDIA AND COMMUNICATIONS MANAGEMENT AT THE UNIVERSITY OF ST. GALLEN

Institute for Media and Communications Management
University of St.Gallen
EUROPEAN ASSOCIATION OF COMMUNICATION DIRECTORS

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Foreword from Prof. Dr. Miriam Meckel



Communication is becoming an integral part of leadership – and only those that are willing and able to express themselves will be true leaders, able to guide their organisation in a globalised and ever changing world. What has already become apparent in the previous European Communication Report demonstrated itself again in the 2008 survey we present to you on the following pages: Communications is becoming a more and more strategic task for all organisations. It is having a direct impact on organisations' standing within society.

A particularly positive result of this year's survey is that the large majority of communication managers who participated in the survey are highly satisfied with their profession and would choose it again and again. For me, as a professor, it gives me the gratification that we educate students for a field that is ripe with prospects and that offers a high degree of professional as well as personal development.

Yet still we have to constantly remind ourselves that there is still some way to go to assure communications the literal place at the table it deserves. Exchange between colleagues in the field helps communicators to move the profession in this direction. Active participation in the European Association of Communication Directors is another way to promote the profession on a European level. I invite you to do both during this year's Communication Summit and in the year ahead, and I thank you again for your participation in the survey, without which we could not present the fascinating results on the following pages.



Prof. Dr. Miriam Meckel
Director
Institute for Media and Communication Management
at the University of St. Gallen

Foreword from Dr. Herbert Heitmann



The world of the Communication professional is a complex and ever–evolving one. Those in our profession face a variety of challenges daily, and bear witness to a host of different experiences and attitudes as they go about their work. The changeable nature of one's role is what makes the work of a Communication Professional so appealing, yet so hard to delineate.

In order to find some commonality between professionals working in different environments across Europe, an attempt at information gathering and assessment is essential. How else are we to know whether we are alone in our practices, or whether others face the same problems, and respond to them in a recognisable way? Do we have the same view of the profession as others, or are we out on a limb? Most of all, is the Communications profession developing in the way we want it, and which trends should we expect to emerge in the future?

The European Communication Report 2008 answers all these questions and more, building on the success of last year's report to give you the most current information on the background of Communication professionals, their salaries, job satisfaction, work experience, and more. It provides fascinating insights, for example by revealing the issues which Communication professionals believe will be most important in their future: CSR and globalisation. It also shows how the number of professionals who work abroad is growing, which ties in to the revelation of the importance of Professional Associations, and their assistance in strengthening community ties across an international arena. With the help of the renowned expertise of Prof. Dr. Miriam Meckel from the University of St. Gallen, the EACD is proud to present a look into the heart of the Communication profession. I hope you find it as useful and fascinating as I do.



Dr. Herbert Heitmann
President
European Association of Communication Directors (EACD)

European Communication Report
- Summary of Findings -

Aims and Methods

We are pleased to present to you the second edition of the European Communication Report, a joint survey of the European Association of Communication Directors and the University of St. Gallen. Despite political differences over the implementation of an EU constitution, the European markets have largely become a reality, emerging as an integral part of the daily activities of European companies, associations and institutions. There can be little doubt that these developments have a profound impact on the European communication profession as well. Already, for some time, scientific and professional literature has suggested this development. Still, very little was actually known about the working environment, conditions and job profiles of European communications professionals.

The European Communication Report tries to shed some light on this emerging transnational job profile. Laid out as a longitudinal survey, European communication professionals are questioned on their position and role within the company, duties and responsibilities, professional backgrounds as well as job satisfaction, aiming to highlight the strategic importance of communication expertise within organisations. In last year's report, 1171 communication professionals from 29 European countries participated. Based on our data we found signs that marketing, communications and public as well as internal relations are increasingly centralised under the umbrella of a common, more strategic corporate communications function. As derived from our results, we propose that communications management is becoming a more strategic management function that is involved in the overall conceptualisation and implementation of corporate strategy.

The 2008 survey presented in this report intends to validate the results of the original study, to disclose the development and the perspectives of the profession as well as to move one step ahead by revealing the major issues communication directors face today.

Demographics

With 1410 participants, the 2008 survey exceeds the already high number of respondents from 2007. About 70% of the communication professionals who filled in the report are employed in the private sector, whereas 47% work for listed companies and 70% in companies that are profit-related. All major industries are covered by the survey – large companies with more than 10,000 employees dominate the sample, though another 30% work for small and medium enterprises with less than 500 employees.
The sample represents male and female respondents equally, with an average age of 41 years, and the better part of participants being between 30 and 45 years old. The major working fields of the communication professionals represented in the survey are media and public relations, followed by public affairs and lobbying; approximately 10% work in general management. Over 50% of the respondents work in a managerial position as Head of Corporate or Organisational Communications, another 22% are responsible for a single communications discipline and 14% are team members in a Communications or PR department. There is a noticeable tendency for managerial positions to be held more frequently by males, whereas females are more often found on team member level – a conclusion in line with last year's results.

Salary

According by the high proportion of managerial level employees in the sample, more than 30% of respondents earn more than 100,000 Euros a year. Not surprisingly, the higher salary groups with 100,000 Euros and above are dominated by communication professionals in managerial positions. Women tend to earn lower salaries than their male counterparts, which corresponds to the lower managerial ratio – again in line with last year's results. The average salary earned by communication professionals represented in our sample lies around 65,000 Euros, whereas communication professionals in Eastern European countries earn significantly lower salaries. For Eastern European countries, the average salary lies around 35,000 Euros. In contrast, communication professionals in Germany, Luxembourg, Switzerland and the UK are able to attain the highest salaries, with an average of 85,000 Euros. 83% were able to profit from a salary increase in the past two years, with only 1% facing a salary decrease and with 8% of respondents having their salaries unchanged. For the majority of the participants their salaries are bound to bonuses, for 8% within this group, the bonus equals even more than 30% of the salary.

Education

Over 80% of the respondents hold a university degree, whereas bachelor degrees are slightly more frequent with 26% more participants holding them rather than masters degrees, which are held by 23% of respondents. 17% of the respondents have completed a PR–specific supplement diploma or certificate. Humanities and social sciences are the most common study field for communication professionals with almost 30%. Media and communication studies as well as business studies share second place with 19% each. 8% have graduated in journalism studies. From the data it is evident that one's field of study has little impact on their later position within the communication profession. Training courses are widely accepted and attended; over 70% have recently attended training, whereas training subjects and institutions considered for training cover a broad range. In terms of codifying standards for the profession, participants are divided about the necessity for an EU–wide certification standard for communication professionals, whereas 64% believe that there is, however, a need for an EU–wide certification standard for qualification institutions.

Work Experience

Communication professionals have stayed in the profession for 13 years on average, whereas the majority have worked in communications for five to ten years. Asked about their perspectives on the future, over 59% of participants plan to stay in communications for more than five years. According to the survey, years of working experience in communications has positive but limited impact on the job position but no clear impact on the salary. Over 65% have worked in corporate affairs or communications prior to their current position, either on the corporate side (47%) or in consultancy (19%). Most frequently participants have changed to communications from marketing and sales positions or from journalism. When asked about possible roles to move into, consulting, strategy and general management are mentioned most frequently, with each above 35%. Around 40% have gained experience abroad, with an average duration of 5 years and a majority of 63% having been abroad between one and five years.

Time Management

Being a professional communicator is a multifaceted job – the communication professionals represented in the survey allot most of their time to press and media relati-

ons, followed by strategic planning and advising the executive management. The least amount of time is spent on activities such as sponsoring projects, lobbying and investor relations. Time allocation corresponds to the major working fields of the participants, namely media and public relations. Depending on their position, communication professionals report most frequently to the CEO or to the Head of Corporate Communication. The reporting lines reflect the strategic importance of communication within the company and display the important advisory role that communication professionals often perform for the board of directors.

Team Organisation

Not only with regard to having direct reporting lines to senior management, or even having a seat at the table in the form of the position of a Chief Communication Officer, but also regarding the development of communication teams within various companies, the importance of the profession has risen. For instance, communication budgets have increased in one third of cases, and for the remaining respondents the budget largely remained at least stable. The average communication team size is 16 people, whereas over 40% work in teams with five to ten employees. Over 50% have seen an increase in team size in the past years, with team size decreasing in only 18% of the cases. Even with large teams devoted to communication, cooperation with consultants is very common and 80% hire consultants for various tasks. Cooperation is most frequent in the fields of press and media relations as well as in advertising and marketing. Advising and consulting at the executive level, however, is rarely outsourced.

Evaluation

With the increasing importance of communications for the success of an organization, evaluation has been identified as one of the major challenges facing communication professionals today. Measuring the impact of communication efforts is the ultimate way of illustrating the value of the profession. Over 90% believe that it is possible to measure the success of communication efforts; consequently a majority of communication departments measure their success. Organizations are now increasingly going further and measuring not only the output of their communication activities, but also the effectiveness of their relationships with targeted audiences. Still, 75% believe that there is a need for consistent evaluation standards and better instruments for measuring e.g. communications' return on investment, to evaluate social responsibility or to measure the impact of communication activities in social media.

Job Satisfaction

With job profiles covering a diverse range of activities, rising salaries and the increasing strategic importance of communications, job satisfaction is fairly high among communication professionals. 49% of respondents report high satisfaction with their current job and another 25% are very content. Position seems to influence satisfaction level: whereas managers display disproportionately higher satisfaction levels, team members tend to be less satisfied with their jobs. Salary has no clear impact on job satisfaction. Nearly half of the respondents were promoted within the last five years. 80% believe that the perception of the communication professional has changed positively.

Issues in Communications

This year, we not only asked communication professionals how they see their profession, but also what are currently the most important issues for the field. Communication professionals regard globalisation and CSR as the most important issues in the future, followed by increasing media pluralism and the increasingly active role of stakeholders in the European Union.

It is unsurprising that Communication professionals see Corporate Social Responsibility as the most pressing issue, keeping in mind that the topic has become popular among companies, politicians, activists and the media alike. Despite its recent popularity, it is still worth remembering that Corporate Social Responsibility has always been a somewhat ambiguous concept. The term is a brilliant one; it means something, but not always the same thing, to everybody. Some stakeholders might see most CSR activities as a tremendous waste of money, or even a fundamental misunderstanding of the company's role in a market economy. Others, meanwhile, may criticise them as a superficial tribute to political correctness without any fundamental impact on business practices. In light of this controversy, companies and their communications functions need to explain increasingly complex CSR policies and activities to a vast array of internal and external stakeholders – quite a daunting task considering that all of these stakeholder groups approach the company with a different, unique perspective and hence individualised expectations.

Stakeholder Engagement

In relation to the rising importance of social and green issues for communicators, many stakeholders are increasingly interested in opportunities for engagement with firms and their respective brands. This is in large part due to the fact that new stakeholder demographics are interested not only in the products and services organisations produce, but also in the causes they serve. As a result, these new demographics are not only highly open to invitations to engage, but eager to do so when given the opportunity. Many, in fact, actively seek outlets for their passion, and communications management only needs to activate them by providing the opportunity to engage. This is in fact a mixed blessing, as it is expected that recipients will become more active, more critical and demand more dialogical means of communication. Such activism used to be the preserve of a small minority, but more and more stakeholders are prepared to question companies' corporate governance policies and practices, engage with them on questions of strategy, performance and conduct, and in many cases take their criticisms to the press.

In light of these developments, communication professionals widely agree that specific and proactive communication strategies for fragmented audiences will become essential. In consequence, in a more and more crowded marketplace it will become increasingly important for communicators not only to expose stakeholders to their organisations, but to engage with them. A unified and integrated communication strategy will be all the more essential, particularly in the domain of online and social media. Amongst other means, engagement can be fostered via online communication platforms devoted to consumer participation and involvement. Stakeholders are increasingly able to participate, share and collaborate online, not least with the use of information platforms created as the result of a number of technological developments, collectively termed as 'Web 2.0'.

It is evident from the available information that, depending on customer preferences, social and ecological attributes potentially exert a positive effect on a company's products and services, thereby contributing to the perceived integrity and authenticity of the firm's various brands. On the other hand, tying sustainability issues to brands always entails the risk of public scrutiny and criticism, especially in the context of online forums such as corporate blogs. The integration of CSR issues into brand management aimed at online communities remains a difficult balance to strike, but if executed skilfully the information platforms gathered under the term 'Web 2.0' provide a wide range of opportunities for companies to interact with customers and other stakeholders,

thereby offering new potential for product differentiation and competitive advantage. Online platforms are predominantly frequented by the most active demographics who will, with high likelihood, act as opinion leaders to other stakeholders. Not least, online media are also a platform for open discussion, which renders them more credible communication instruments than mono–directional channels, further increasing their impact on communications management practices.

The Role of Communication Associations

The professional exchange between colleagues in the field can help communicators to face these issues. With a share of 41%, national communication associations play a predominant role in enabling exchange between peers for respondents, whereas international communication associations have a comparatively minor impact with 23%. The major assets of communication associations were seen in light of the challenging issues the profession faces when it comes to being able to network among and to learn from peers.

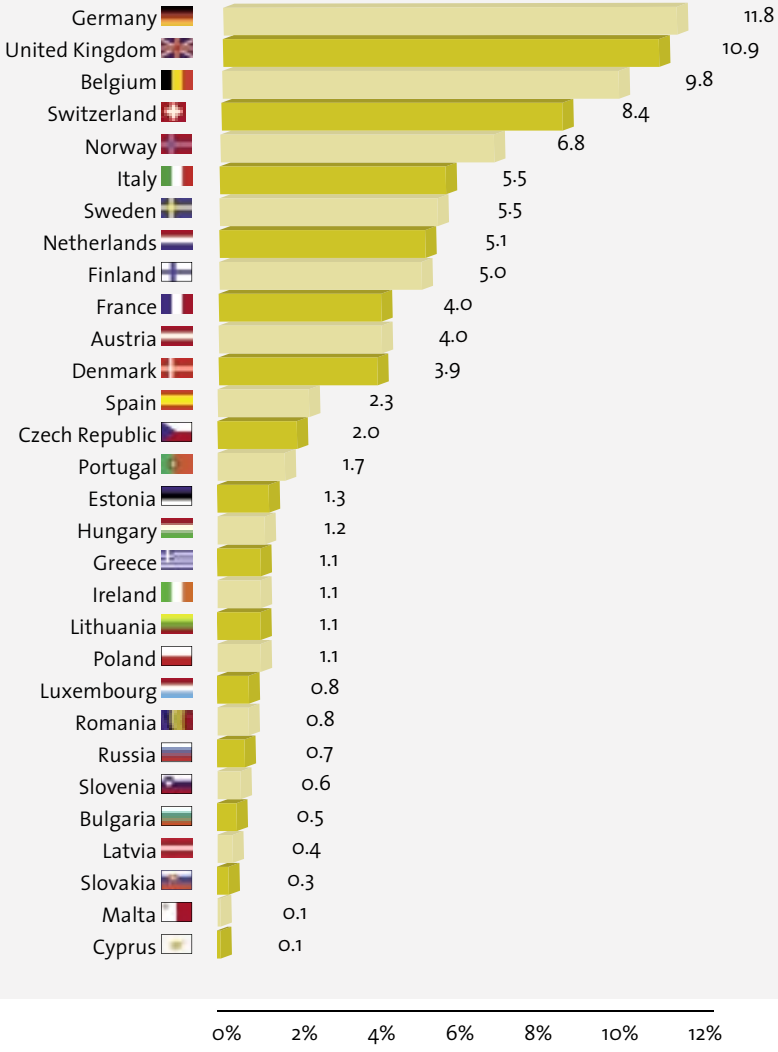
Conclusions

In summary, we believe that the survey provides some interesting insights into the state of the European communication profession. The professionalisation of the communication function is reaching a significant level – the survey shows that European communication professionals nowadays work with clearly defined strategic goals and target audiences. Additionally, systematic success measurements are increasingly being implemented – although there still appears to be some room for the establishment of performance–related remuneration schemes. Since the European markets continue to integrate, with professional standards converging throughout Europe, we expect to see not only further professionalisation, but also the emergence of an actual European communication community.

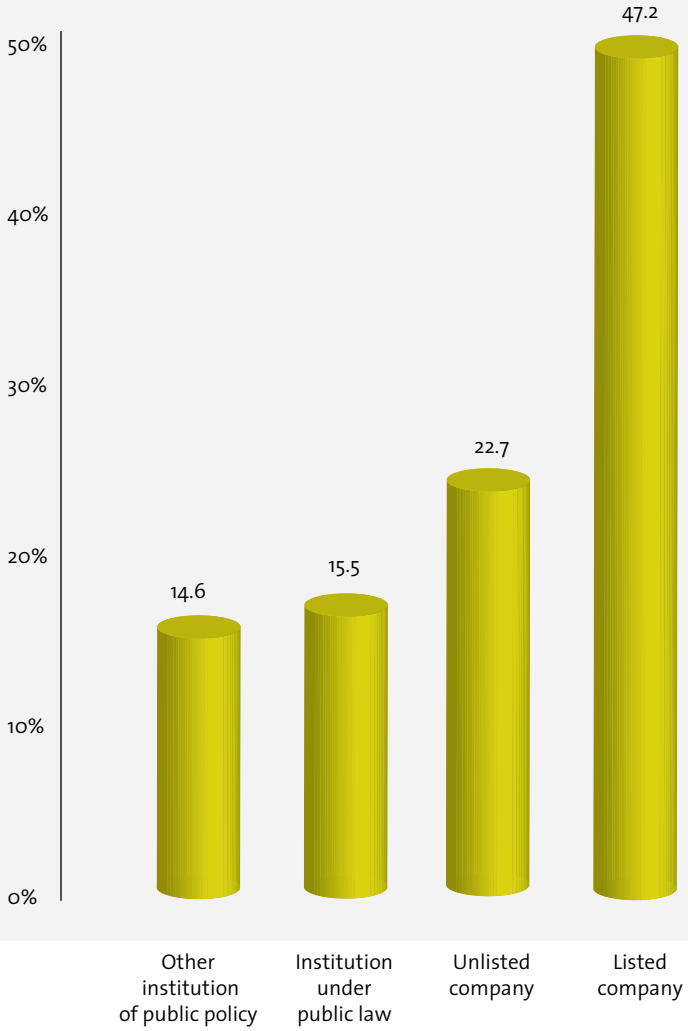
1.
Organisational Data

ORGANISATIONAL DATA

>> Organisations are largely situated in Western Europe.

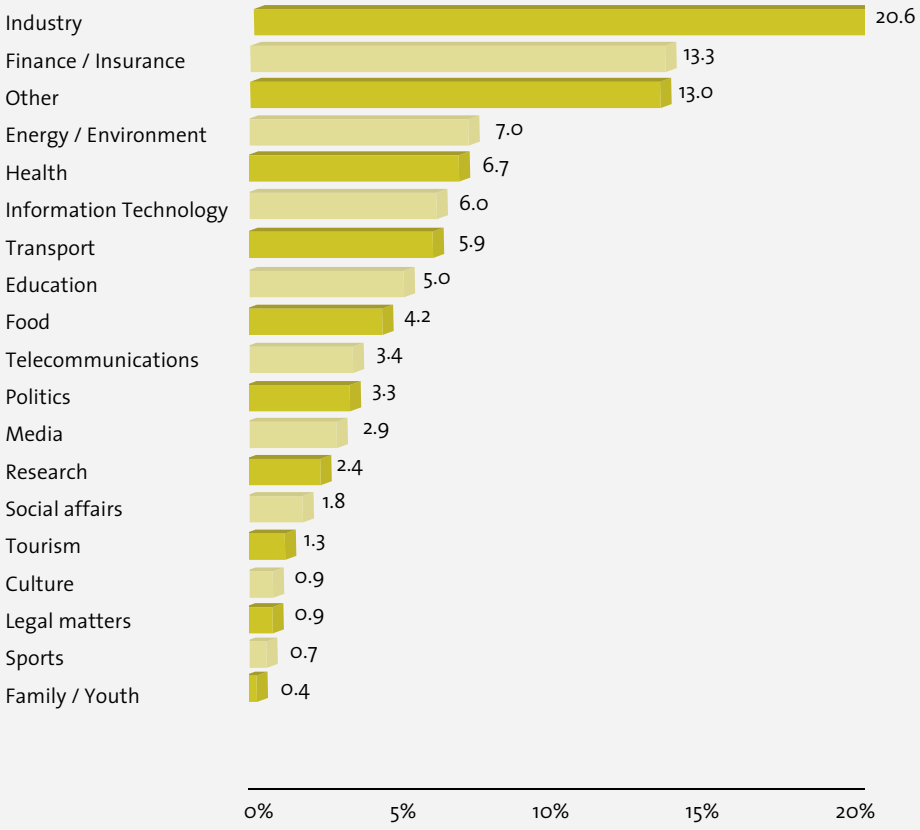


>> The majority of participants works for listed companies – in contrast to 2007, employees of unlisted companies have increased in number.

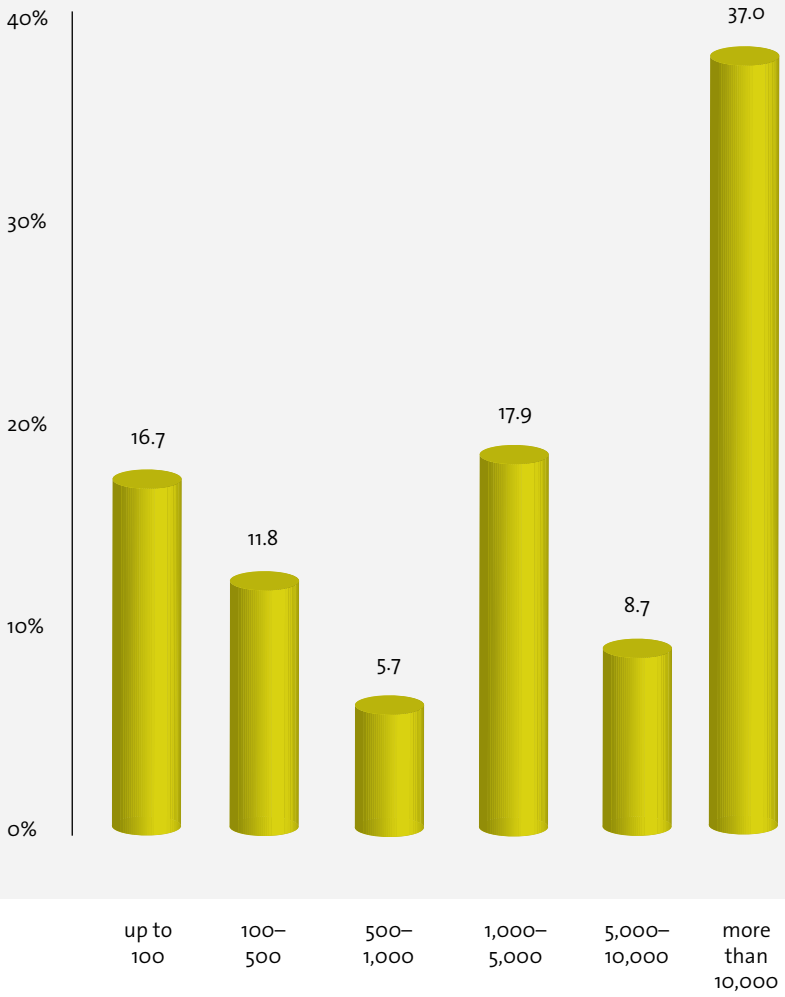


ORGANISATIONAL DATA

>> Participants are spread throughout all major relevant industries.

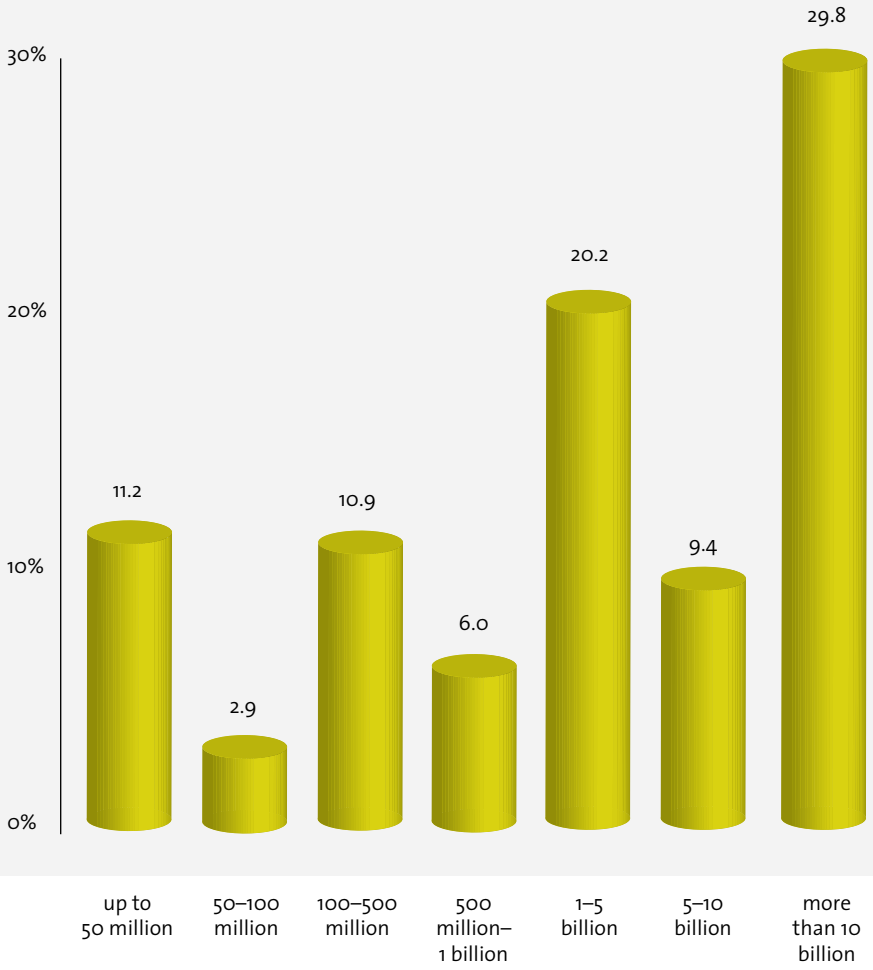


>> Nearly 30% work for companies with less than 500 employees, whereas the majority work in large companies with more than 10,000 employees.



ORGANISATIONAL DATA

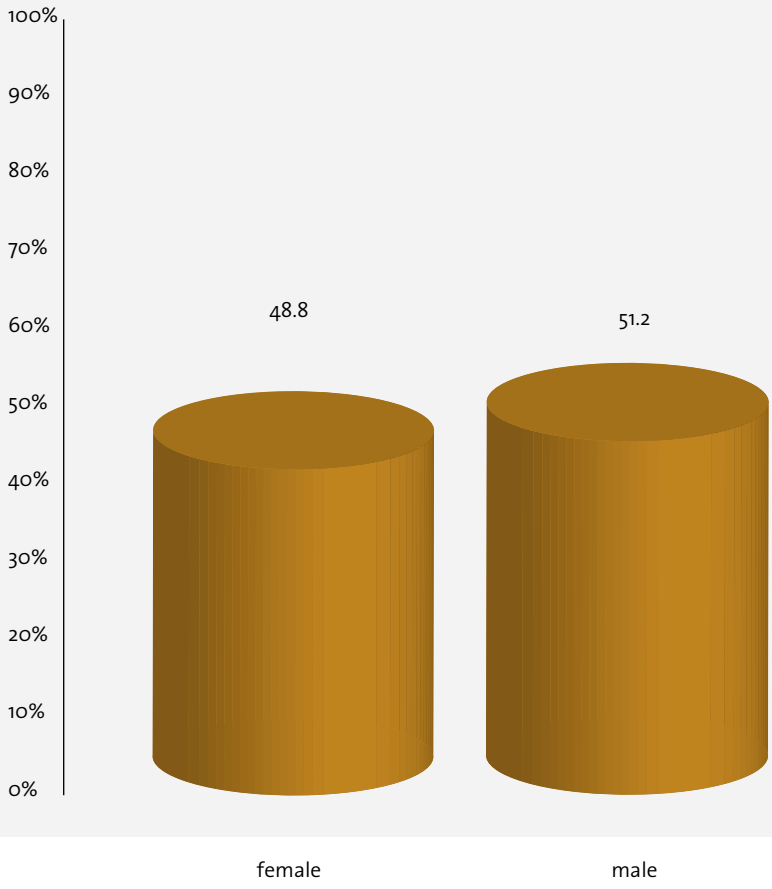
>> Approximately 70% work for profit–related companies, within which 30% have an annual turn–over above 10 billion Euros.



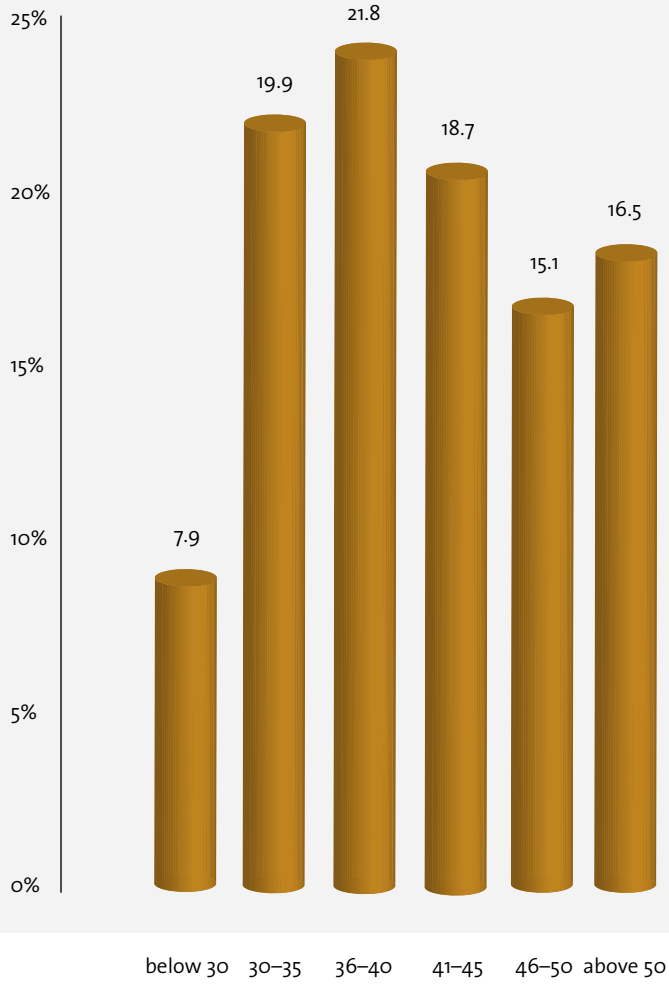
2.
Demographics

DEMOGRAPHICS

>> Men and women are equally represented in the field of communications.

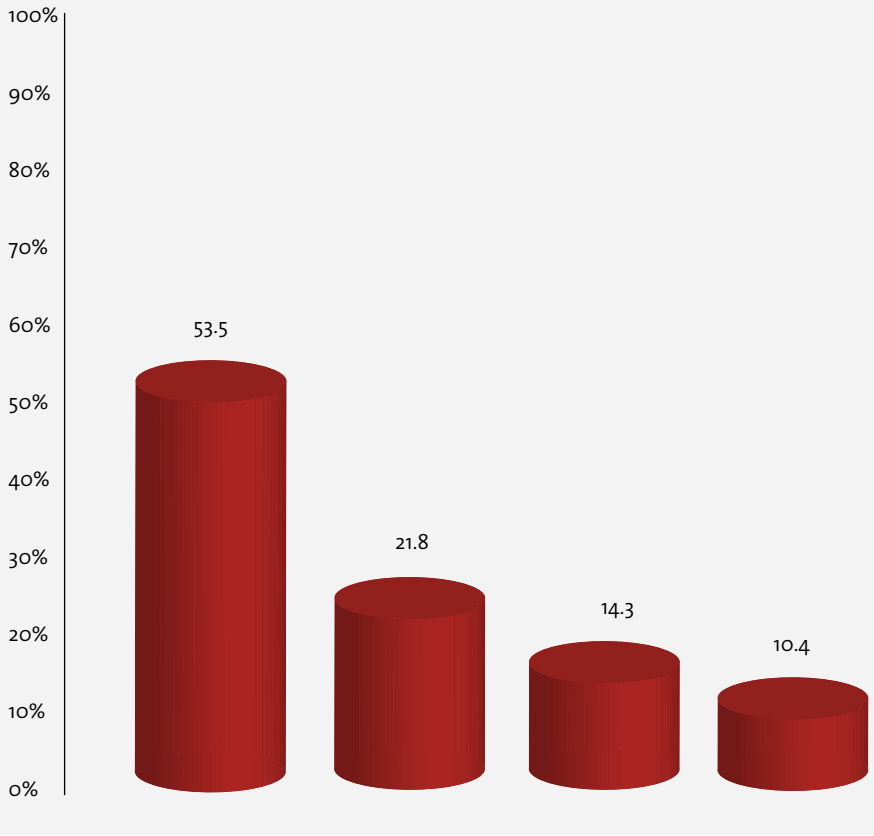


>> Participants are mainly between 30 and 45 years old, the average age being 41.

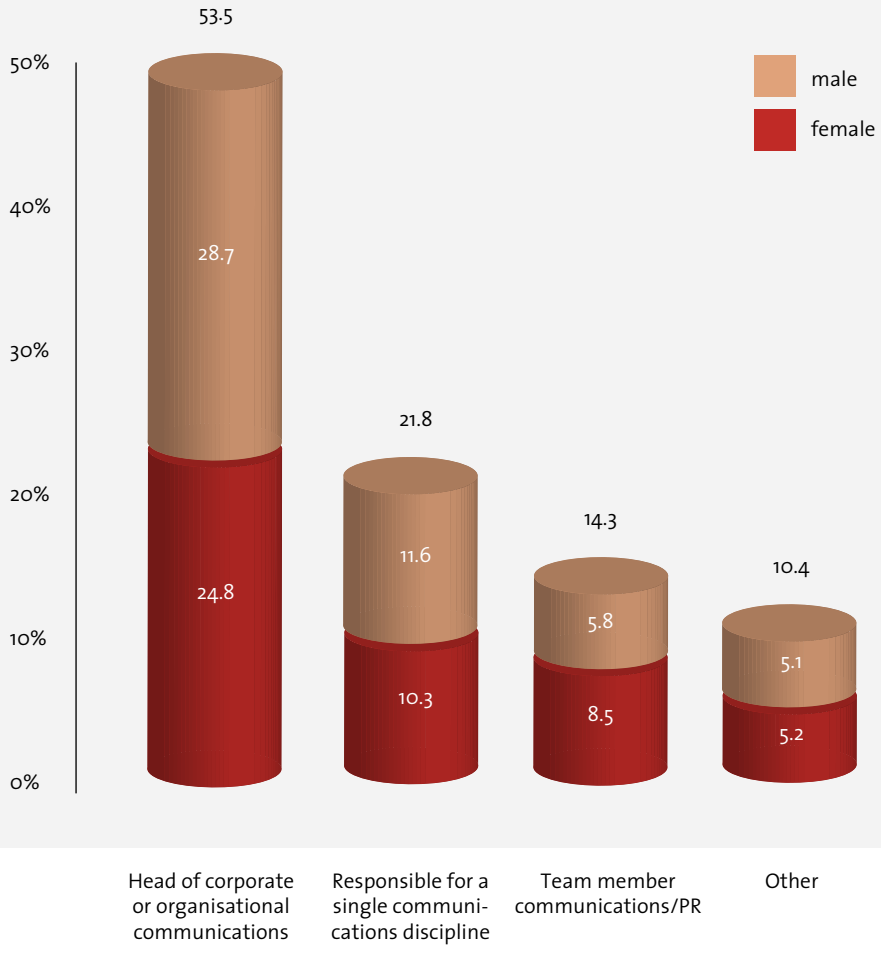


3. Education / Career

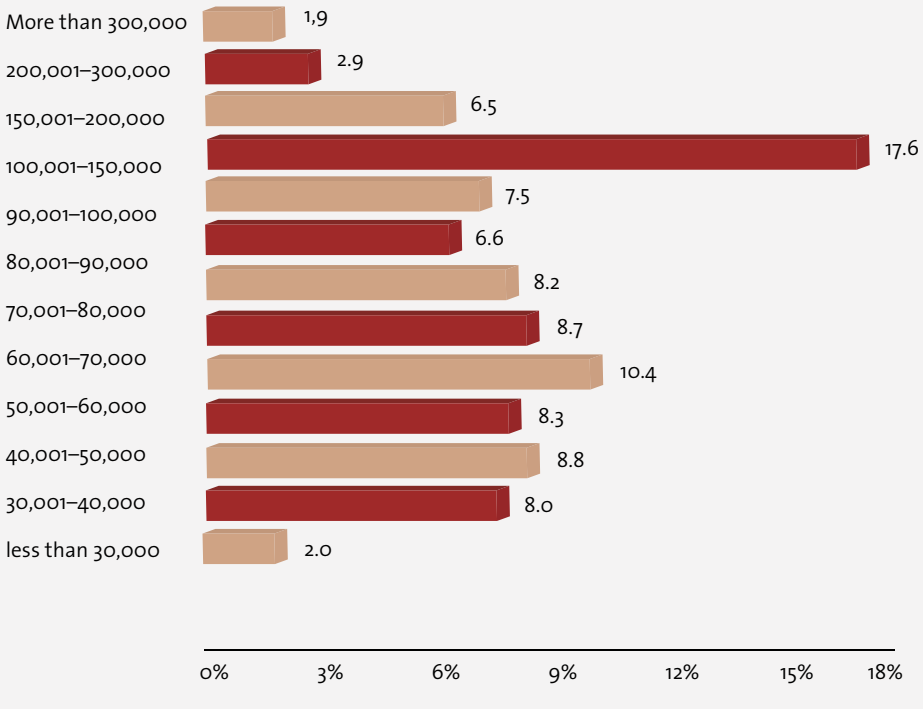
>> Over 50% of respondents work in a managerial position.



>> Managerial positions are more frequently held by males.

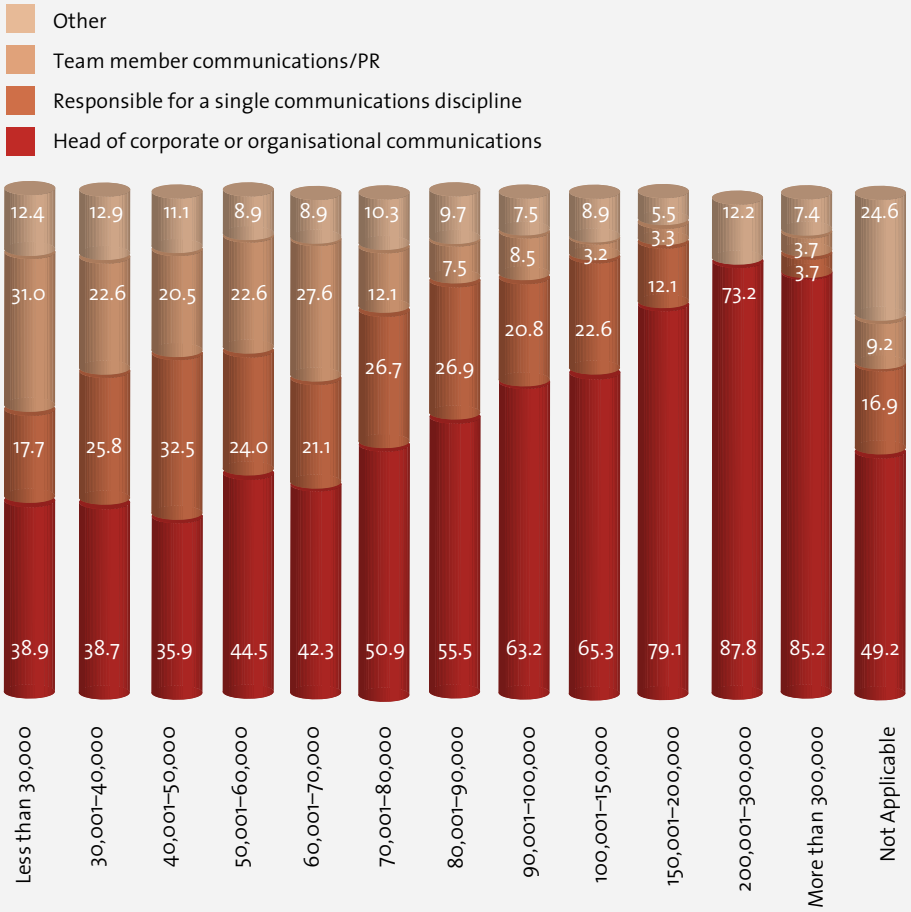


>> Corresponding to the proportion of participants holding managerial positions, approximately 30% of respondents earn more than 100,000 Euros.

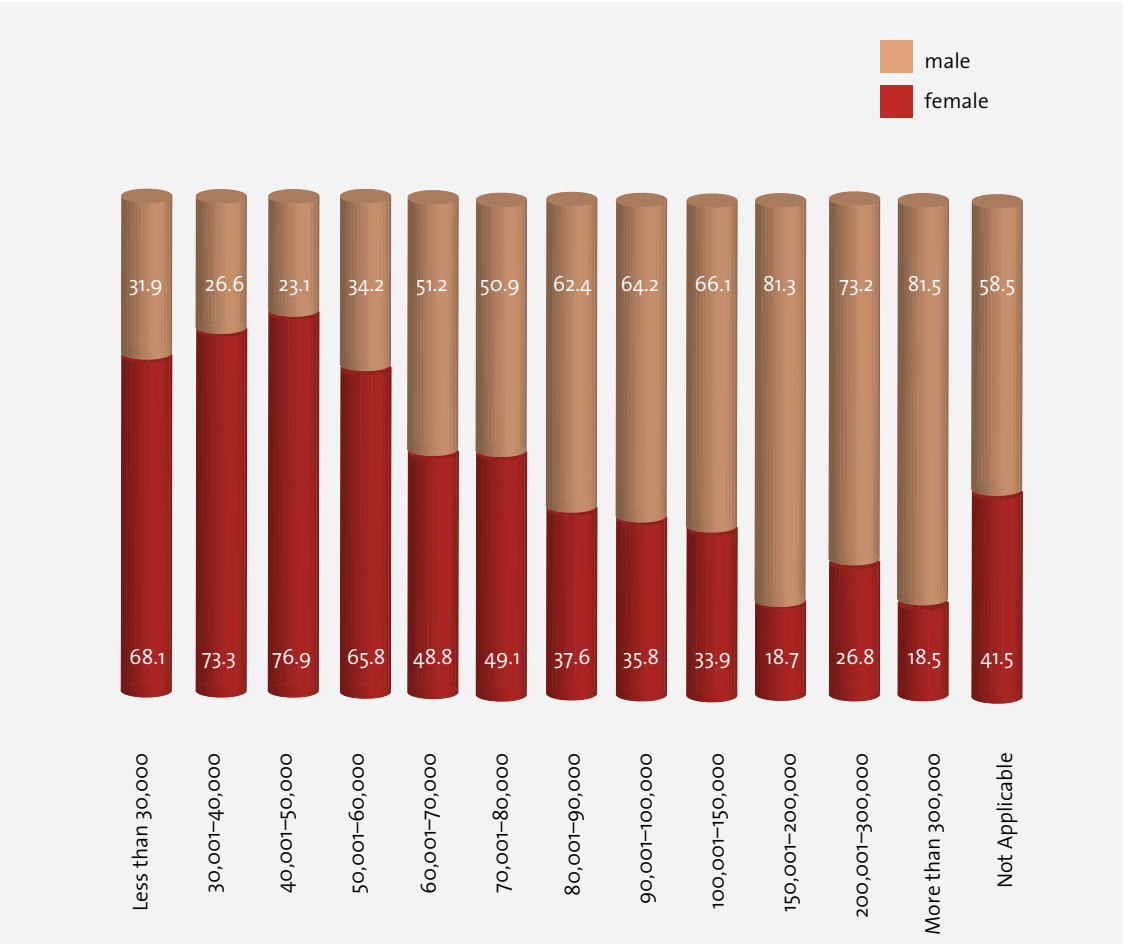


EDUCATION / CAREER

>> The higher salary groups are dominated by those in managerial positions.

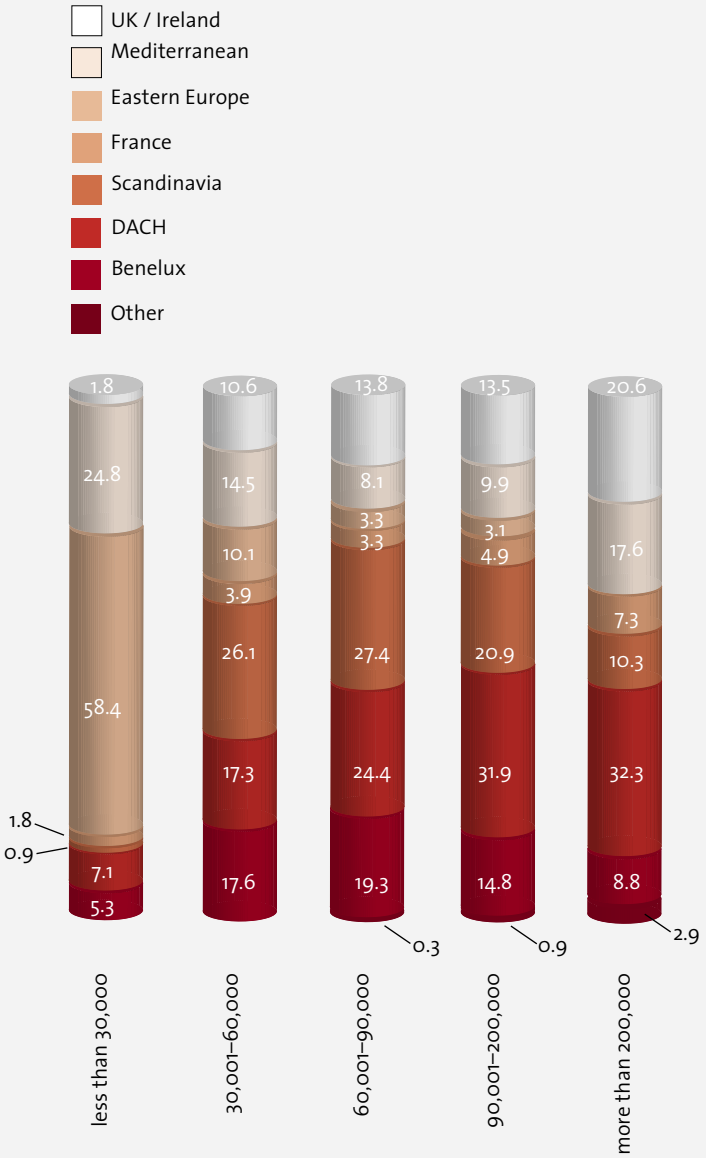


>> Consistent with a lower managerial ratio, women tend to earn lower salaries.

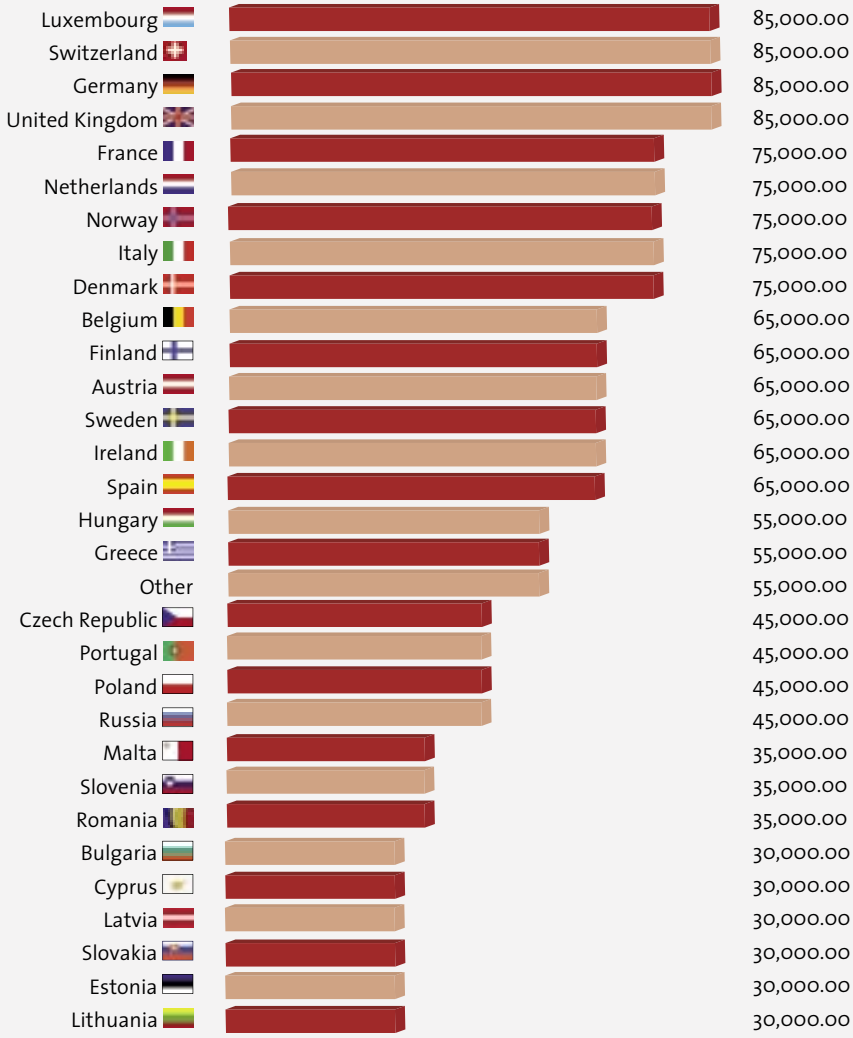


EDUCATION / CAREER

>> Salaries in Eastern Europe are significantly lower than in other country groups.

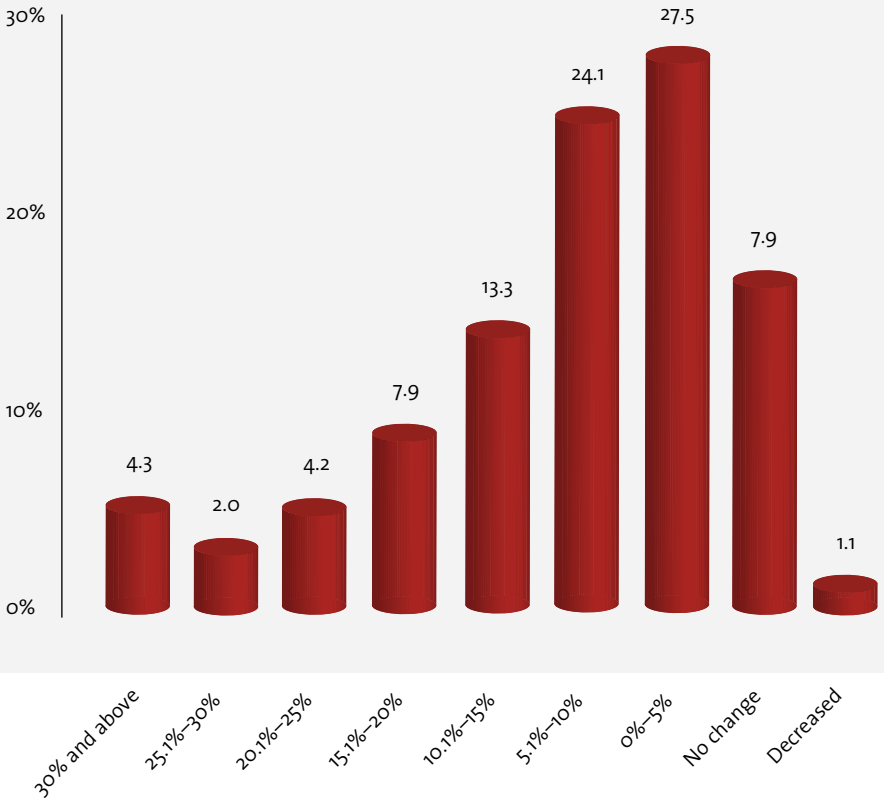


>> The total average salary lies around 65,000 Euros.

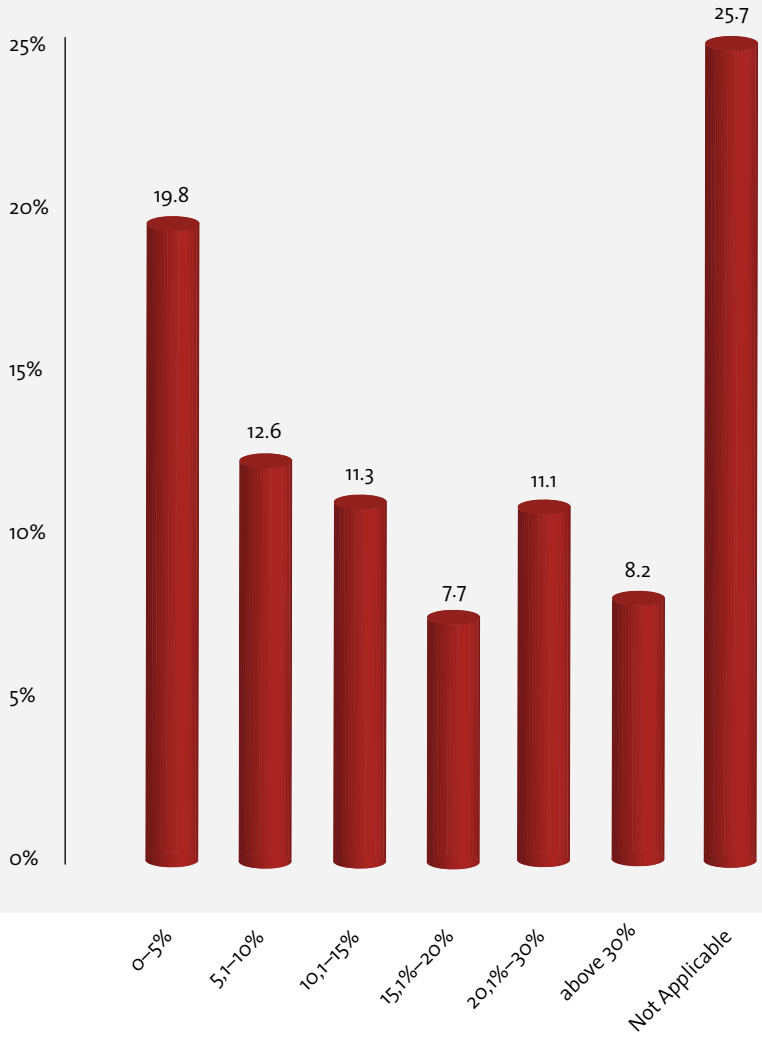


EDUCATION / CAREER

>> Most participants were able to profit from a salary increase.

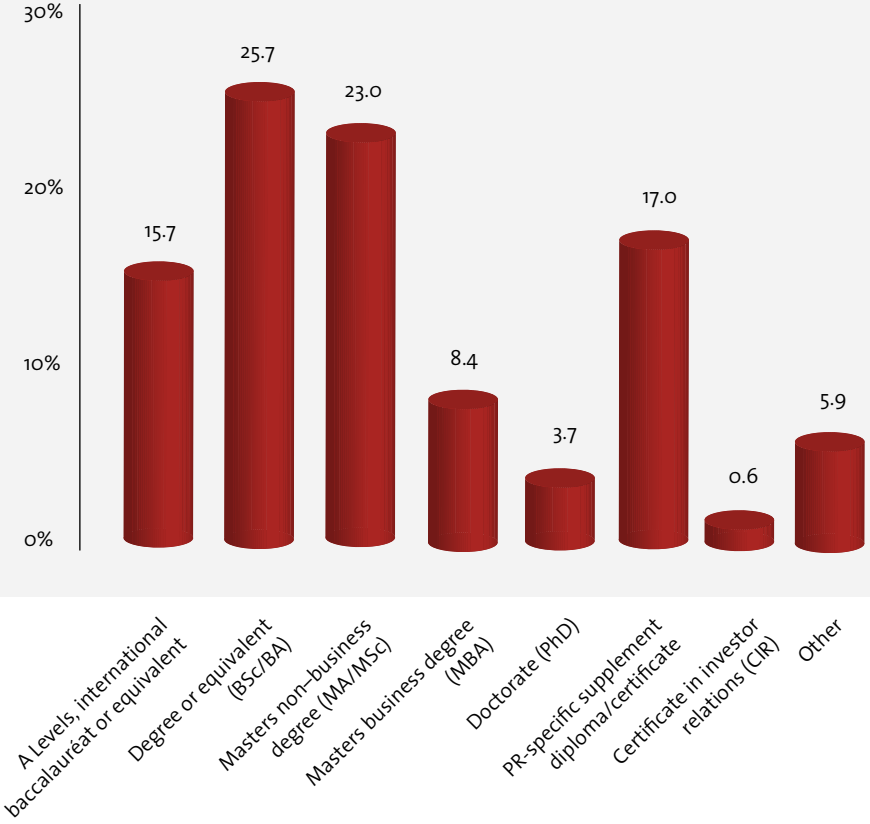


>> For the majority of respondents, salaries include bonuses.

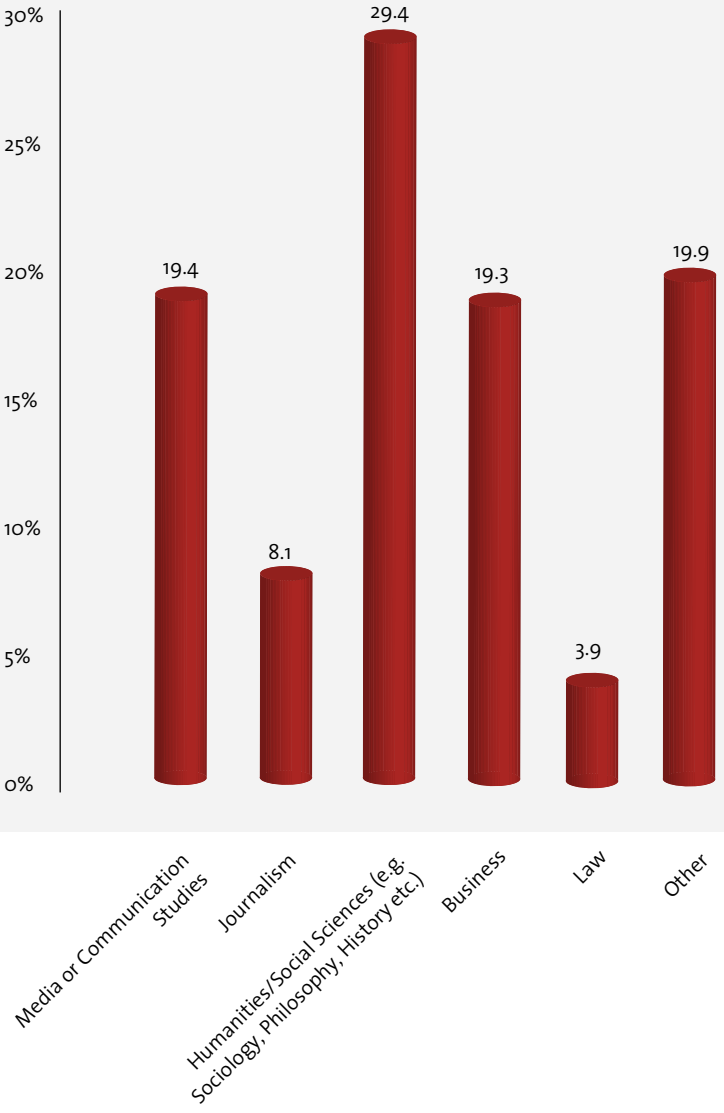


EDUCATION / CAREER

>> Over 80% of respondents hold a university degree; Bachelor Degrees are more frequent than Masters.

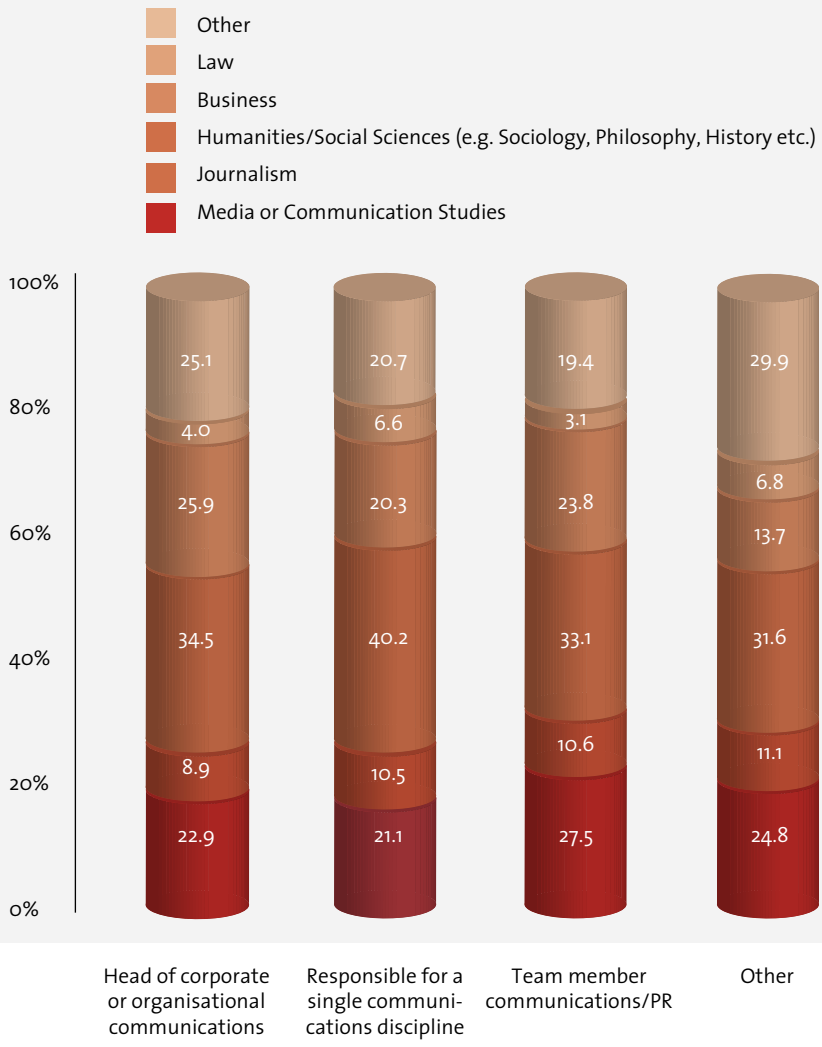


>> In the majority of cases Humanities and Social Sciences are named as the field of study, followed by Business and Media or Communication Studies.

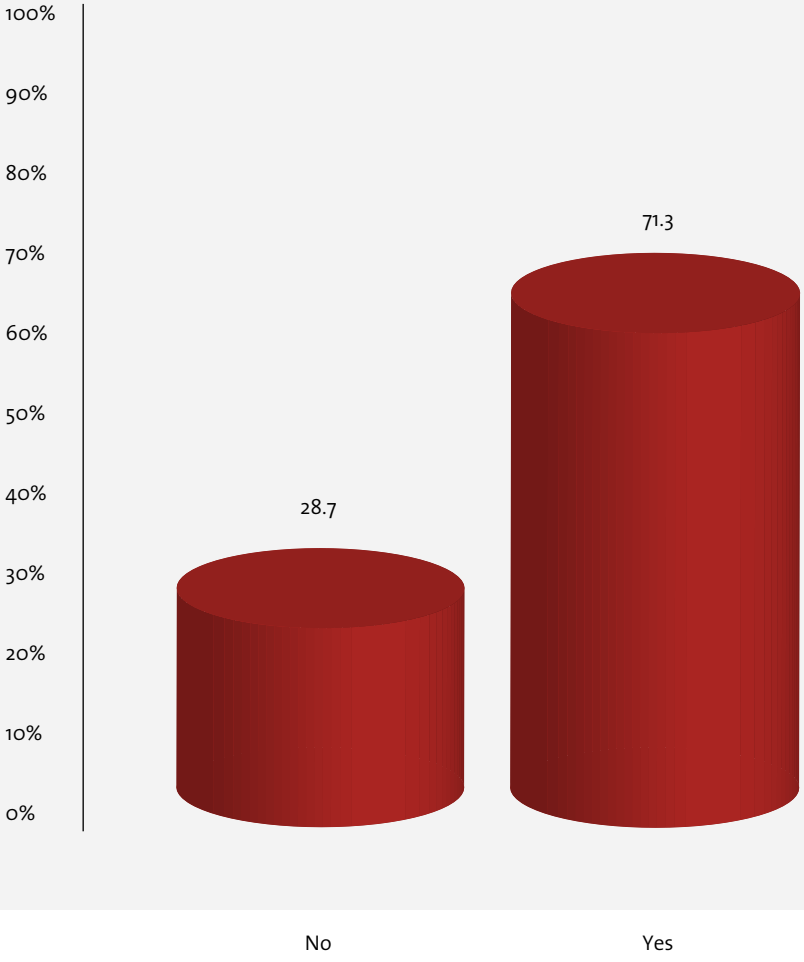


EDUCATION / CAREER

>> The study field has little impact on the later position within the communication field.

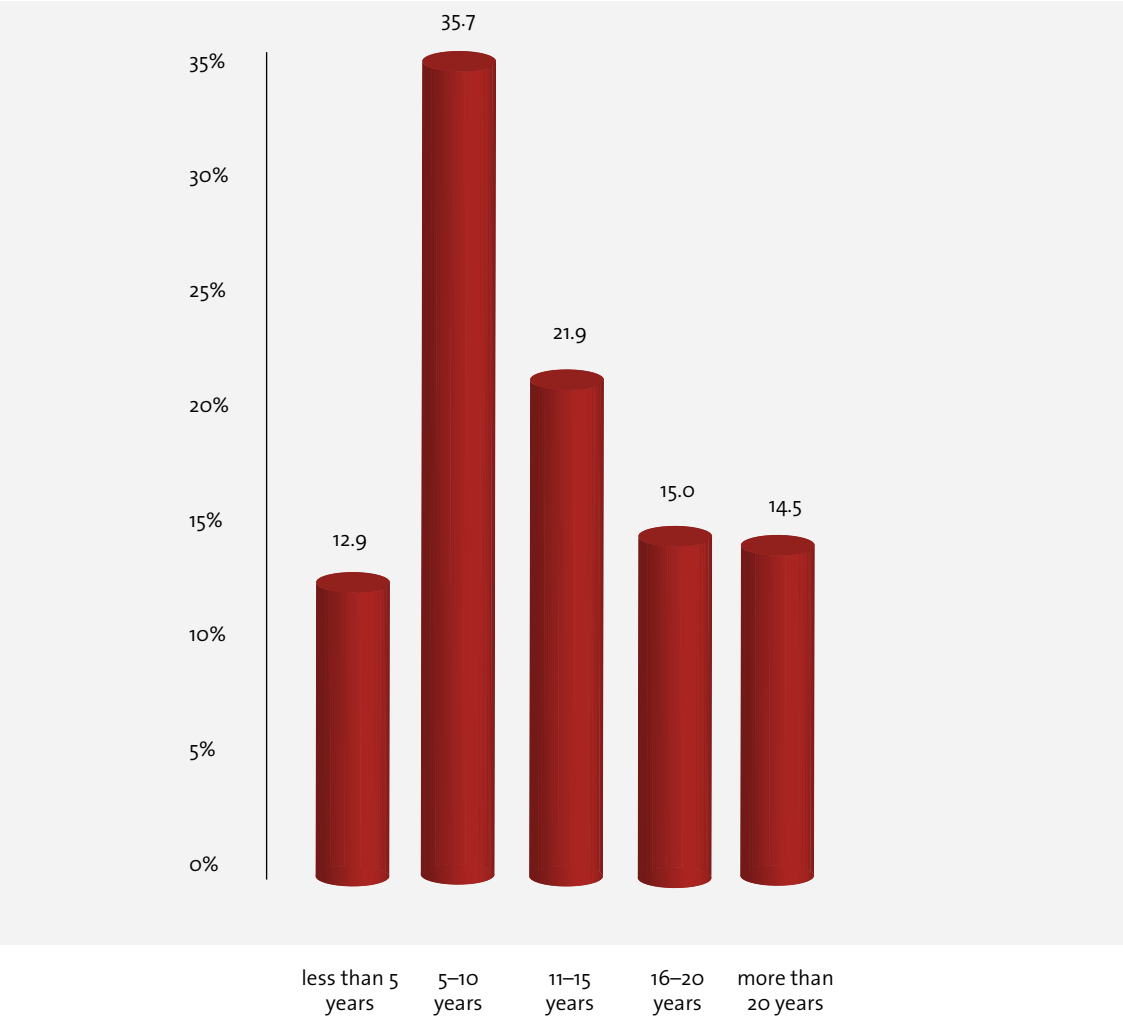


>> Training is largely considered to be beneficial to one's career, and so is widely attended.

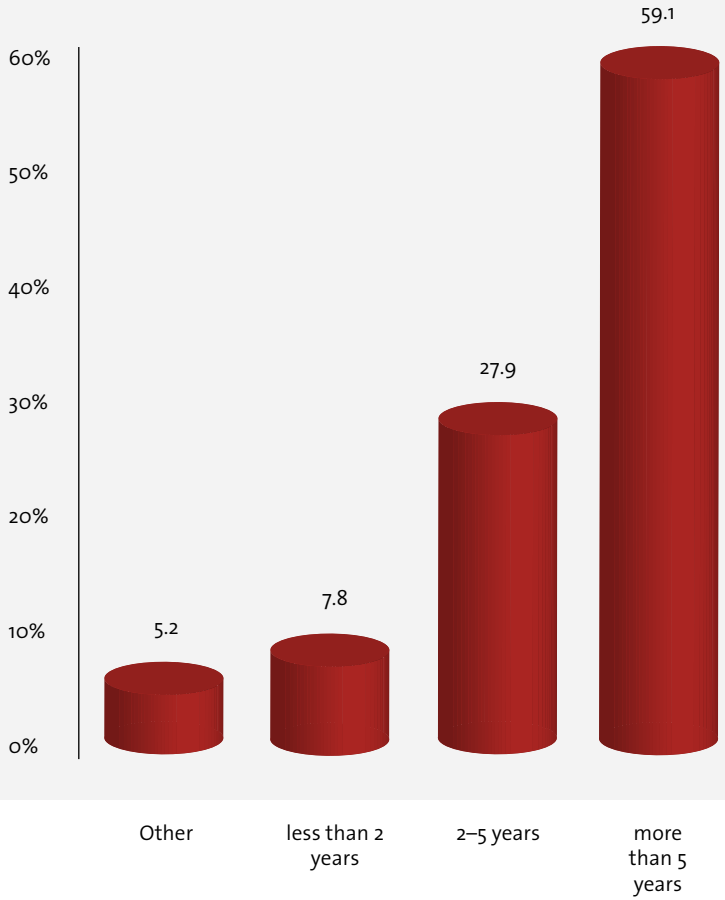


EDUCATION / CAREER

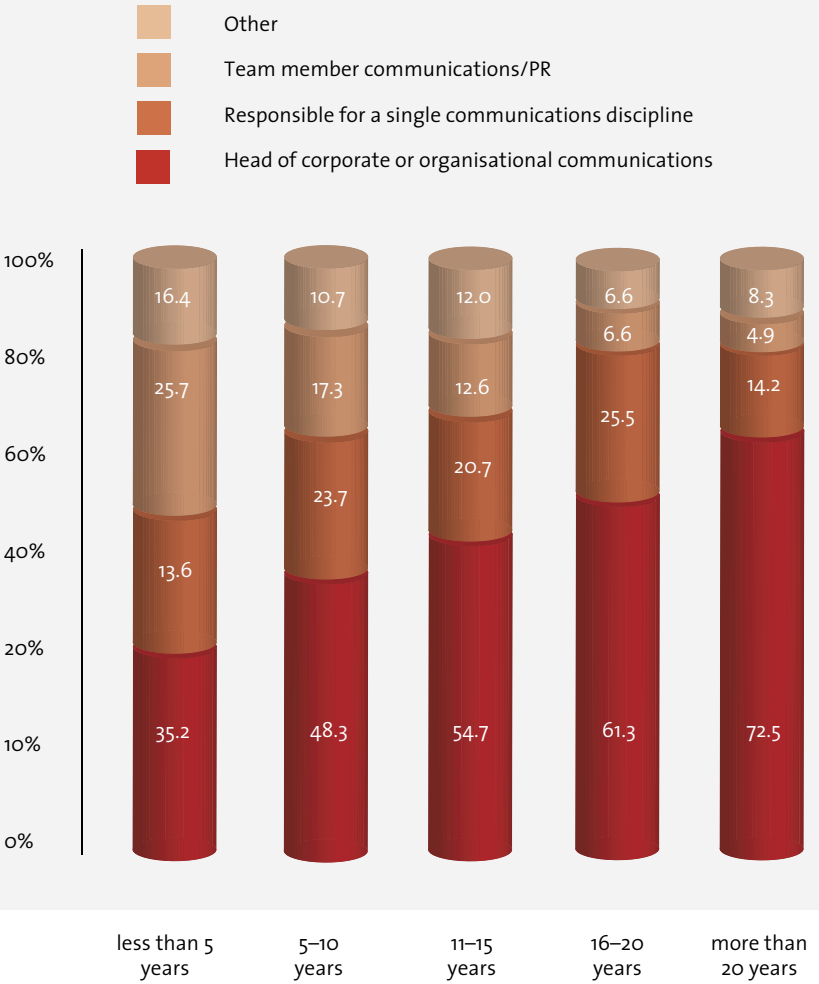
>> Most participants have worked in communications for 5–10 years, with an average of 13 years experience...



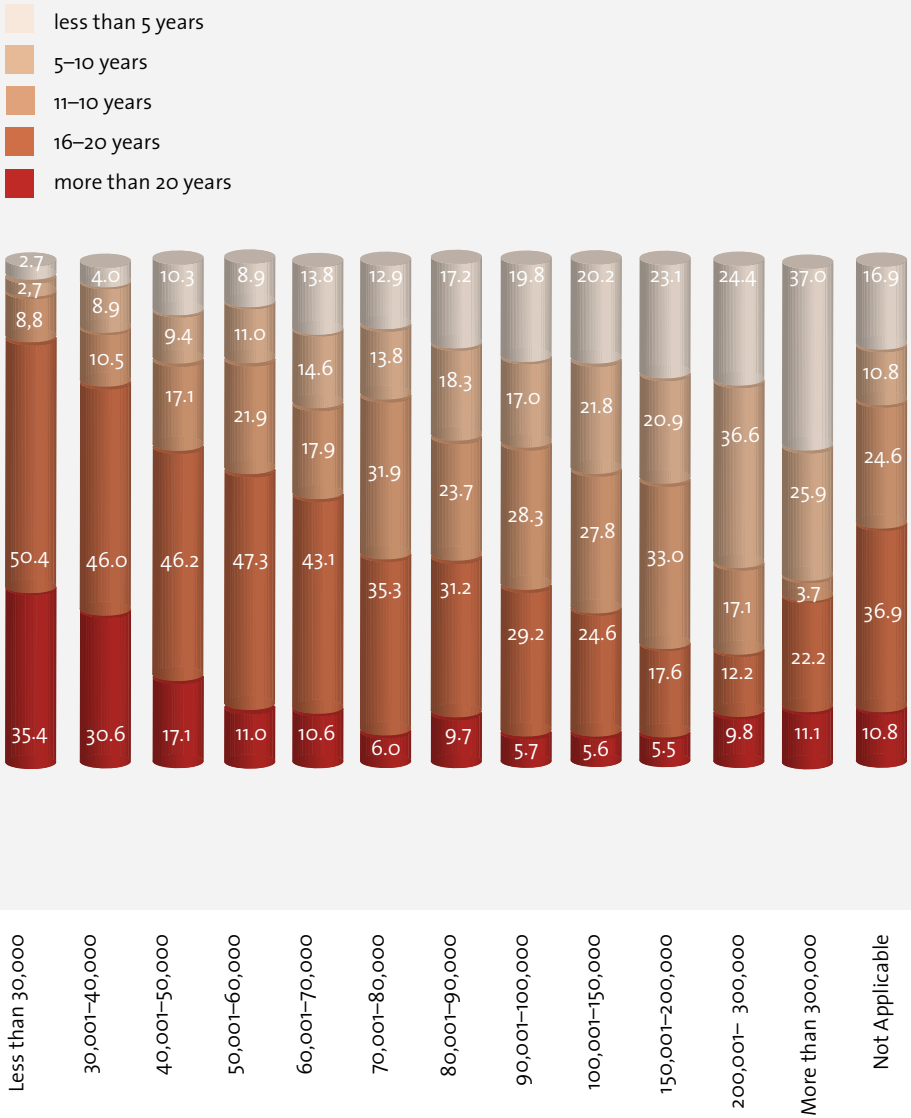
>> ... and a majority plan to stay in the profession for more than five years.



>> Experience in communications has limited impact on job position.

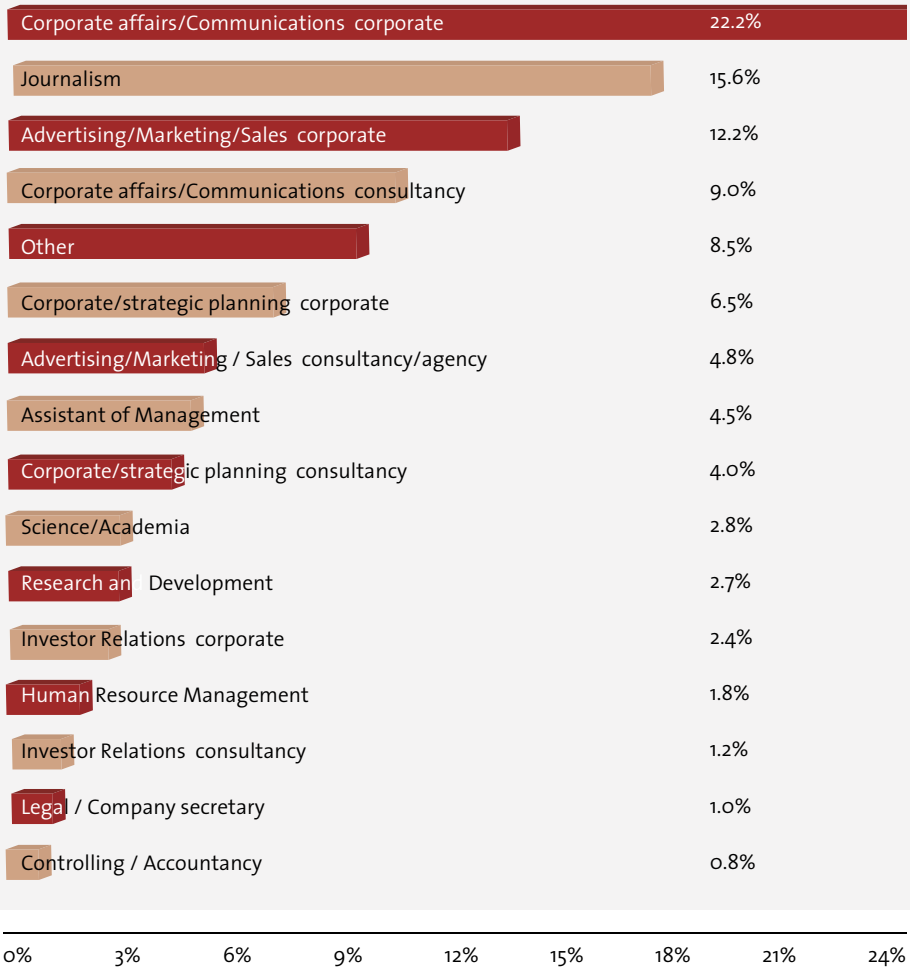


>> .... but no clear impact on the salary.

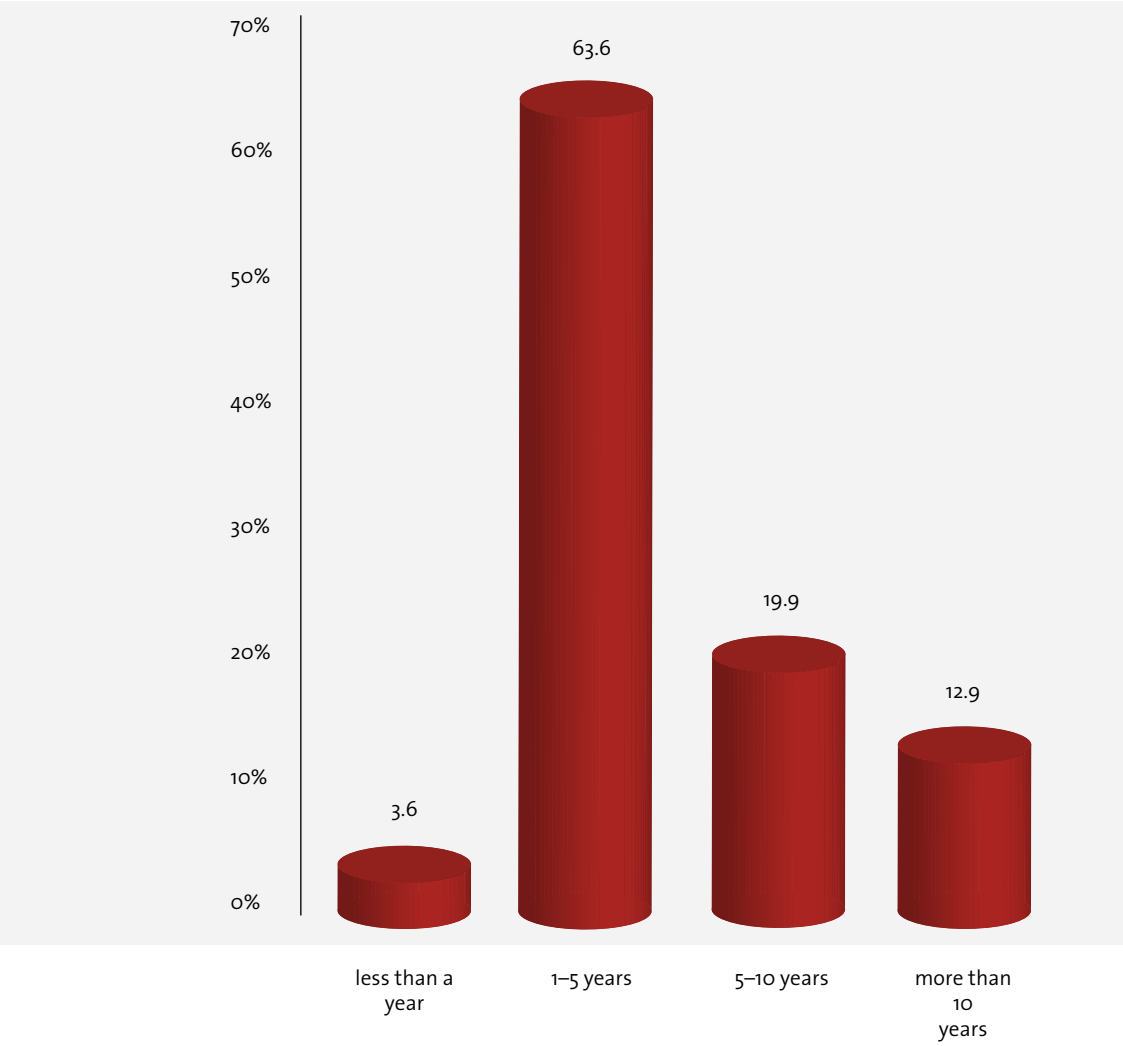


EDUCATION / CAREER

>> Participants have changed to communications most often from marketing and sales positions or journalism; the majority has worked in communications before.

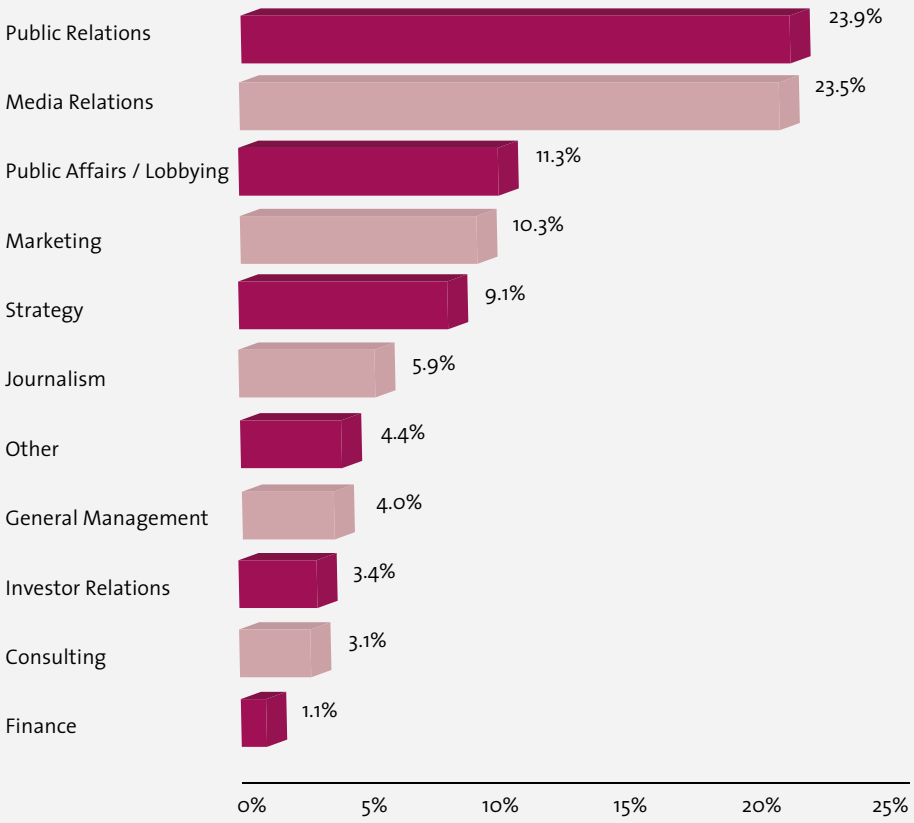


>> Approximately 40% have experience abroad, whereas most respondents worked abroad between 1 and 5 years, with an overall average duration of 5.4 years.



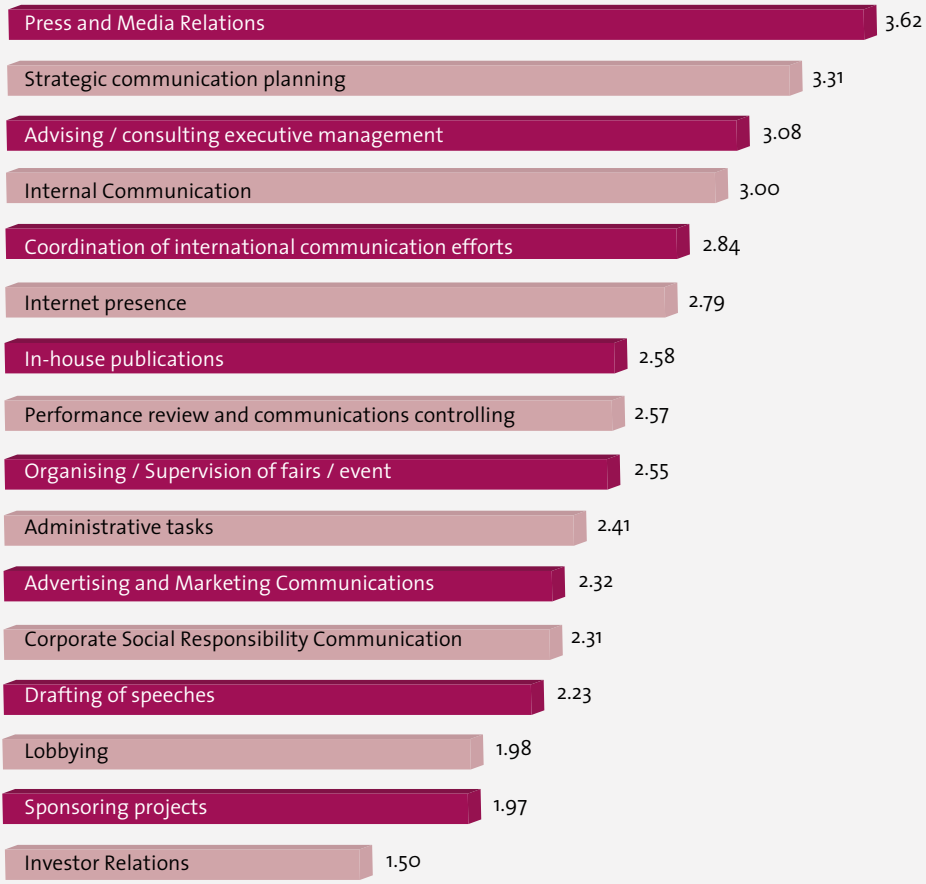
4.
Structures and Organisational Integration

>> Major working fields are Media and Public Relations, followed by Public Affairs/Lobbying.

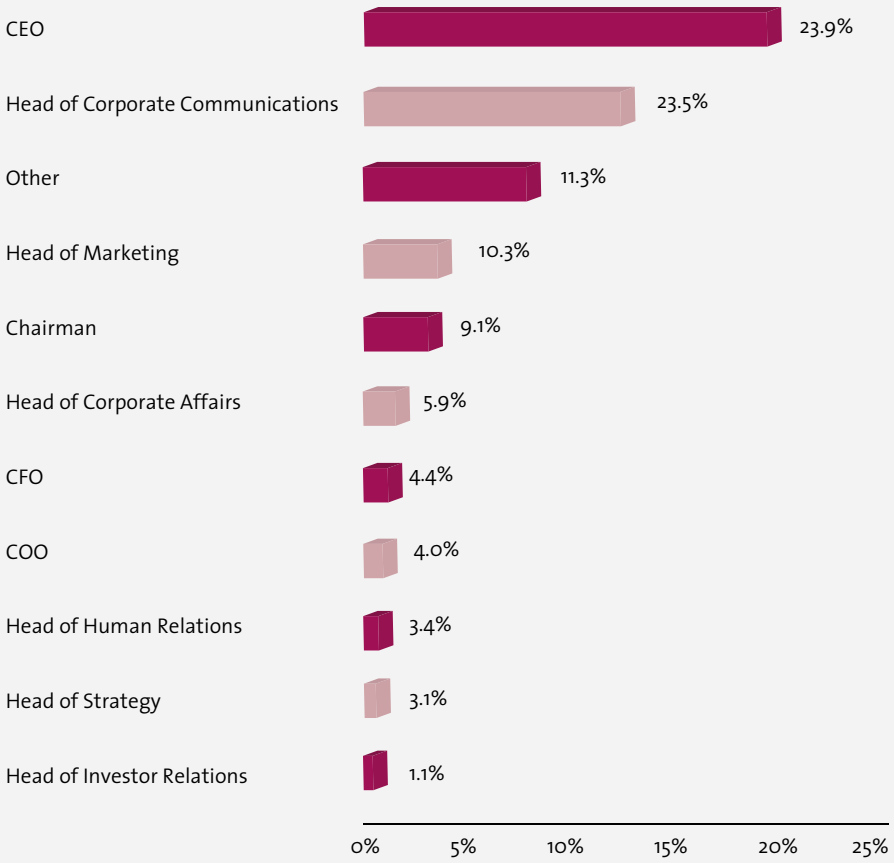


STRUCTURES AND ORGANISATIONAL INTEGRATION

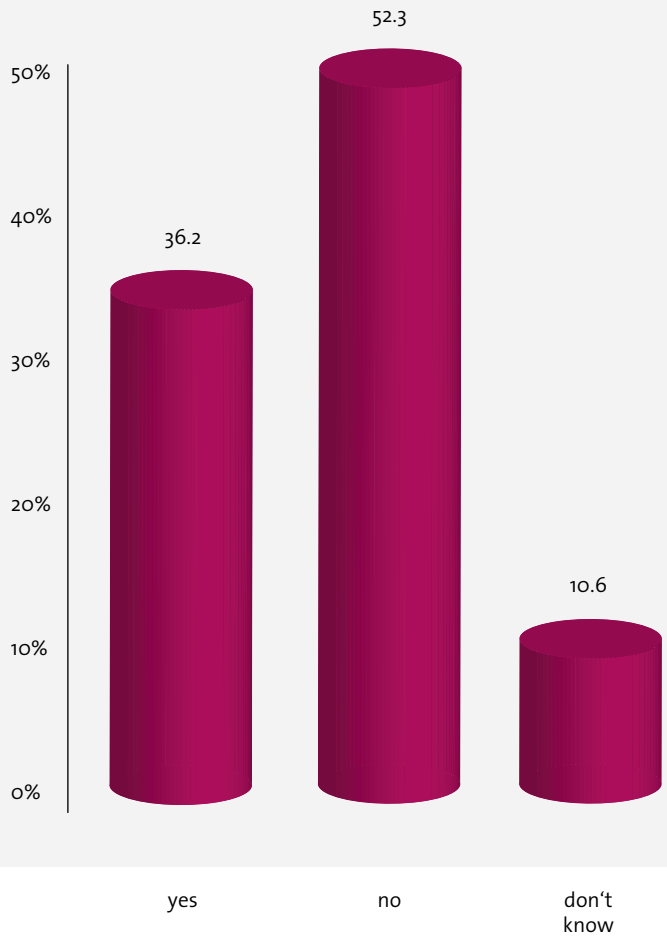
>> Most time is allotted to Press and Media Relations followed by strategic communication planning and advising executive management.



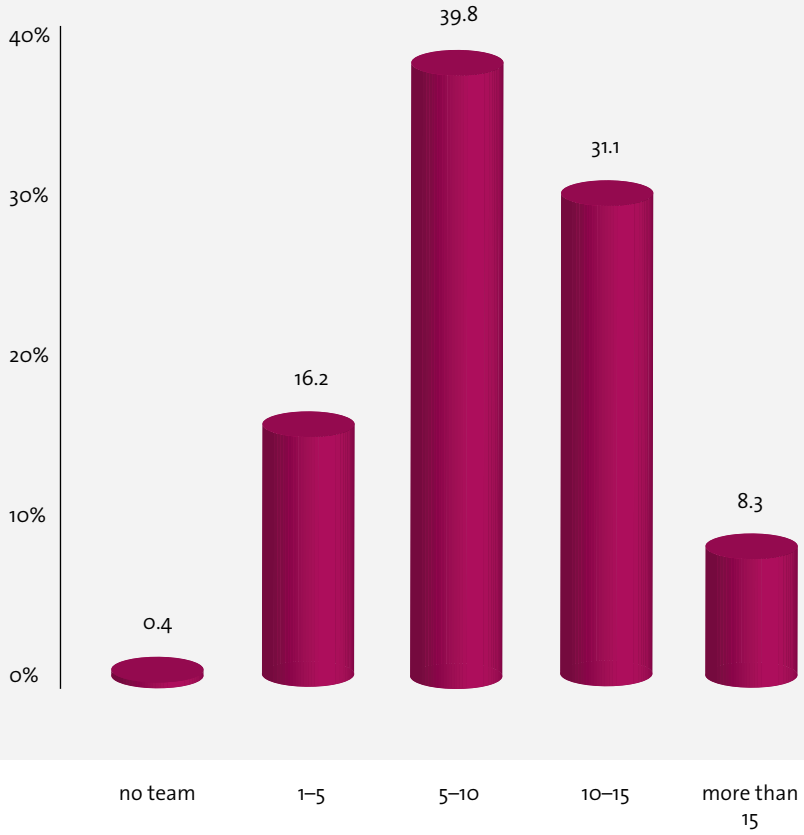
>> Depending on their position, communication professionals mainly report to the CEO or the Head of Corporate Communications.



>> Communication budgets have increased in 1/3 of cases.

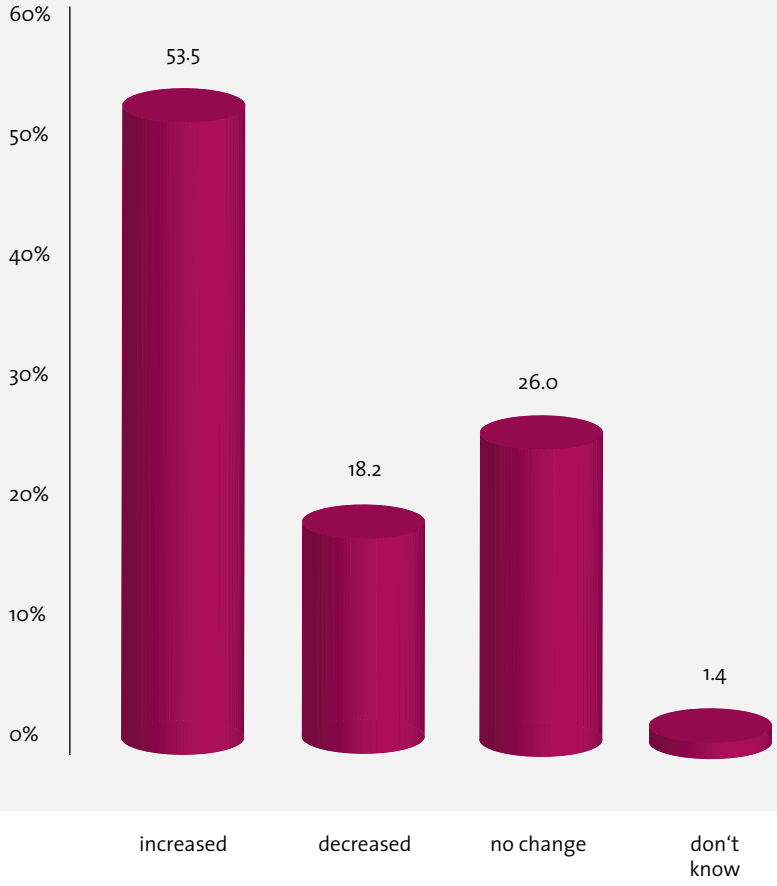


>> Most Communication Teams are between 5–10 people.

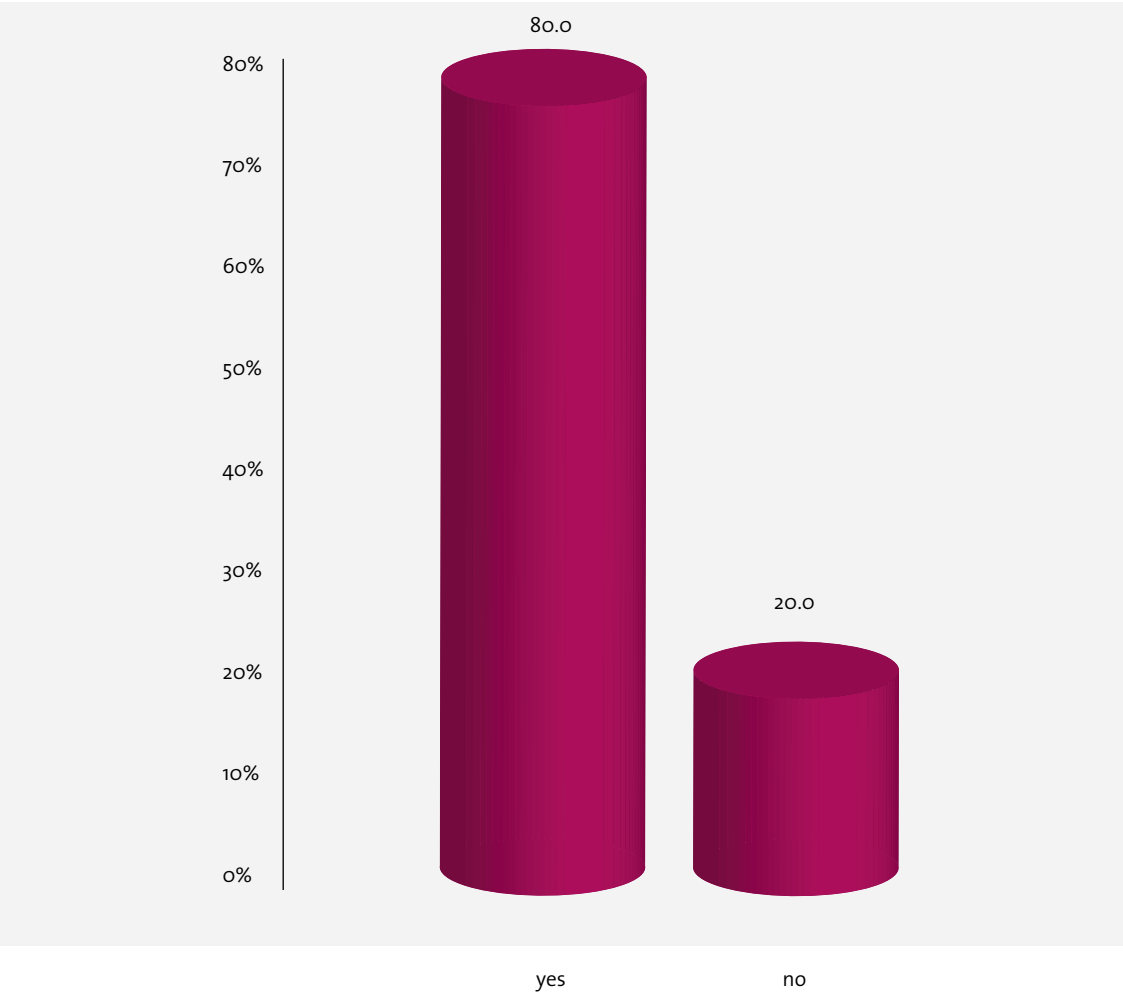


STRUCTURES AND ORGANISATIONAL INTEGRATION

>> More than 50% have seen an increase in team size.

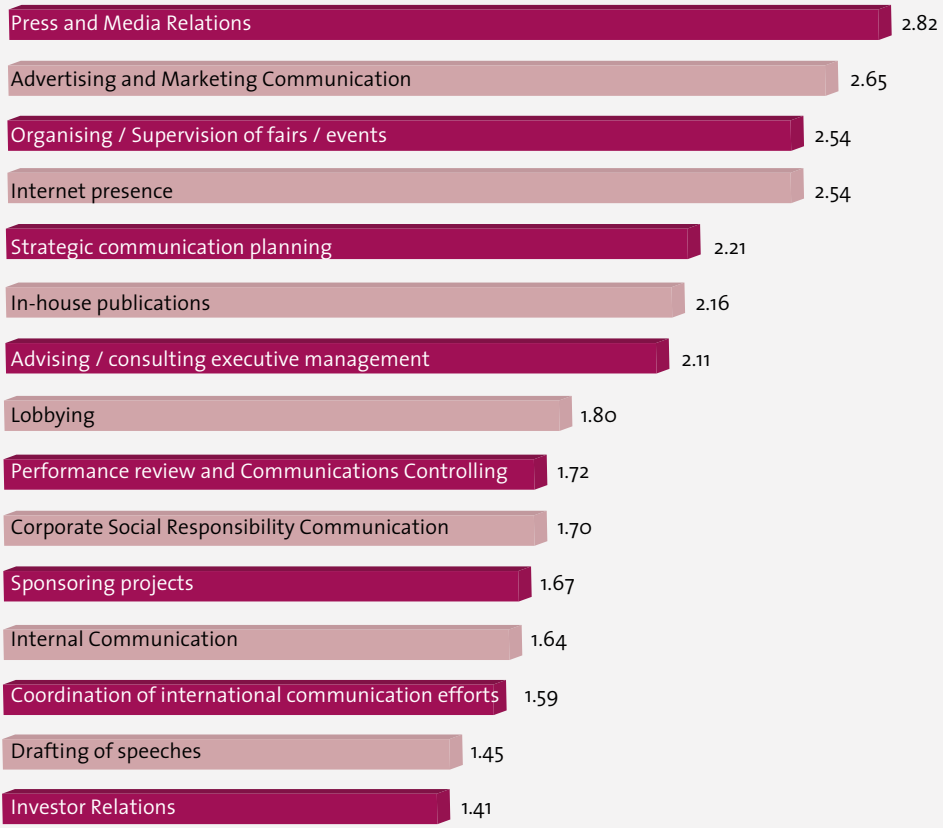


>> Cooperation with consultants is widely common...

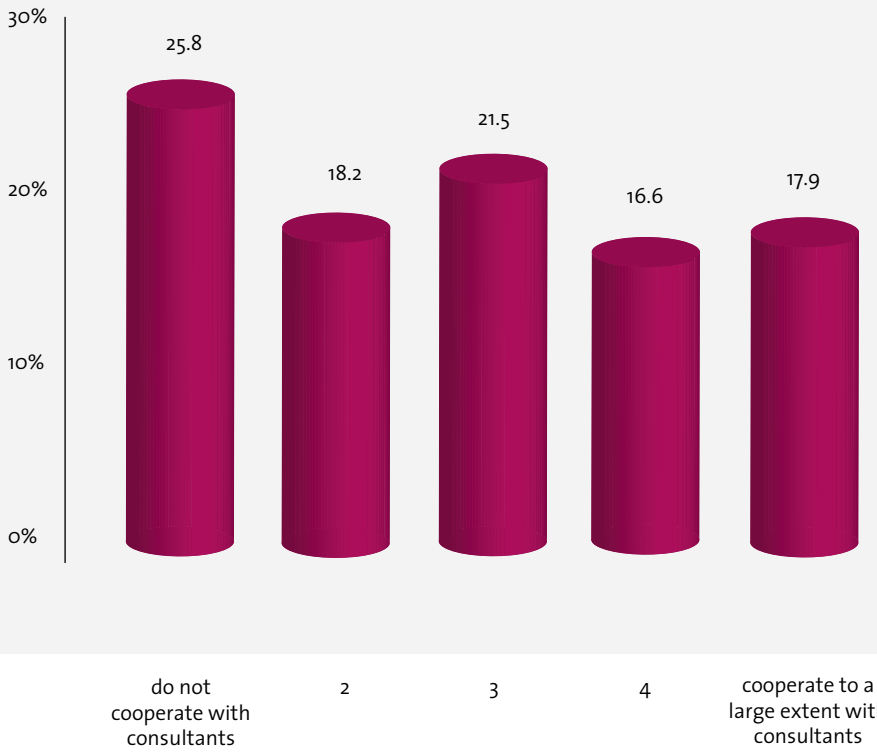


STRUCTURES AND ORGANISATIONAL INTEGRATION

>> ... especially in the fields of press and media relations as well as in advertising and marketing...



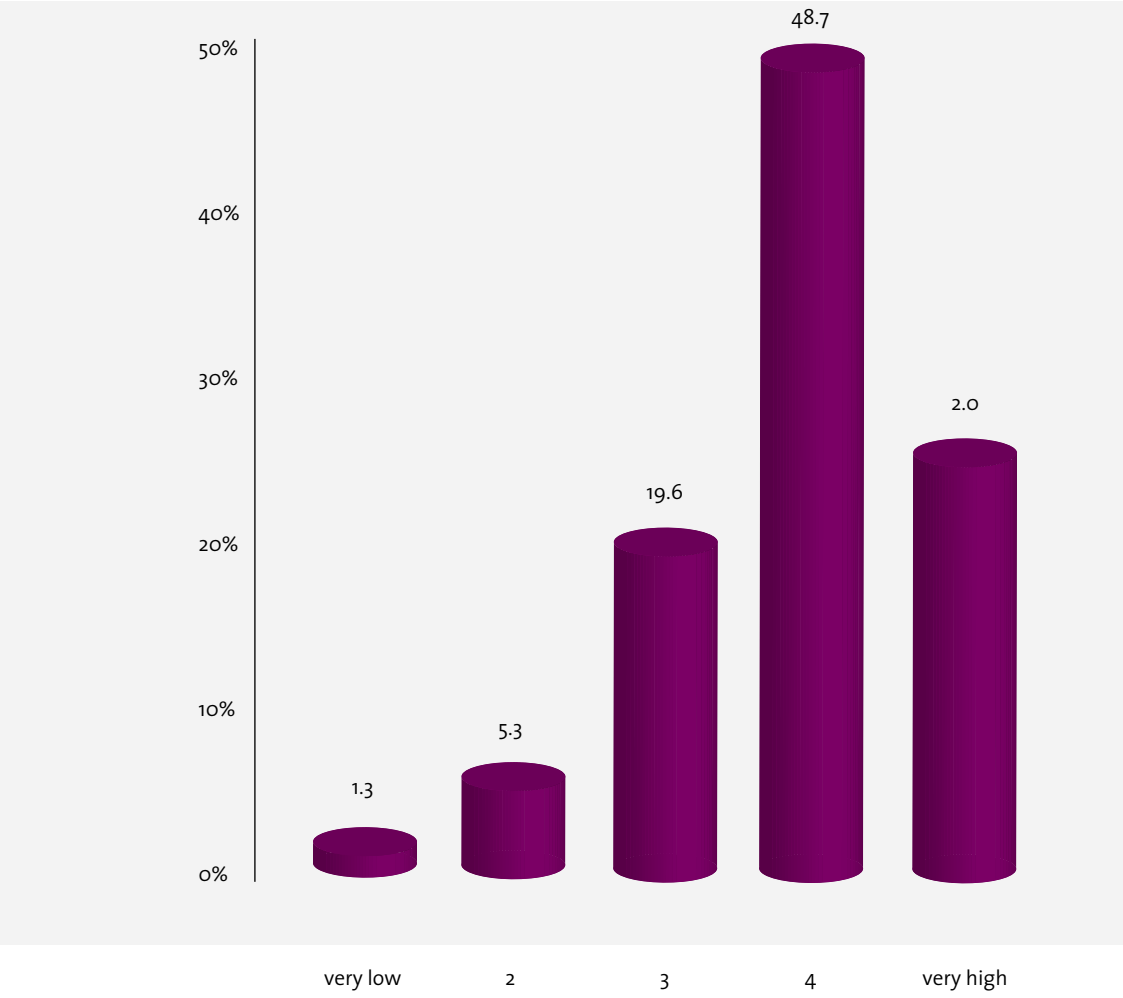
>> ... whereas advising and consulting the executive management is a task mainly performed in–house.



5. Job Satisfaction / Perception

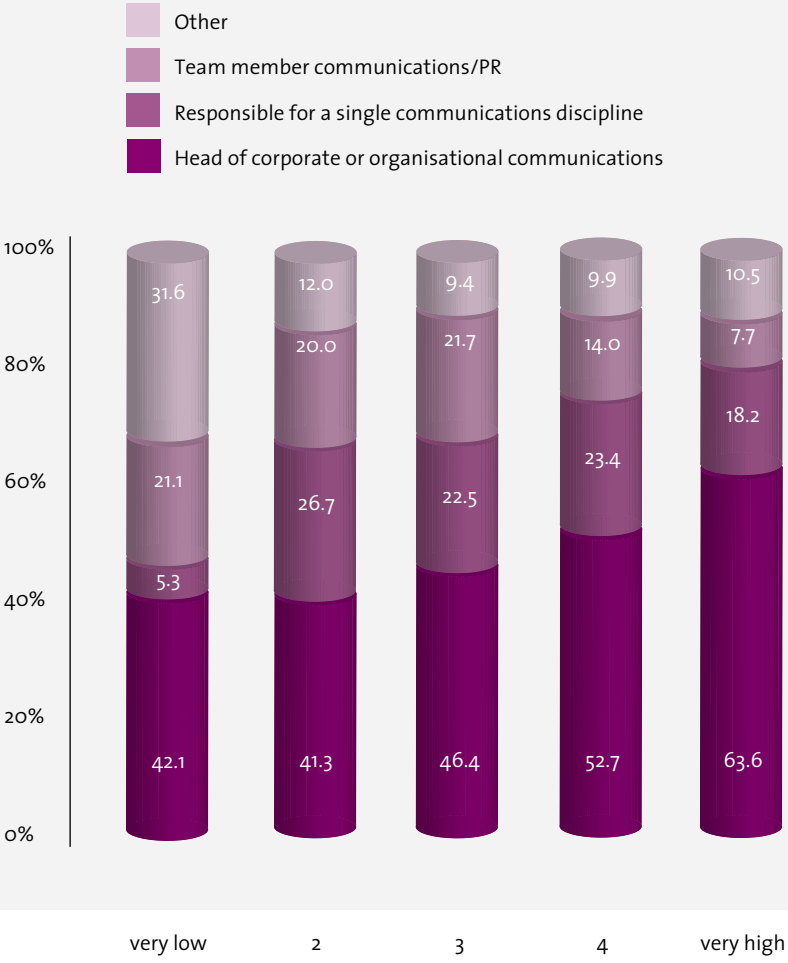
JOB SATISFACTION / PERCEPTION

>> Job satisfaction is fairly high among communication professionals.

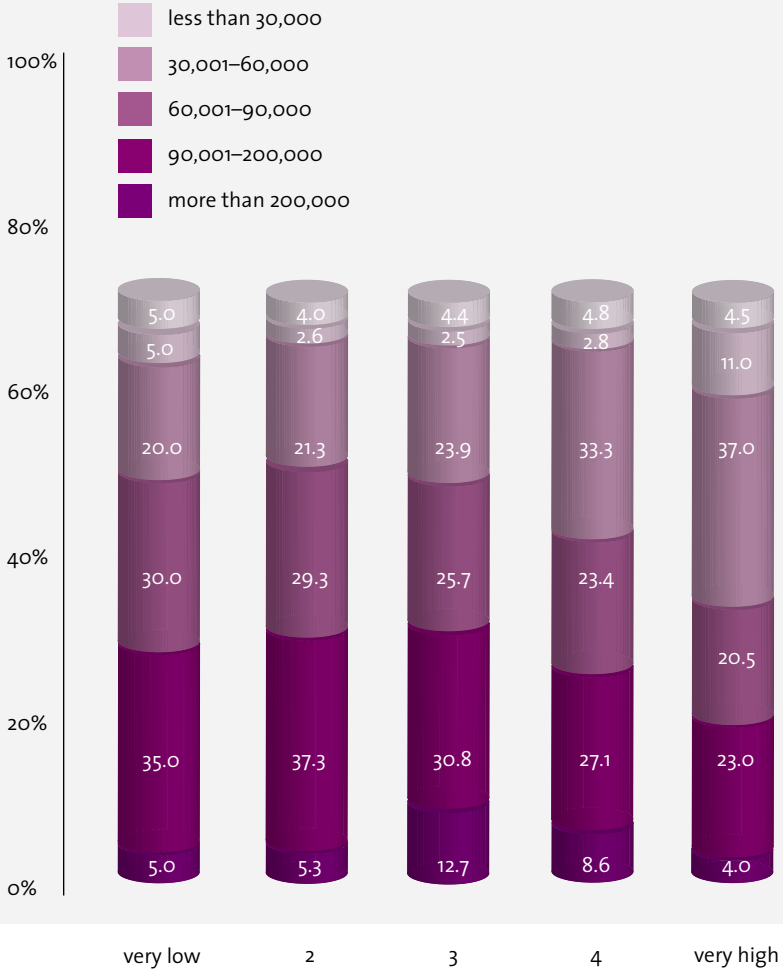


JOB SATISFACTION / PERCEPTION

>> Team members tend to be less happy with their jobs than managers.

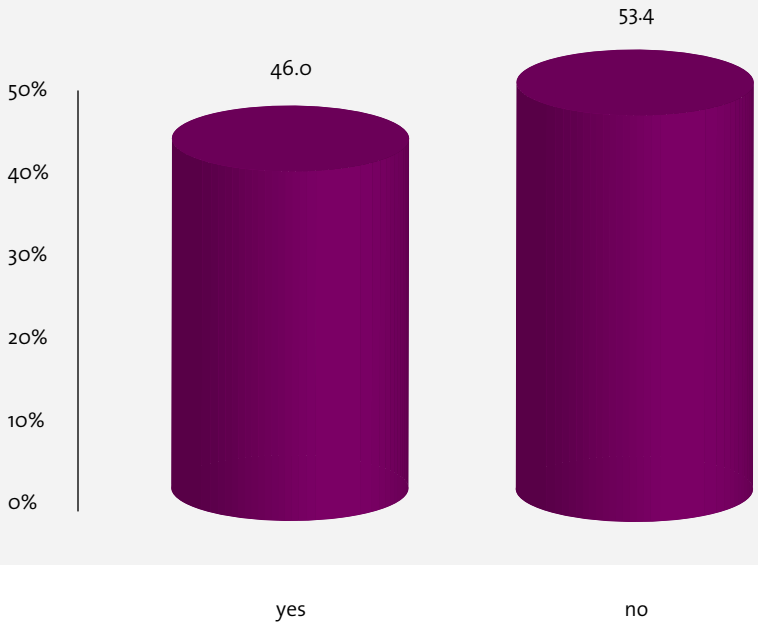


>> Salary has no clear impact on job satisfaction.

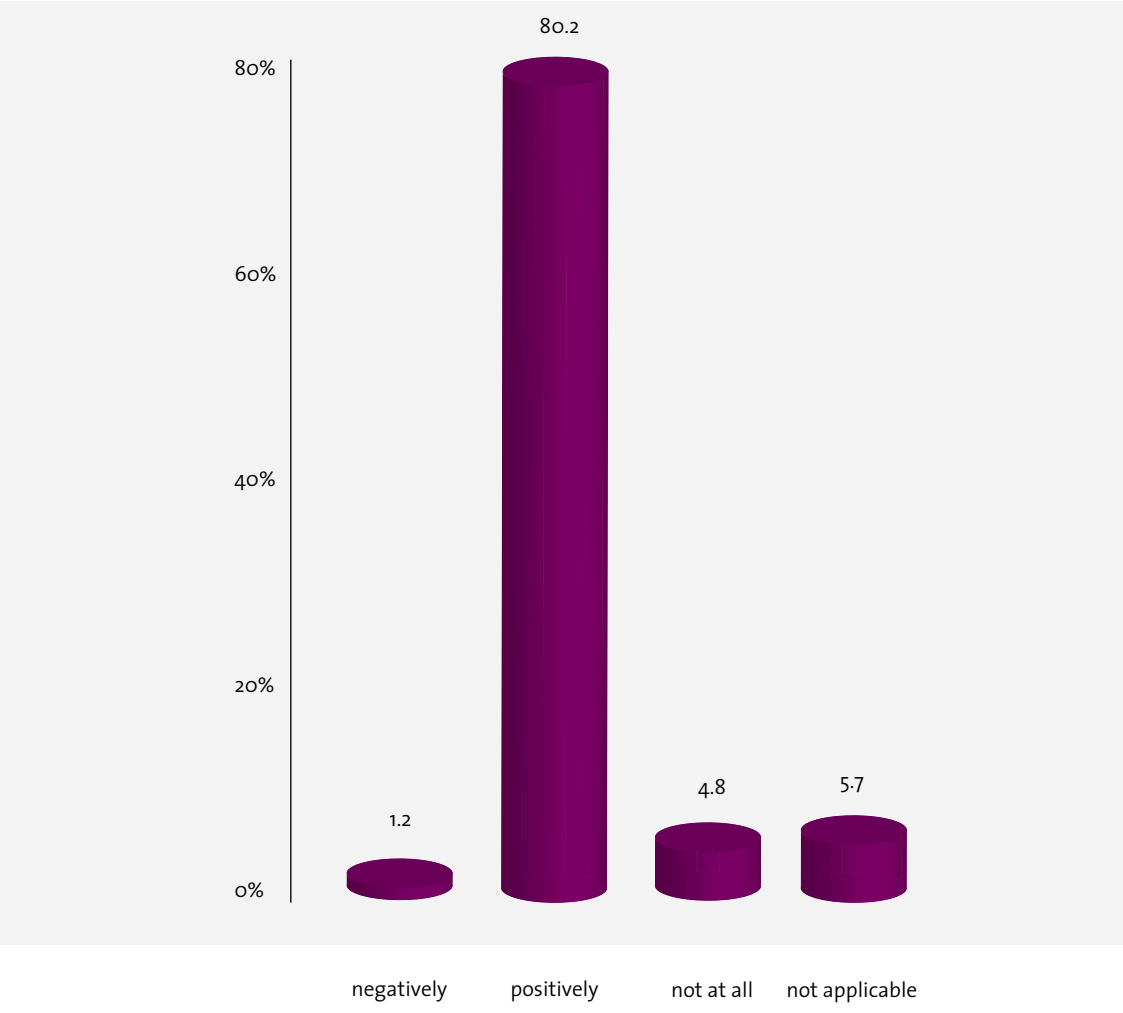


JOB SATISFACTION / PERCEPTION

>> Nearly half the number of communication professionals were promoted in the past few years.

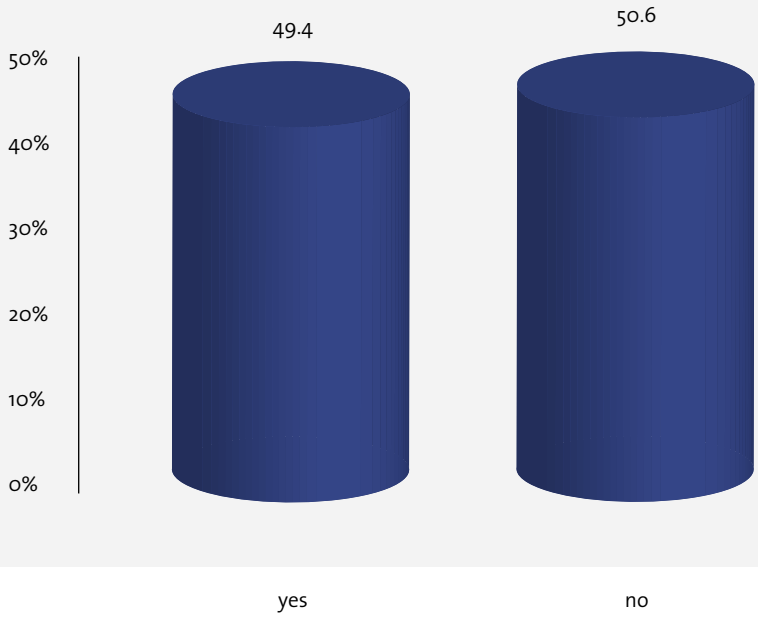


>> 80% believe that the perception of the communication profession has changed positively.



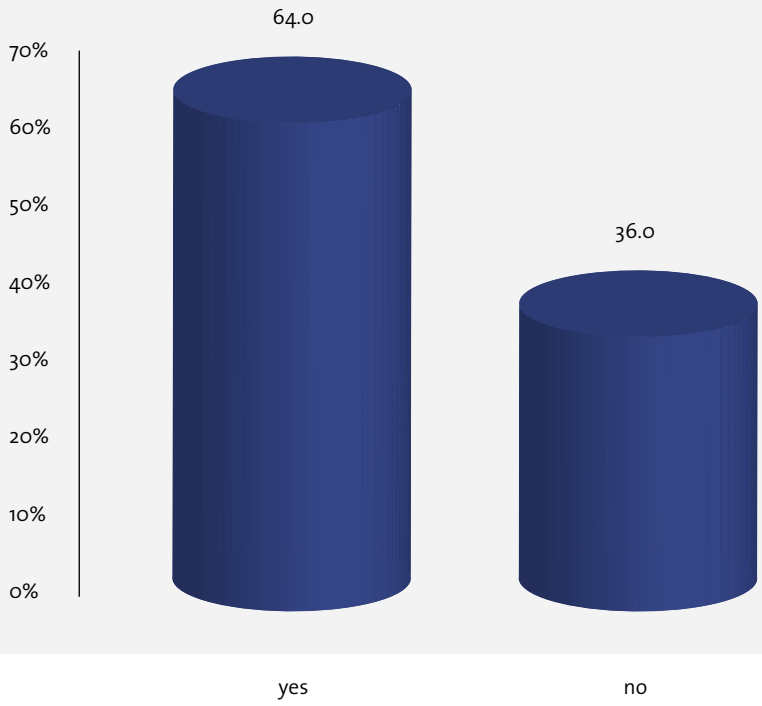
6.
Certification Standards

>> Communication professionals are divided about the necessity for an EU-wide certification standard for communication professionals...



CERTIFICATION STANDARDS

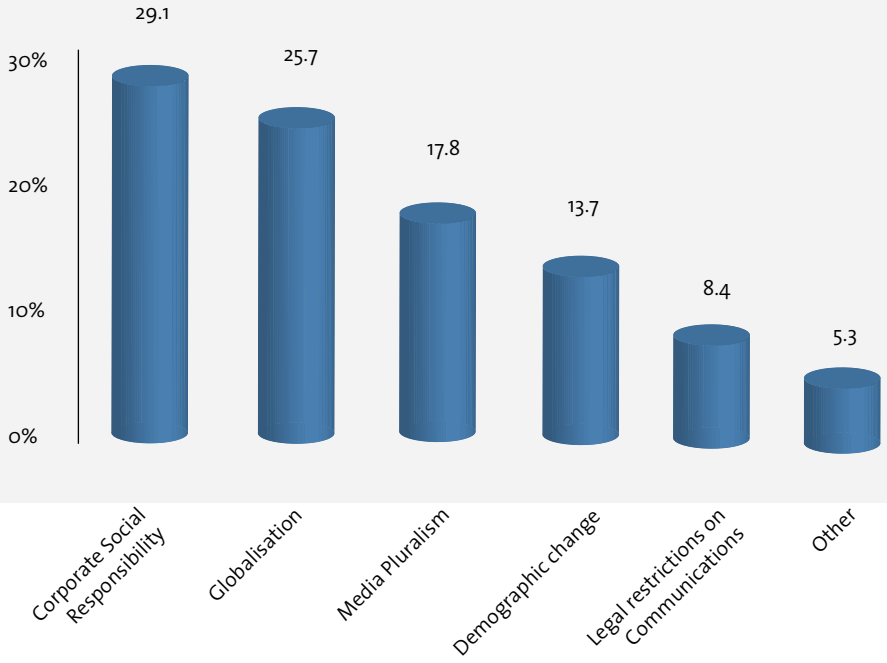
>> ... though a majority sees the need for an EU–wide certification standard for qualification institutions.



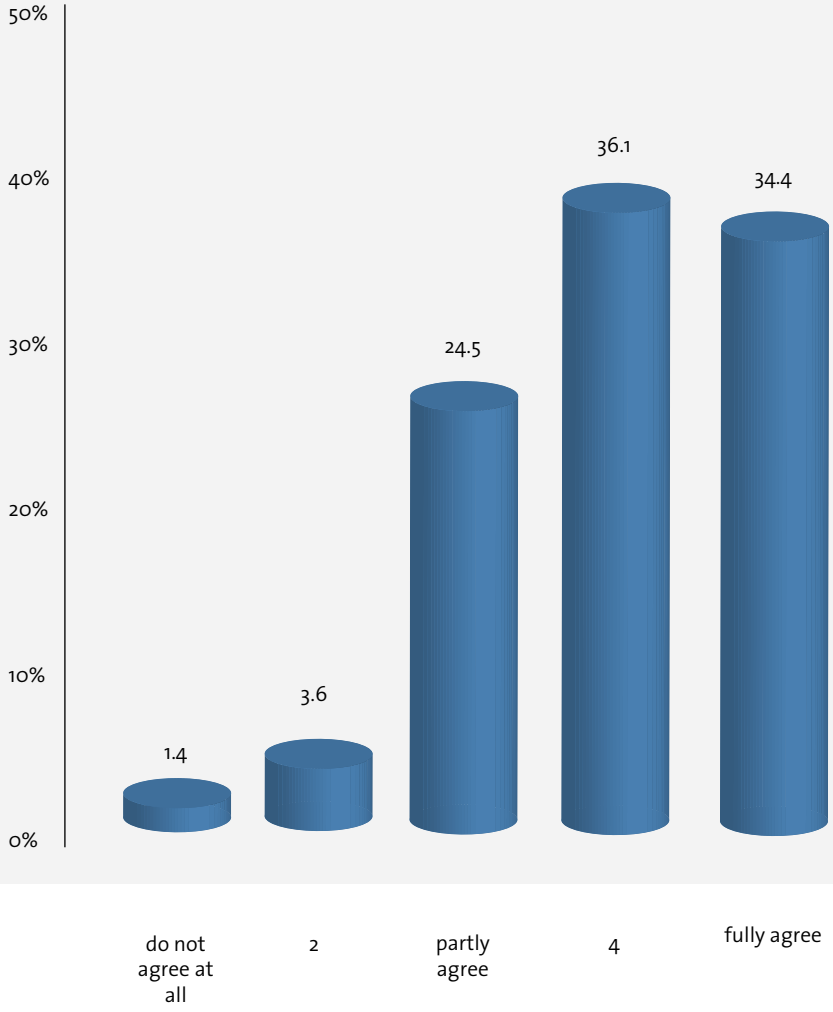
7. Issues in Communications

ISSUES IN COMMUNICATIONS

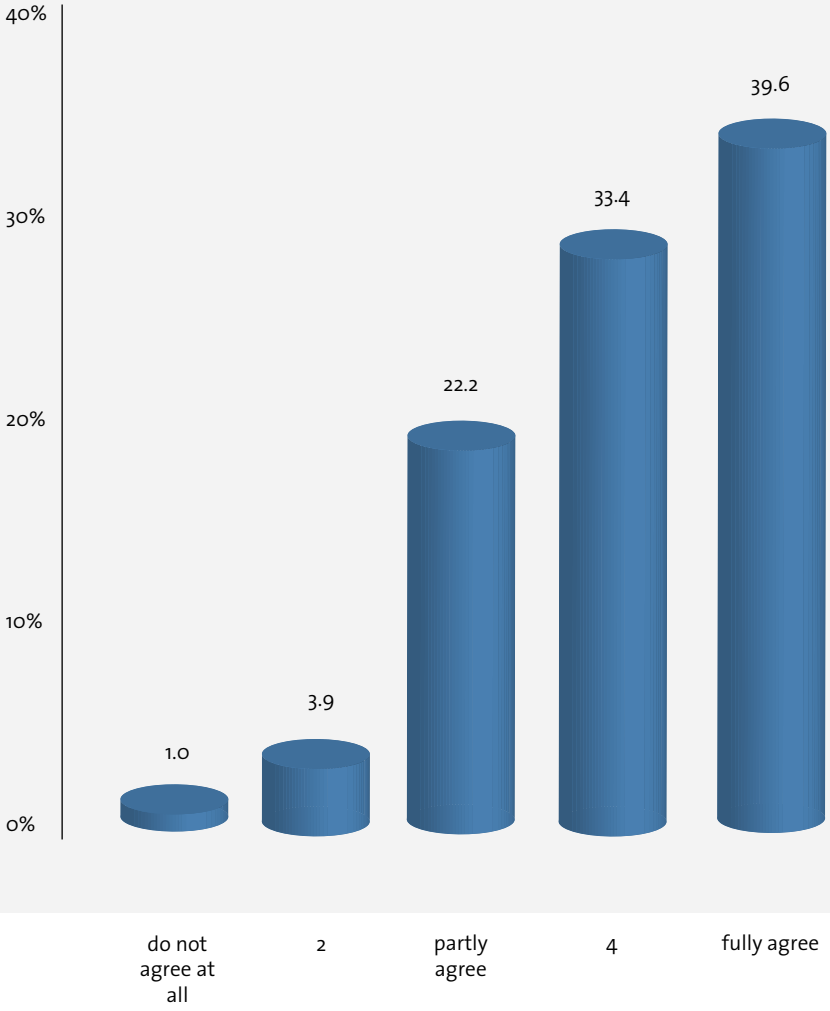
>> Communication professionals regard globalisation and CSR as the most important issues in future.



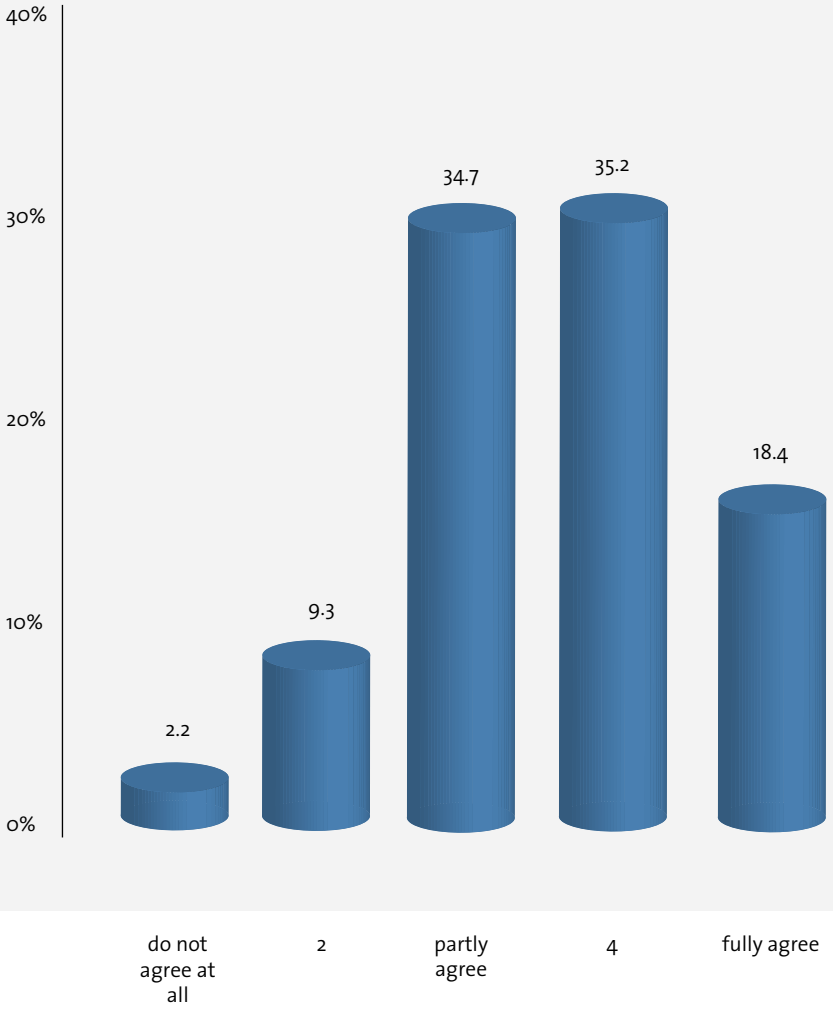
>> Communication professionals widely agree that specific communication strategies for fragmented audiences will be essential.



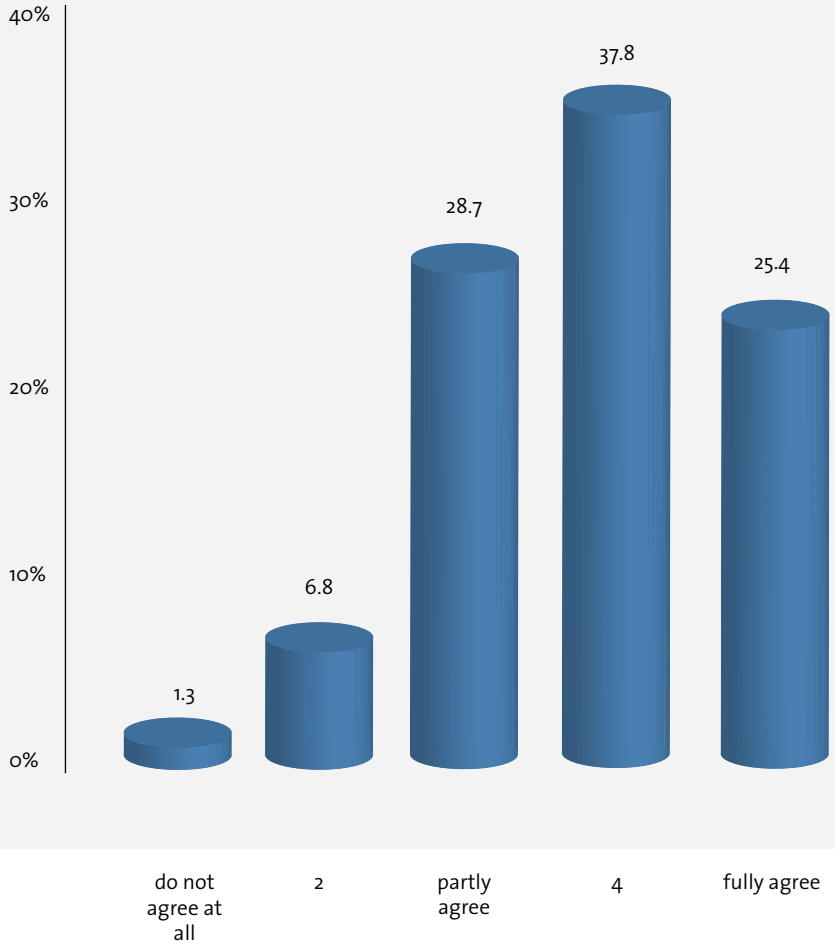
>> The growing importance of online channels crossing borders and cultures is recognised.



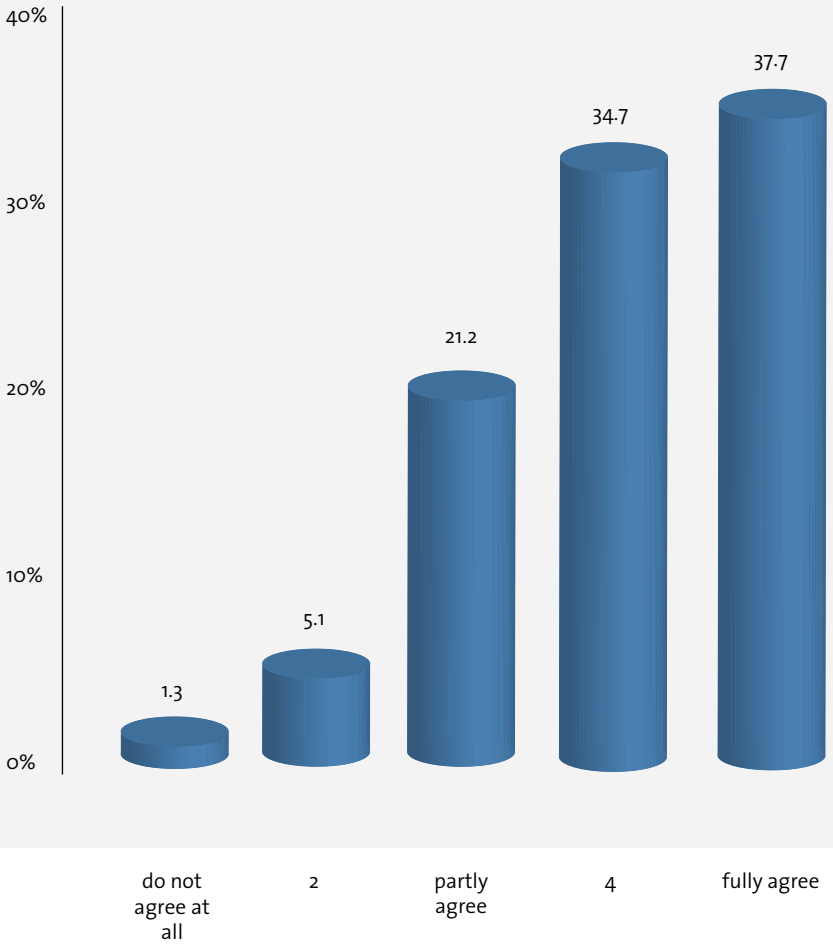
>> Personal recommendations and word of mouth communication will gain importance.



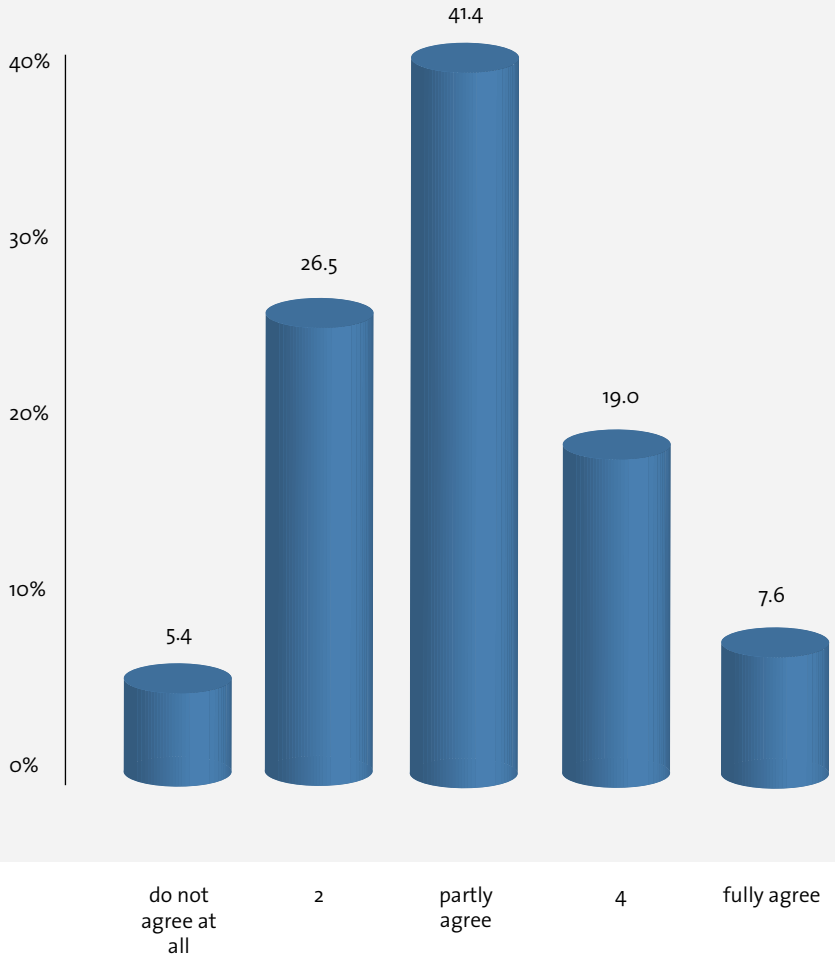
>> Recipients will be more active and demand more symmetrical/dialogical ways of communication.



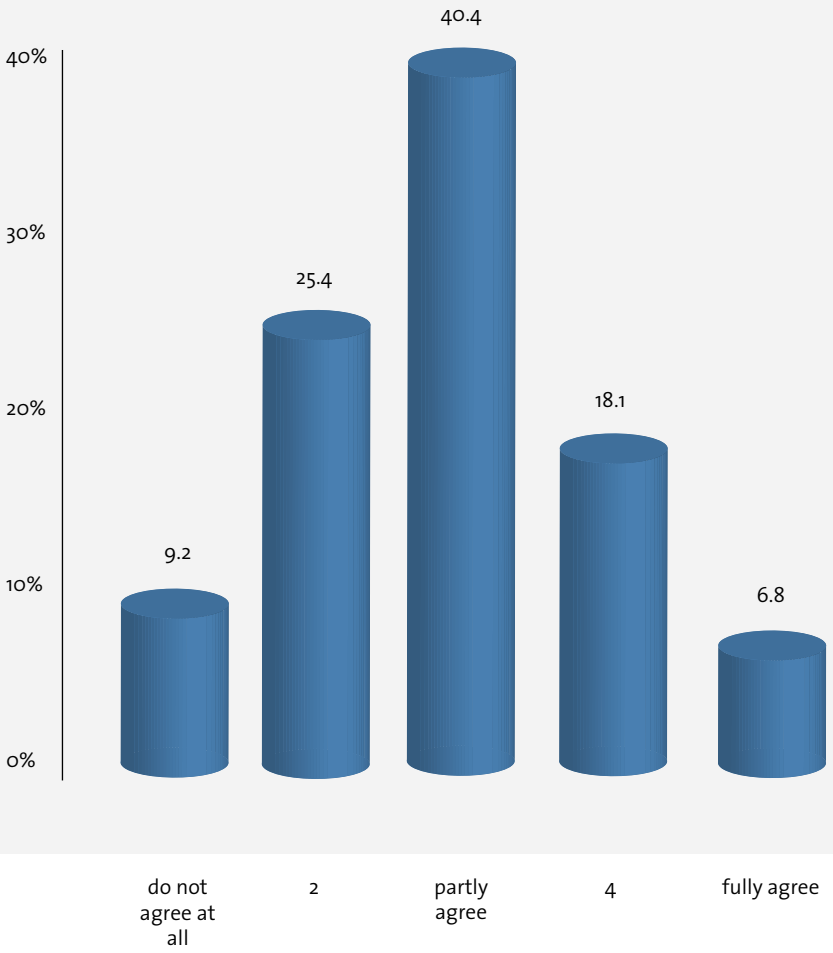
>> A unified and integrated communication strategy will be all the more essential.



>> A European public sphere will develop a new forum for communication on transnational issues.

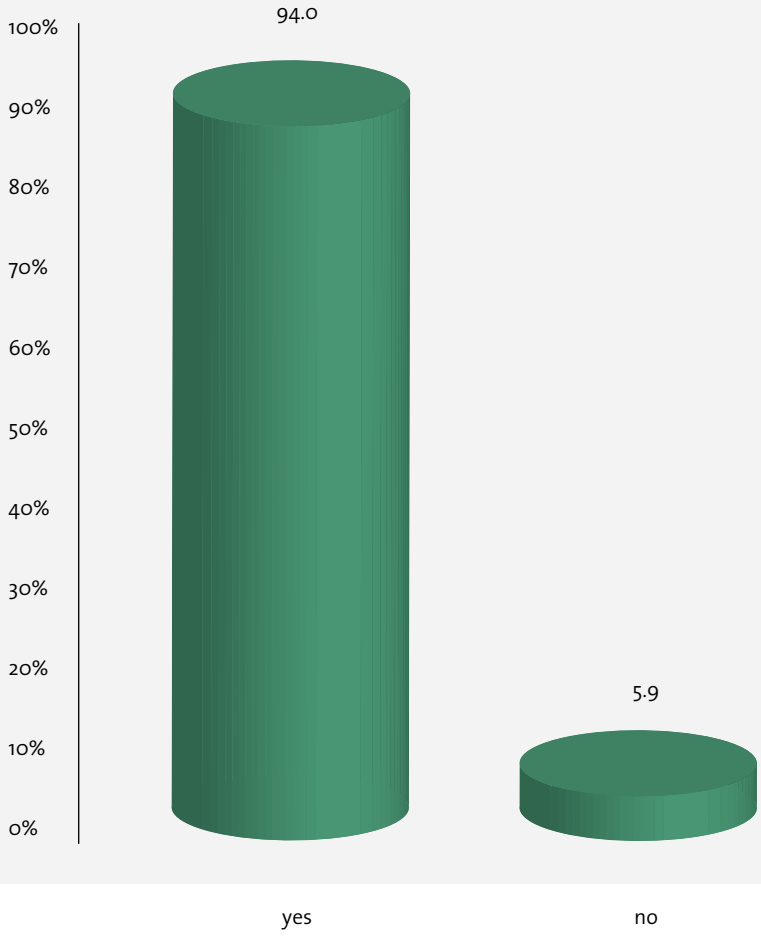


>> A shift of lobbying and political communication from national capitals to Brussels will happen.

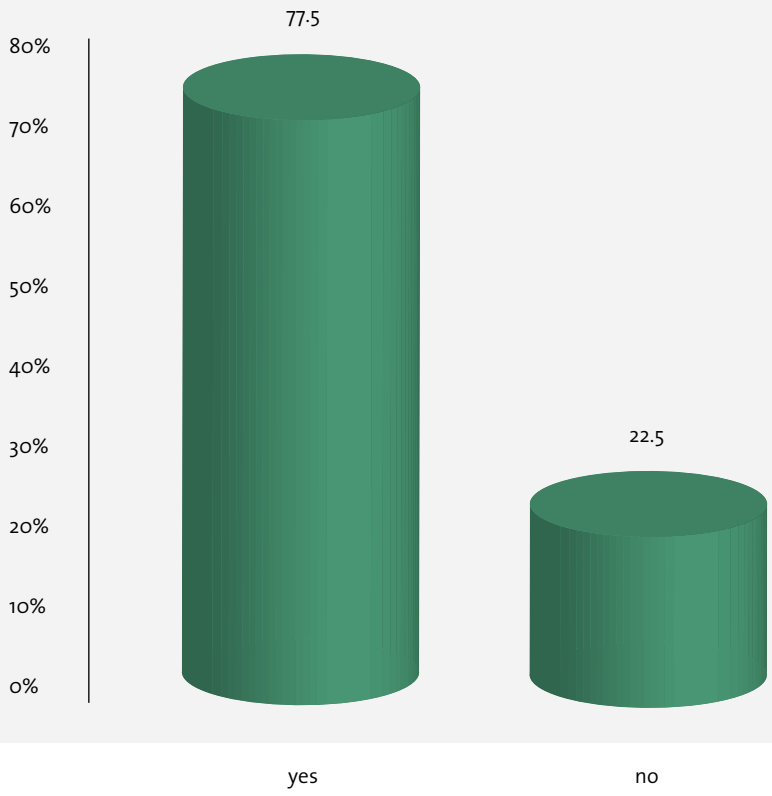


8. Measures

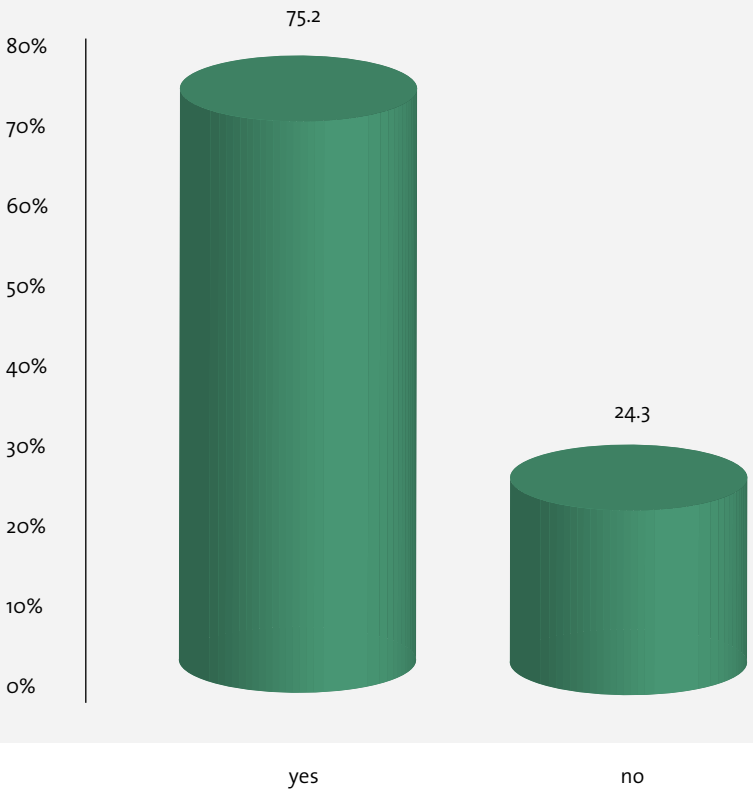
>> Over 90% believe that it is possible to measure the success of communication efforts...



>> ... and consequently a majority of communication departments measure their success.

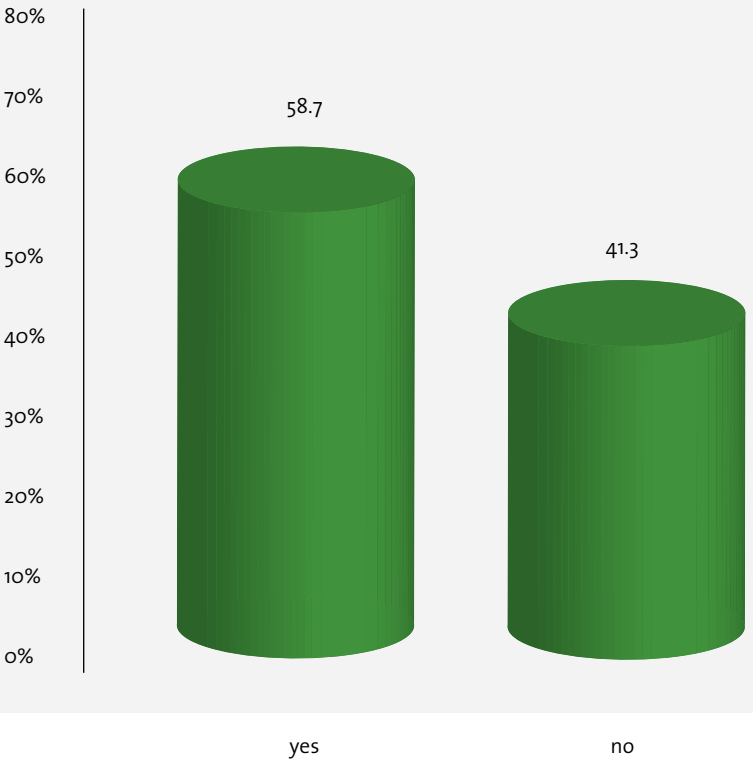


>> 75% believe there is a need for consistent evaluation standards.

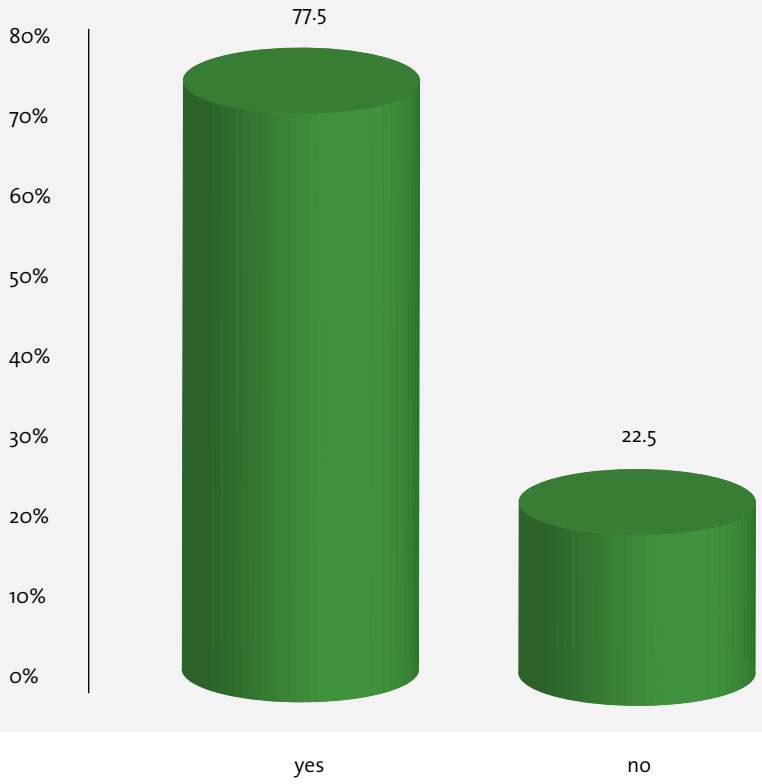


9.
Associations

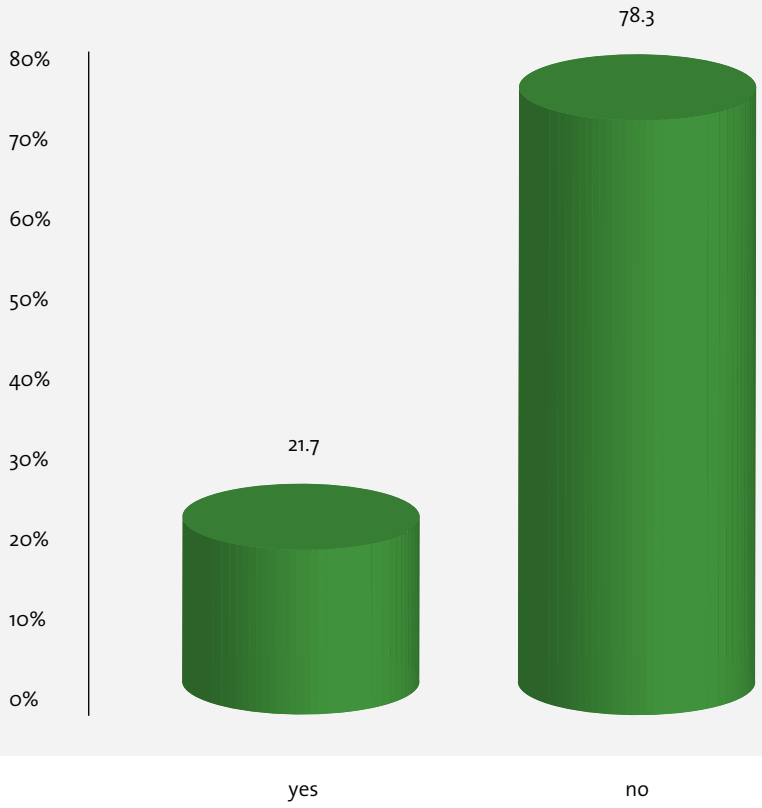
>> With a ratio of 41% national communication associations are thought to play a predominant role...



>> ... whereas international communication associations have a minor impact with 23%.

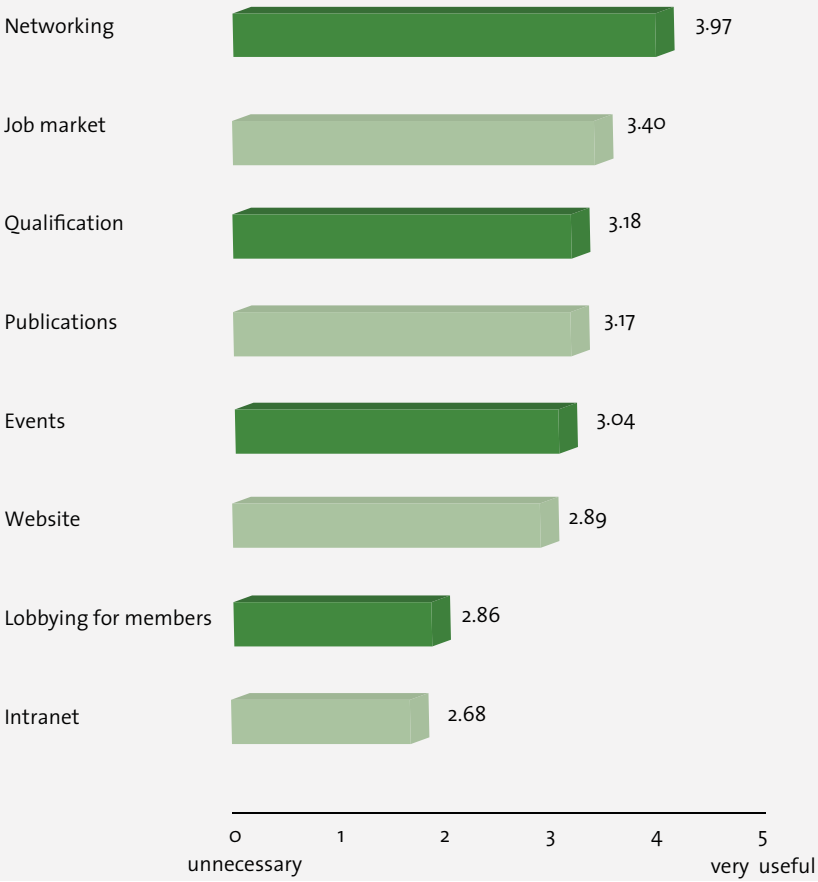


>> 22% of respondents are EACD members.



ASSOCIATIONS

>> Networking is seen as the major asset of communication associations.



THE EUROPEAN ASSOCIATION OF COMMUNICATION DIRECTORS (EACD) IS A EUROPEAN NETWORK OF COMMUNICATION PROFESSIONALS WHO WORK IN COMPANIES, ASSOCIATIONS, NGOS AND IN THE POLITICAL FIELD. IT AIMS TO ADVANCE THE PROFESSION BY ORGANISING EVENTS AND MEETINGS, SHARING IDEAS AND KNOWLEDGE FROM ACROSS EUROPE, AND ESTABLISHING STANDARDS OF THE HIGHEST QUALITY. THE NON-PARTISAN ASSOCIATION ALSO LOBBIES FOR THE PROFESSION, OFFERS LEGAL AND PRACTICAL ADVICE, AND PROVIDES USEFUL SERVICES AND INFORMATION FOR ITS MEMBERS.

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