

FTSE 100

Group Director of Corporate
Communications/Affairs Survey
2018



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Watson Helsby is a specialist corporate communications/affairs executive search, research and advisory firm. We have published numerous reports on the corporate communications/affairs disciplines in which we specialise, including media relations, internal communications/employee engagement, public affairs, investor relations, social & digital media and campaigning & advocacy. We have been publishing our FTSE 100 Survey since 2013 and it has now become an annual fixture and is widely recognised as the most comprehensive survey of its type.

Nick Helsby, CEO of Watson Helsby, has written and been quoted in, several articles that have appeared in both national and trade press. Nick is both a subject matter expert and a well-informed and trusted advisor to both clients and candidates on matters such as external communications, internal communications and employee engagement and public affairs and government relations.

Contents

Title	Page
About the survey	3
Methodology	4
Executive Summary	5
Percentage of FTSE 100s employing a Group Corporate Communications/Affairs Director	7
Reporting Line	8
Remit and Responsibilities	9
Directors' backgrounds	12
Gender analysis	13
Size and structure of the corporate communications/affairs function	14
Executive Committee Membership	17
CEO and Executive Board's view of reputation	19
Would you describe your CEO as emotionally intelligent?	20
How focused is your CEO on personal reputation?	21
Priorities for the year ahead	22
Budgets	23
Remuneration	24
Tenure in role	27
How satisfied are you in your current role?	28
Change at the top	29

1

About the Survey

Once again, we are delighted to reveal our annual survey of the FTSE 100 Corporate Communications/Affairs function.

Now regarded as the most comprehensive of its kind, the Watson Helsby FTSE 100 Group Director of Corporate Communications/Affairs Survey 2018 draws on our strong relationships and direct lines of communication with many of the leading directors and practitioners.

As an executive search and leadership consulting firm that is wholly focused on this space, we are well placed to source, extrapolate and analyse their responses. The survey once again paints an intriguing picture of everything from reporting lines and Executive Committee membership to the – ever-fascinating – subject of remuneration.

2

Methodology

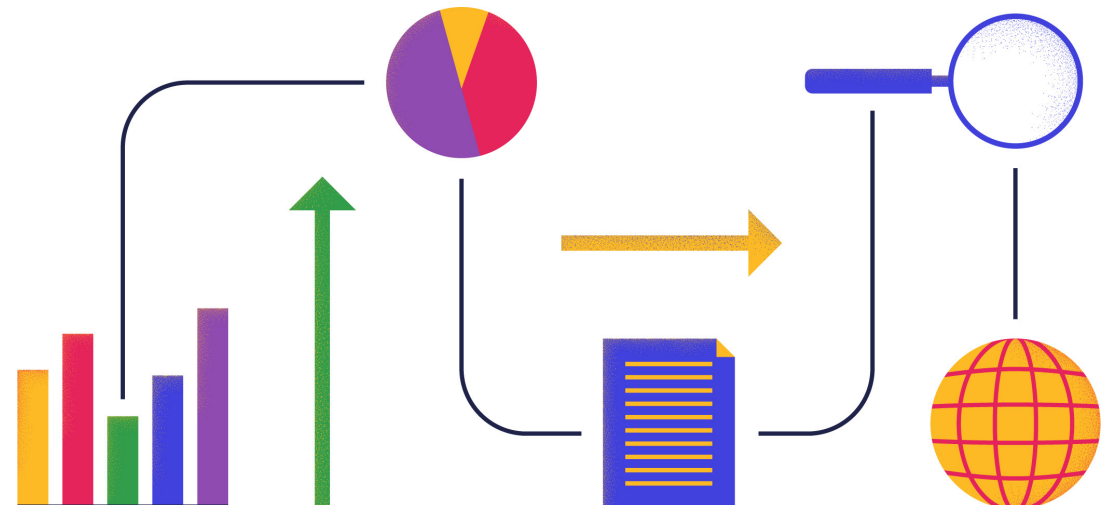
A base of 61% of all FTSE 100 Group Directors of Corporate Communications/Affairs took part in our survey, either through personal interviews or by completing a detailed questionnaire. Our polling took place between March and July 2018.

As in previous years, this survey classifies corporate communications and corporate affairs together. However, although these directors have responsibility for both communications and engagement with corporate stakeholders, they do not always have an identical remit. In the majority of FTSE 100s, the corporate communications function does not have responsibility for public affairs/government relations.

Of the 38% of FTSE 100s that have the title of Group Director of Communications, less than a third have responsibility for public affairs. In these instances, if it exists as a function/activity, it will report to other functions such as legal or strategy, so we cannot always compare like-with-like.

Additionally, and unlike many other corporate functions, there is no universal nomenclature. Job titles can be broad and varied, and include:

- Vice President, Corporate Affairs & Sustainability
- Group Director of Corporate Relations
- Group Director of Investor Relations & Communications
- Group Director of External Affairs (with internal communications reporting to HR)
- Director, Legal, External Affairs & General Counsel
- Executive Vice President, External Relations (again with internal communications reporting to HR)
- Director of Communications & Marketing
- Director of Corporate Affairs & Strategic Planning





Executive Summary

Compared to other corporate functions, the role of Group Director of Corporate Communications/Affairs is still not as firmly established as other corporate functions. Indeed, some 21% of the FTSE 100 do not have this function represented at a senior level.

A reporting line into the CEO is commonplace, but not yet the norm; 23% of these directors report elsewhere (for example, to HR, strategy or marketing).

The new survey has revealed some surprises, trends and developments, including:

A reversal in the rise of women

Having reported a consistent rise in recent years in senior female representation, 2018 saw a decline from 51% down to 39%. Most (75%) of the new appointments made over the past year have been male which has, undoubtedly, been a contributory factor. However, if we exclude those who are not on Executive Committees, we see a straight 50:50 split between male and female, although this is also a small decrease, from the previous year's 54% female and 46% male representation.

Skill gaps

When asked which disciplines and capabilities they want or need to strengthen/upskill, the majority answered social media/digital (48%), within which we include content and, after this, data analytics (29%).

Fewer ExCo members

It is also interesting to note that the percentage of FTSE 100 Corporate Communications/Affairs Directors who are formal members of the Executive Committee has dropped to 49% this year (from 51%). This is largely due to new entrants to the FTSE 100 who do not see the role as one that requires Executive Committee membership.

Broader remits

28% of Corporate Communications/Affairs Directors have seen their role extended, normally with the addition of sustainability (sometimes purpose & sustainability, and sometimes citizenship) and/or marketing (of the corporate brand). The addition of marketing may be accompanied by a significant headcount increase.





Executive Summary cont.

A gulf in headcount

The size and structure of the overall team varies enormously, with the average FTSE 20 team 330-strong, and the average FTSE 51-100 team numbering 34!

More emphasis on the corporate brand

Over 52% of our respondents told us that corporate brand had become a more significant aspect of their role. This is mainly driven by companies rethinking their corporate brand and purpose, and the narrative that pulls this together. This is very much seen as the domain of corporate communications/affairs rather than the marketing function.

Describe your CEO?

This year we asked all respondents confidentially whether they would describe their CEO as emotionally intelligent, and the answer was a resounding “yes” (75%). The same percentage also said that their CEO was either not focused on their personal reputation, or only moderately so.

Budgets are largely flat or down

Only 10% of respondents reported an increase in budget, and were typically those mentioned above with additional responsibilities and headcount.

Remuneration: a continuing gap

As in previous years, there is a significant gap between the remuneration of a FTSE 20 Corporate Communications/ Affairs Director (average salary £400,000) and one in the lower half of the FTSE 100 (£218,00). There is a small group of ‘elite’ corporate communications/affairs directors that earn salaries in excess of £500,000.

Changing of the guard

Like the previous year, there were significant changes in 2018 with 15 companies making new appointments (last year: 20). This means that over one-third of the FTSE 100 have changed their Corporate Communications /Affairs Director over the last two years.

4

Percentage of FTSE 100s employing a Group Corporate Communications /Affairs Director

This year we found that 79% of FTSE 100s employ a Corporate Communications/ Affairs Director, a decline year-on year of 2%. Some of the remaining 21% employ a middle-management level Head of Communications, but the position is not sufficiently senior to be included in this survey. (It would also skew the findings, in particular regarding remuneration.)

Where there is a lack of senior management representation, it is often in low-profile B2B companies who do not see communications, stakeholder relations and reputation management as business-critical. Additionally, some have their HQs overseas.

In 2018, we saw the arrival of a number of companies into the FTSE 100 index who also fall into this low-profile B2B category. So this could presage a further decrease in corporate communications and affairs represented at director-level.

“

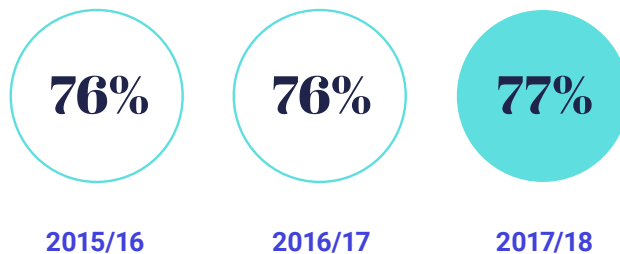
21% of the FTSE 100 do not employ a senior executive level corporate comms/affairs director

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Reporting Line

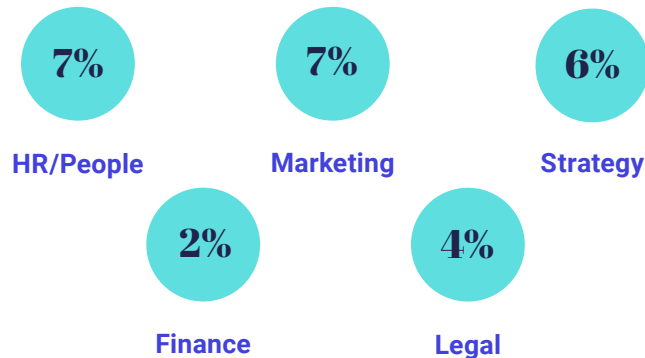
We found that 72% of Corporate Communications/Affairs Directors report to the CEO, although if we include those who have a dual reporting line (that includes the CEO), this rises to 77%.

Reporting into CEO:



This has increased marginally since the last survey, but the change is not significant.

Other reporting lines include:



Taking each of these individually we see some interesting trends developing:

HR/People



Strategy



Marketing



Finance



Legal



A reporting line into both HR and strategy has increased, while reporting into finance has decreased. Marketing and Legal (Natural Resources and Tobacco) have remained flat.

This analysis, in common with all others, is based on the 79 companies in the FTSE 100 that do employ a dedicated Group Corporate Communications/Affairs Director.



Remit and Responsibilities

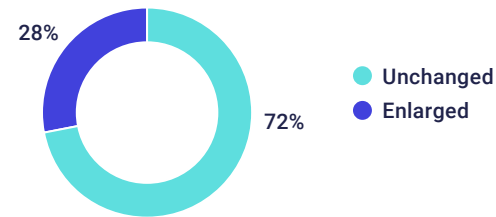
The disciplines and activities that are the responsibility of the corporate communications/affairs function vary considerably, but the following are common to almost all functions in the FTSE 100.

- Corporate and financial communications
- Media relations
- Internal communications
- Corporate reporting
- Crisis & issues management
- Corporate brand
- Corporate responsibility
- Social, digital & content

There is inevitably an overlap between some of these. Responsibility for social media and digital is normally for 'corporate assets' only. Brand-related activity tends to be in the marketing function's domain.

As we observed in our previous surveys, investor relations can also be incorporated into the role. This year we found that IR is part of the remit in 14% of the functions (last year: 16%). This happens when the function is quite IR-dominated and led by someone with an IR or investment backing background. Communications tends to be a secondary part of their role.

Has your remit been enlarged over the past year?



Where remits have grown, we found that this is typically due to the addition of sustainability (also occasionally known as citizenship or purpose & sustainability). A smaller number have also been given responsibility for marketing, usually accompanied by data analytics and research/insight capability.

Regardless of additional functional responsibilities, the role has inevitably broadened in that there are more channels to both navigate and leverage as well as fragmenting audiences who are simultaneously becoming increasingly interconnected. With this comes a corresponding need for greater integration and coordination of communications with other functions and regions, since more channels equals greater scope for inconsistency of brand positioning and messaging.

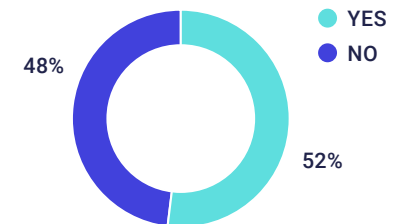
This year we delved more deeply into the corporate brand aspect of the role. The rationale for this is the increasing intersection of brand, purpose, narrative, culture, behaviours and, ultimately, reputation. It is impossible to have stewardship of reputation without

responsibility for (or, at the very least, considerable influence over) the corporate brand.

Firstly, we asked which elements of corporate brand they were responsible (or had shared responsibility) for. They responded as follows:

- Identity (100%)
- Website (100%)
- Narrative (100%)
- Purpose (74%)
- Behaviour and values (48%)
- Advertising (8%)

We then asked whether development, positioning and communication of the corporate brand has become a larger part of their role.





Remit and Responsibilities cont.

However, there is a clear difference if you segment the findings by market cap.

FTSE 50	71%	29%
FTSE 51-100	39%	61%

● YES ● NO

The reason for this is that many of the larger FTSE 100s are much more brand conscious in that they increasingly recognise they have a societal as well as customer brand which requires dedicated development and positioning.

Key drivers of the elevation of corporate brand

These can be distilled down to the following:

- A redefined corporate purpose and strategy
- Overall corporate brand refresh
- A new CEO, or a CEO that 'gets it' and wants greater focus on its amplification
- The recognition of the link between purpose and external brand/reputation
- The need to get business units to unite and coalesce around the overarching purpose of the group and the wider corporate brand.

Insight and data analytics

Lastly, we asked whether there were dedicated capabilities for strategic & insights and data analytics within their function. This is a new question, but pertinent given that the function is expected to be able to present its case and support its recommendations with the rigour and metrics demanded of other functions.

The results were as follows:

Strategy & insight	27%	73%
Data analytics	12%	88%

● YES ● NO

We define strategy & insight as being similar to the role of planning in advertising and marketing. This requires a team/individual qualified to commission, analyse and interpret research, normally about customer behaviour, motivation and propensity to purchase. Similar intelligence is now required of a much broader range of stakeholders and needs to be professionalised, with greater rigour and insight being introduced. PR and communications consultancies increasingly have this capability, often imported from advertising agencies, and just as marketing functions have relied on their advertising agency to provide this, so it would seem (with only 27% having an in-house capability) that the same is happening in corporate communications/affairs.



There is a recognition that both the company and the CEO need to stand for something.



Remit and Responsibilities cont.

Data analytics is different, and has come into being because of the surfeit of data available to most companies. This tends to be kept in-house because that is where the data sources are. However, it is not an established capability in corporate communications/affairs. Several of the interviewees, particularly from the larger and more sophisticated FMCG companies, reported that they access the marketing function for data analytics. In others it is consolidated into a central data & insight function. Some, surprisingly, do not have a data analytics capability in the organisation at all.

What are the capabilities you would like to strengthen or upskill over the next 12 months?

This was an open-ended question in personal interviews, but was presented with a series of options for directors who completed the questionnaire. Not surprisingly, social media and digital emerged as the capability that they would most like to strengthen, closely followed by data analytics:

Social media/digital (includes content)	48%
Data analytics	29%
Strategy & insight	20%
Internal communications/engagement	19%
Sustainability	19%
Stakeholder relations	14%
Government relations/policy	13%
Corporate brand management	10%
Tracking & evaluation	10%

Social media/digital/content all converge and overlap, and given the rapidly changing social media landscape there is a tendency for most companies to believe they are behind the curve, even if they aren't. So, by definition, it is an area of constant focus, searching for new and smarter skills. Companies have always published and created a lot of content, but many continue to do so with a producer mentality, and with a siloed approach despite the fact that their audiences are increasingly interconnected. So there is a desire to move away from the producer/publisher mentality, to a more strategic, brand-led approach, using research and analytics to inform their content approach.

The fact that data analytics and strategy & insight rank second and third highlights the increasing sophistication of the function, and the wider understanding of the importance of presenting insight underpinned by rigour.

The overlap of purpose, brand, culture and reputation inevitably heightens the importance of internal communications as a communicator of purpose and cultural change.

The growing numbers who have responsibility for sustainability (which is becoming a more widespread title than corporate responsibility), identify the need for expertise in the subjects that are relevant to their sector (e.g. water scarcity), as well as broader subjects such as socio-economic development, the measurement of social impact/performance and technical reporting.



There is a more mature understanding of the importance of how we talk about ourselves and our purpose.



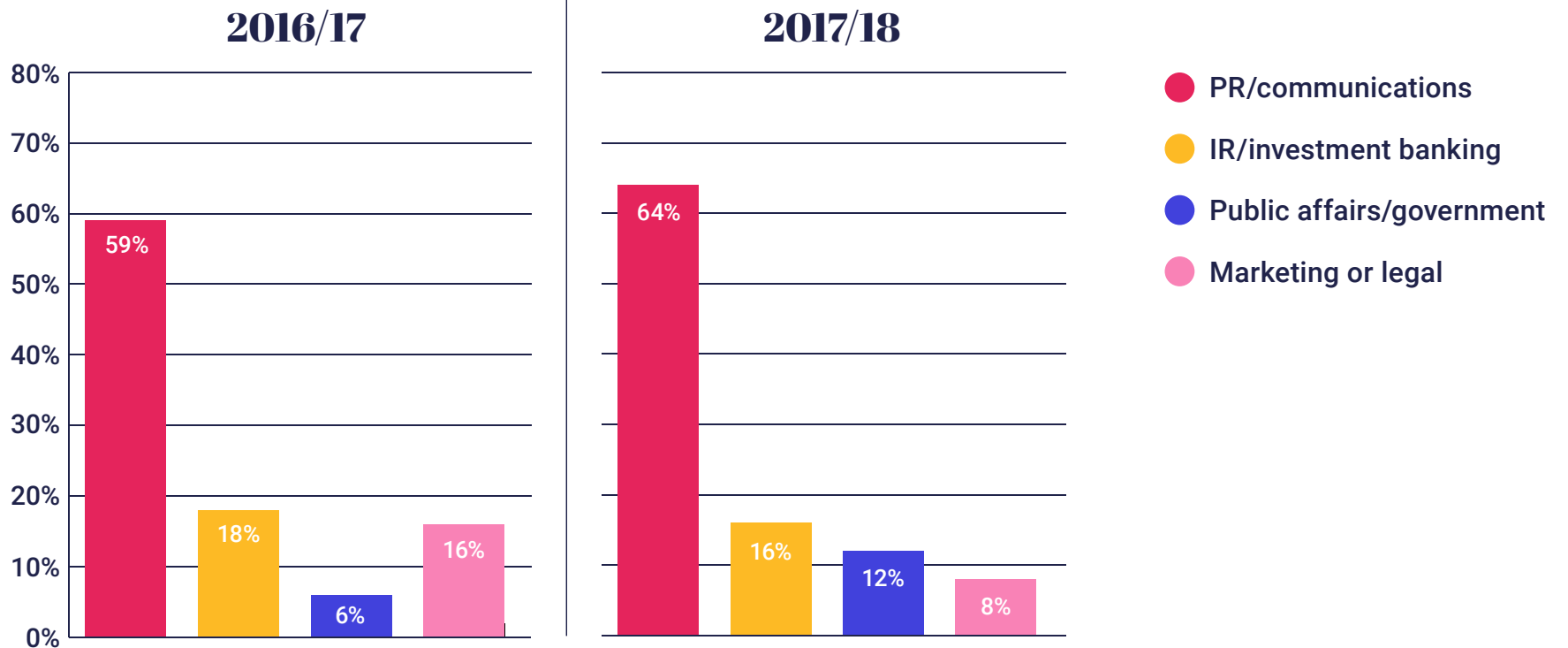
Directors' backgrounds

Our survey looks at this each year to track any noteworthy changes; however in 2018 the picture has remained largely similar.

The majority (66%) have, as ever, a background in PR/ external communications and/or journalism.

A background in public affairs or government normally vies for second place with those drawn from investor relations or investment banking, as it does this year (12% vs. 16%).

The remainder come from marketing, legal or general management.





Gender analysis

This year the trend towards stronger female representation, seen each year since 2014, has been reversed.

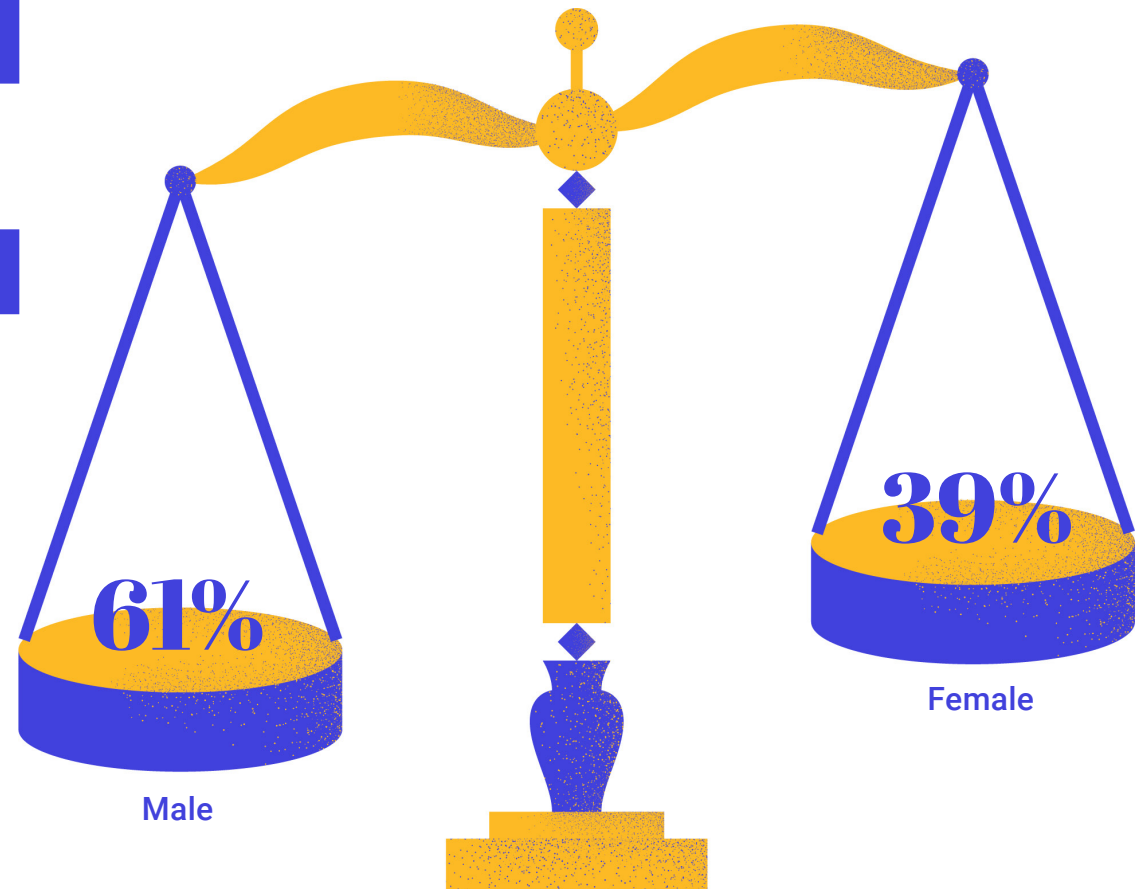
Female



Male



This is largely due to the majority of new appointees over the past year being male (75%). There is no apparent reason for this, indeed it is surprising since many companies (certainly those that regard it as an Executive Committee level appointment) ask for shortlists with a strong female representation these days. Therefore, it has to be regarded as a blip.





Size and structure of the corporate communications/affairs function

The organisational design and size of the function varies considerably, and tends to be driven by global footprint, sector and market cap. FTSE 30 companies, with one or two exceptions, have much larger teams and more matrixed structures. Global and in-country regulatory and policy-related issues are also a key determinant of size.

Unless their business is largely based in the UK, the FTSE 30 teams have the majority of their headcount out in the regions or business units/opcos.

The key determinants of headcount and structure are:

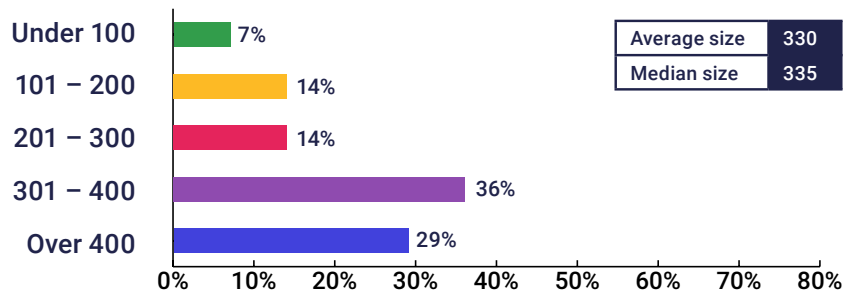
- Global footprint and number of employees
- Complexity and scale of the stakeholder ecosystem
- Regulatory and political complexity
- Breadth of remit and responsibilities
- Market cap
- Perceived value and importance of function.





Size and structure cont.

FTSE 20 team headcount



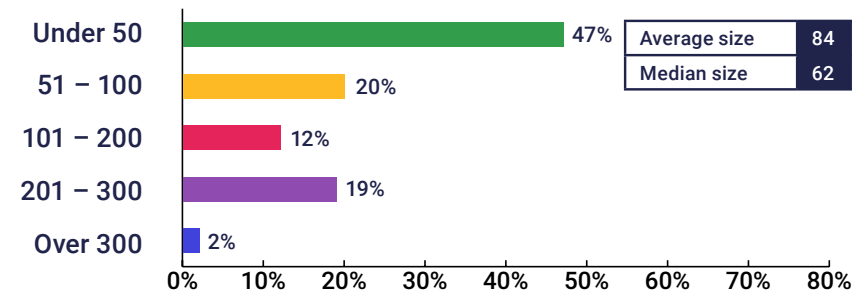
The smallest team numbered under 50 and the largest over 600, so there is a huge disparity.

FTSE 20 functions tend to have the majority of their extended team working out in the regions and business units. The exceptions are those whose UK business is far bigger than any overseas interests (e.g. Lloyds Banking Group, BT). On average, 27% of the team is based at Group and 73% out in the BUs and regions.. The average size of the team based at Group/HQ is 110 and the median size

is 90. The smallest is 20 and the largest numbers 390 (this includes corporate brand, sponsorship and events). In the majority of cases (78%) the members of the team who are based in regions, markets or BUs have a dotted line into the Group Corporate Affairs/ Communications Director.

The average number of a director's direct reports (leadership team) for a FTSE 20 is nine. Clearly the bigger the team; the more disciplines within it; and the more regions it has responsibility for – the greater the number of direct reports.

FTSE 21-50 team headcount



The range is again extremely wide, with the smallest team numbering just five and the largest being over 400-strong.

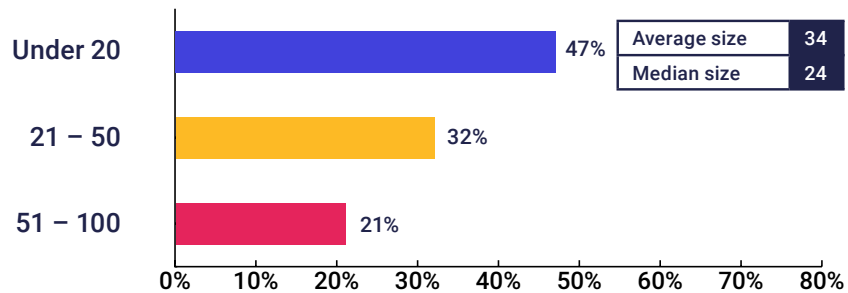
The latter is exceptional in that it includes brand marketing, regulatory affairs and compliance. If this team is excluded, the largest team would be 280.

The proportion of the team working at Group centre is higher than for the FTSE 20, at 58% (vs 27%). This is because, collectively, they have a relatively smaller proportion of their business, assets or people overseas.



Size and structure cont.

FTSE 51 – 100 team headcount



Summary

	FTSE 20	FTSE 21–50	FTSE 51–100
Average	330	84	34
Median	335	62	24
Group/centre	27%	58%	–
Regions/BUs	73%	42%	–

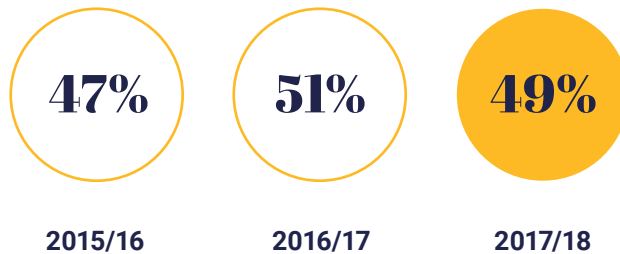
With the odd exception, teams shrink significantly in the bottom half of the FTSE 100, with almost 80% of companies employing corporate communications/affairs teams totalling under 50, and 47% under 20.

Direct reports average = 5.

Executive Committee Membership

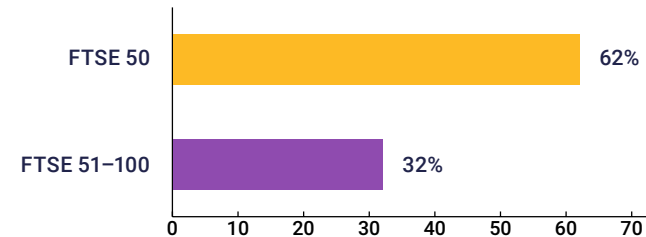
This has declined since our 2016/17 survey, with 49% of responding directors being formal members of the Executive Committee. This is down from last year's 51% (the first time the level had exceeded 50%).

However, membership of the ExCo is more common in the FTSE 50. At this level, organisations tend to be more sophisticated in their understanding of the importance of reputation and stakeholder relationships, and therefore ensure the role is represented on the Executive Committee. Increasingly, boards also want to see it there, since they recognise the crucial importance of trust and reputation.



This decline is largely due to the new entrants to the FTSE 100 that do not regard communications

or public affairs as required roles at ExCo level. As the following statistics show quite starkly, the bigger the company, the more likely the corporate communications/affairs function is to be represented on the ExCo.



As we have observed in previous surveys, corporate communications/affairs still doesn't have the standing that finance, HR and legal enjoy (and, in big FMCG companies, marketing). This is partly due to the lack of any universal definition and understanding of what the function is responsible for, as well as the absence of any formal training and qualifications.

Executive Committee Membership cont.

The gender balance of Executive Committee members has changed again since last year, when it showed a slight female bias.

Now, the representation is even:

Female



Male



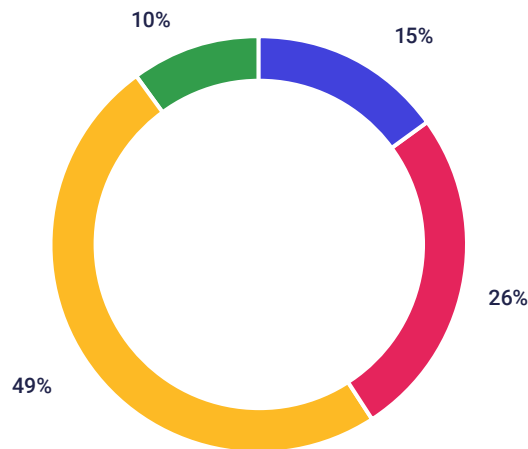
There are no set criteria, but clearly a Corporate Communications/Affairs Director is more likely to be a member of the Executive Committee if:

- The company they work for is high-profile, highly regulated and highly politicised, and where reputation is deemed to be a highly prized strategic asset that requires the most senior level of professional management.
- They represent a broader range of functions, such as legal & corporate affairs, or HR, property or corporate communications.
- They are seasoned and high-calibre executives who have proved themselves at this level.

CEO and Executive Board's view of reputation

We asked the question: “Does your CEO/ executive team consider corporate reputation as a) a mechanism to protect the organisation in times of crisis or b) a mechanism through which they can deliver positive business outcomes?”

They answered as follows:



- More of the former
- More of the latter
- A combination of both
- A shift towards the latter

The answers suggest that reputation is seen as an asset that has to be both protected and leveraged to generate positive business outcomes. 85% of respondents thought that their CEO and ExCo believed that reputation was an asset that had the potential to deliver positive business outcomes, while only 15% viewed it solely as a mechanism to protect their company in times of crisis. Most (49%) opted for the combination of both options. This suggests an equal emphasis on defence and offence, which is to be expected when reputation has to be defended as well as leveraged to advance the interests of the organisation. However, further probing suggested that it is a key defensive mechanism, as the following quote reveals:






Reputation is defensive in nature. You can lose it very easily if you fk up.**

We also found a disconnect between perceptions of ExCo members. The CEO/Chairman are jointly more likely to view reputation as a mechanism through which to deliver positive business outcomes. However, the remainder of the ExCo, less sophisticated about the value and importance of an intangible asset like reputation, still hold the old fashioned view of it having no great strategic value, but that needed defending in times of crisis. This was particularly true of companies whose executive teams have a high percentage of engineers in their number.

Would you describe your CEO as emotionally intelligent?

Given the unusual nature of the relationship between the CEO and their corporate communications/affairs director (advising them on their personal reputation or their personal positioning and presentation) the insight of our respondents has a legitimacy that may, possibly, be denied other senior directors with whom the CEO is, perhaps, less inclined to be so open and honest about concerns regarding their reputation and impact.

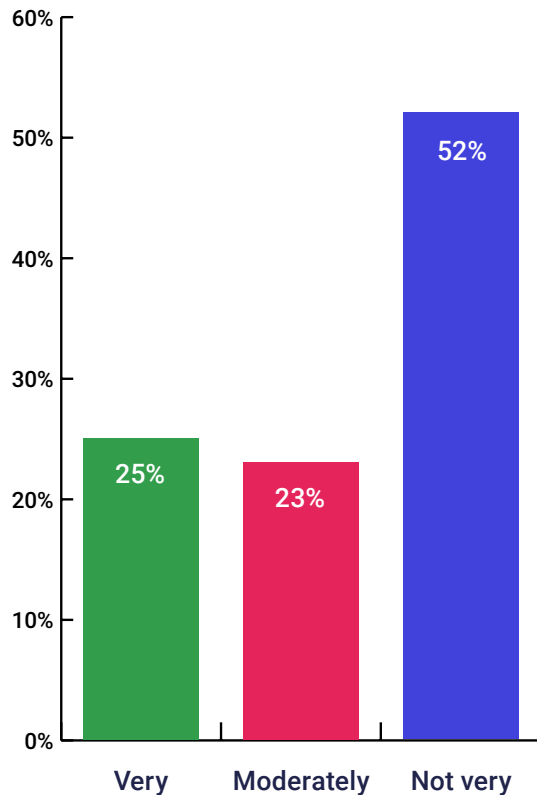
Yes		75%
*Yes & no		7%
No		18%
*Yes & no	Middle spectrum	

Although the question was asked with anonymity guaranteed, there can be a strong bond between a CEO and Communications Director that may colour perceptions, but it is, nonetheless, an interesting insight and worth reporting on.

“

He wears his power lightly but he knows he is a CEO.

How focused is your CEO on personal reputation?



The CEOs who were focused on their own reputations were, in almost all cases, aware that their reputation and that of their company were to a degree inseparable, as the following quotes reveal.

“

He has no interest in personal fame, but understands that his reputation matters to the company.

“

He is a standard bearer and passionate believer. It's not vanity and ego-driven.

“

He recognises that he is the most important advocate of the company and, therefore, that his reputation is critical to the reputation of the company.

“

There is a bit of ego to be sure, but he is prepared to be the face of the business and seeks to have a voice on issues beyond the immediate interests of the company.

“

He is vocal, but only to protect our space and enhance our profile – he recognises that he has to be on public platforms to do that.

Priorities for the year ahead

We asked all our respondents and interviewees what their key priorities are for the year ahead. Although answers varied, there was clear primacy in six areas:

Resetting of the corporate narrative/story	26%
Social, digital and content	26%
Corporate brand & purpose	21%
Sustainability & purpose	21%
Building team cohesion & capability	21%
Insight & data	19%

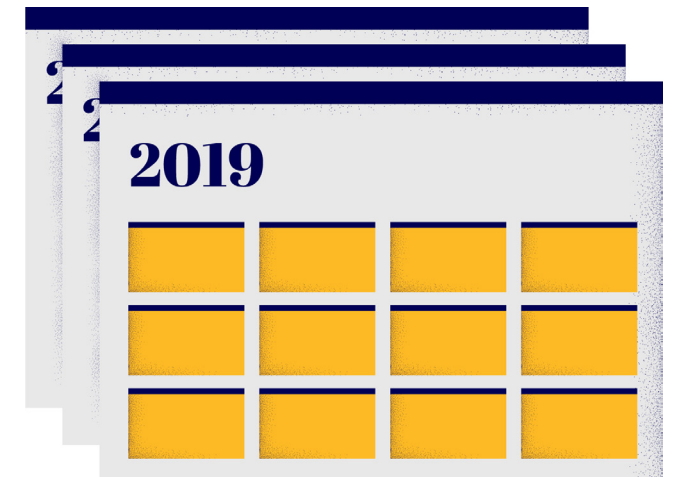
Purpose has been bracketed with both corporate brand and sustainability because it was mentioned in the context of both.

“Resetting of the corporate narrative/story” included those who believed the company story was failing to resonate or get cut-through as well as those that had appointed a new CEO, and felt that an overhaul of the corporate narrative was an inevitability.

Those who identified corporate brand as an area of focus encompassed those who were due to roll out a new corporate brand/purpose as well as those who were still in the process of defining it.

Those who saw sustainability as a priority were also cognisant of purpose but, equally, saw the need to strengthen their technical capability and expertise in the areas of sustainability that affected their organisation (specific aspects of social and environmental impact such as water or metals scarcity).

Surprisingly, in terms of priorities, internal communications and colleague engagement did not resonate to the same degree.



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Budgets

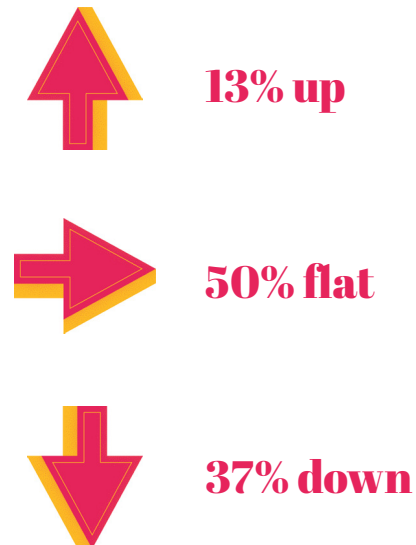
Given a number of factors, including the economic uncertainty created by Brexit, budgets are generally flat or down (90%). This compares with 73% reporting flat or down in 2016/17.

Perhaps we can take some comfort that 'flat' is the highest it has been for three years, and fewer are reporting 'down'. But when only 4% are reporting an increase in budgets, it speaks volumes about the general level of confidence and optimism. A public commitment (i.e. to the City) to cost reduction was mentioned a few times by

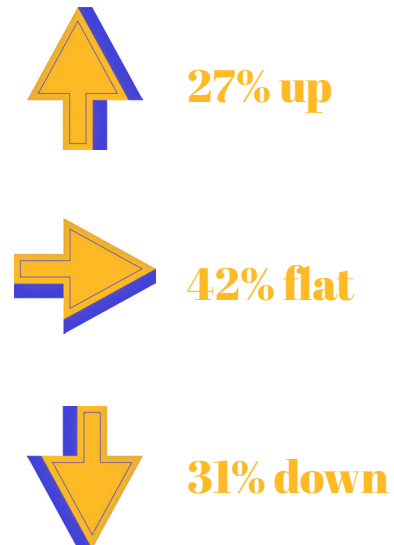
interviewees. For example: "We have publicly stated that we are taking £x million out of cost."

In the rare instances where budget has gone up, this is due to either an increased investment in sustainability/social performance/corporate citizenship, or to additional responsibilities such as marketing.

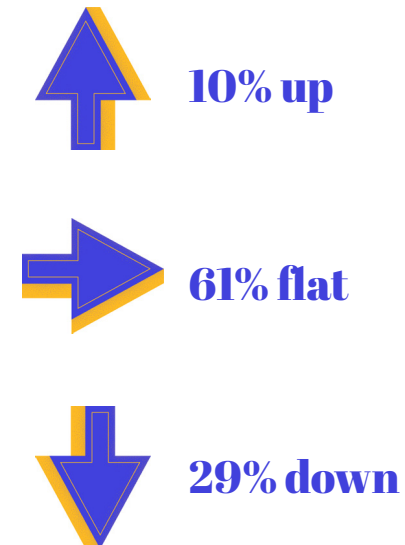
2015/16



2016/17



2017/18



Remuneration

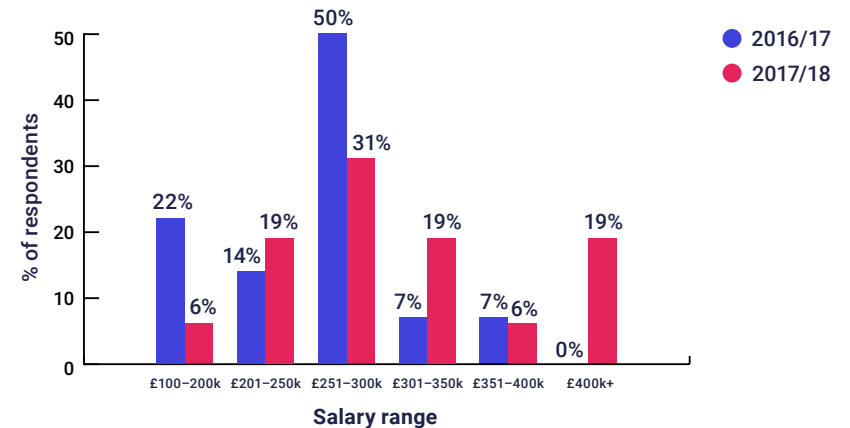
FTSE 20



Median	£400k
Average	£415k

Base salaries in the FTSE 20 range from £255,000 to over £500,000. In our last survey (2016/17), 82% of FTSE 20 Group Corporate Communications/ Affairs Directors were paid base salaries of under £400,000. This year that figure has dropped to 54%, and 46% now earn salaries in excess of £400,000. Although there is a correlation between remuneration and Executive Committee membership, it does not always apply. Other factors include length of tenure and overall standing within the company.

FTSE 21-50



Median	£228k
Average	£309k

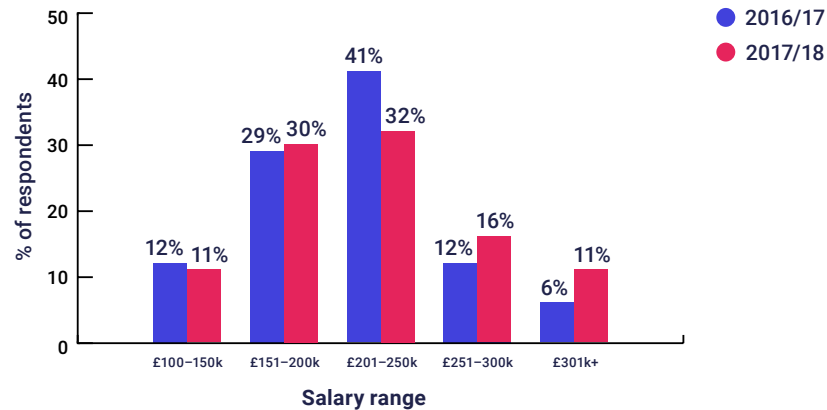
Base salaries in the FTSE 21-50 range from a little over £100,000 up to over £500,000 (with this group containing some major multi-nationals). The average salary at £309,000 is some way below the FTSE 20 average of £415,000. There is a spike, as there was last year, in the £251,000-£300,000 range, although this year it is less marked.

Looking back at last year compared with 2018:

- only 14% of this group earned a salary of over £300,000, while this year 44% do.
- no one earned a base salary in excess of £400,000, whereas this year, 19% do.

Remuneration cont.

FTSE 51-100

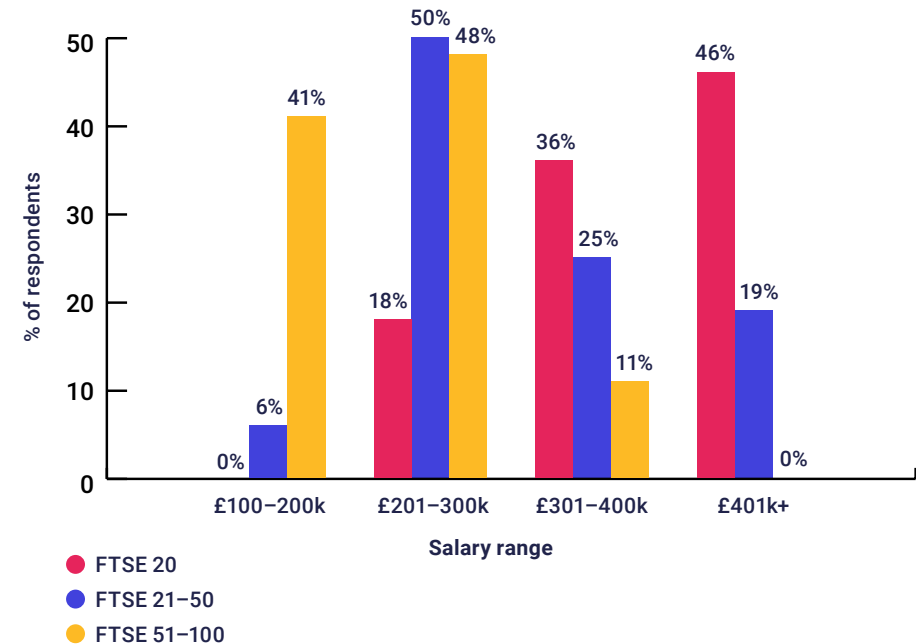


Median	£200k
Average	£218k

In the bottom half of the FTSE 100, base salary is predictably lower. The spike, as it was in the last survey, is in the £201,000 - £250,000 range, although it is less marked this year. The percentage of those earning a base salary in excess of £250,000 has increased, from 20% last year to 27%, but the majority (73%) still earn a base of under £250,000. To put this in perspective, there is no one in the FTSE 20 earning a base of under £250,000.

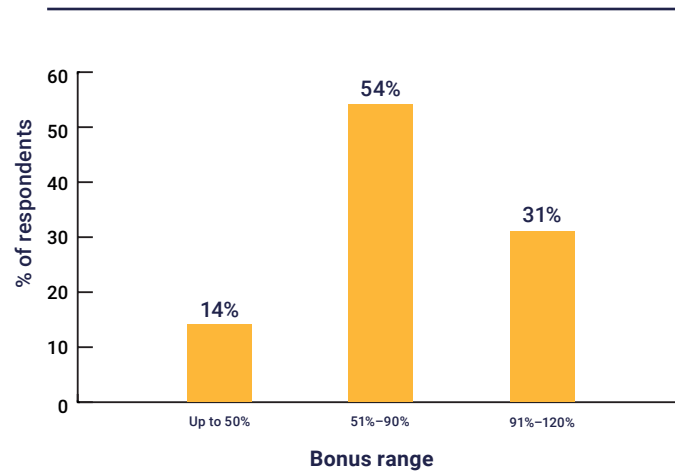
There is a much clearer correlation between Executive Committee membership and the size of salary in the FTSE 51-100, in that all of those at the top end of the range are ExCo members.

Comparison of base salary



Remuneration cont.

Bonuses



Bonuses of under 50% are rare at this level. Over half of on-target bonus awards are in the 51%-90% range, with most touching the upper end. In the FTSE 30, on-target bonuses are typically around 100% of salary. The average bonus across the FTSE 100 is 80%.

LTIP/ equity

LTIPs are standard and, in common with bonuses, are determined by market cap, Executive Committee membership and length of service. In the FTSE 30, LTIPs with a vesting value of 100%-200% of base salary are standard, assuming the usual complex KPIs are met.

Lower down the FTSE 100 the value of the LTIP drops and averages out at 70%.

Total compensation

This can vary from £300,000, to well in excess of £1 million for those on base salaries of over £350,000 and bonus and LTIP percentages of 100% or more.

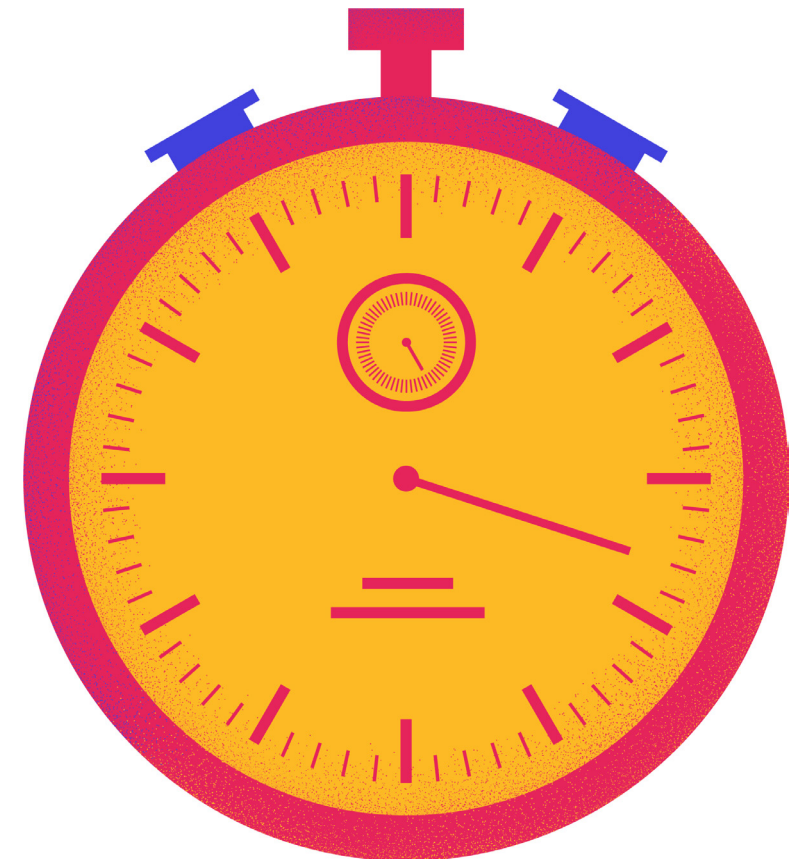
So although Corporate Communications/Affairs Directors may lag behind some of their senior executive peers – reflecting that the role is still not as established at this level as others – the gap is closing and the packages are becoming quite substantial.

17

Tenure in role




	2016/17	2017/18
One year or less	2%	18%
1-3 years	23%	26%
3-6 years	27%	21%
6-10 years	21%	18%
10 years or more	27%	18%

After three years of significant change at the top (see section 19) it is not surprising to see that directors with six years' tenure or more (36%) represent a smaller percentage of current Corporate Communications/Affairs Directors. Conversely, over 64% of them have under six years of experience, suggesting that there will be less change in 2018/19.



How satisfied are you in your current role?

In order to get a sense of job satisfaction and fulfilment, we asked all our interviewees how satisfied they were in their current role. Their answers were resoundingly positive.

Very		75%
Quite		19%
Not very		6%



Change at the top

The year 2017/18 has, again, seen considerable change at the top, with 15 companies in the FTSE 100 making changes (vs. 20 the previous year and 16 the year before that). This means that 51 companies have changed their corporate communications/affairs director since 2015 or disbanded the role. The following companies have made new appointments during 2017/18:

AstraZeneca	(I)
DS Smith	(E)
EasyJet	(E)
ITV	(E)
Burberry	(I)
Legal & General	(E)
Lloyds Banking Group	(E)
Kingfisher	(I)
Mondi	(E)
National Grid	(E)
London Stock Exchange	(I)
Reckitt Benckiser	(E)
Sky	(E)
Smiths	(E)
WPP	(I)

E = External appointment

I = Internal appointment

Change at the top cont.

Four others are currently in the process of conducting external searches and it is possible that appointments have been announced since this survey went to print.

75% of these new appointments were male, which at a time when headhunters are being asked to present predominantly female shortlists, is an interesting finding.

The majority of these have been external appointments, which raises questions around succession planning. 60% of these external hires came from within the same sector, 40% from outside.

In order to delve more deeply we asked, as we did in the last survey, whether companies had a formal succession plan agreed and in place.

	2016/17	2017/18
Yes	45%	38%
No	35%	62%
In progress	20%	–

The majority of those who answered 'yes' were on the Executive Committee, where there is a mandatory requirement to have a nominated successor or successors. But the fact that the majority do not have formal succession plans explains the number of external hires. Even when there is a succession plan in place, the nominees may still be work-in-progress and not ready to step up if a director leaves unexpectedly.

For further information, or to discuss the research findings in more detail, please contact Nick Helsby at Watson Helsby on:

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