



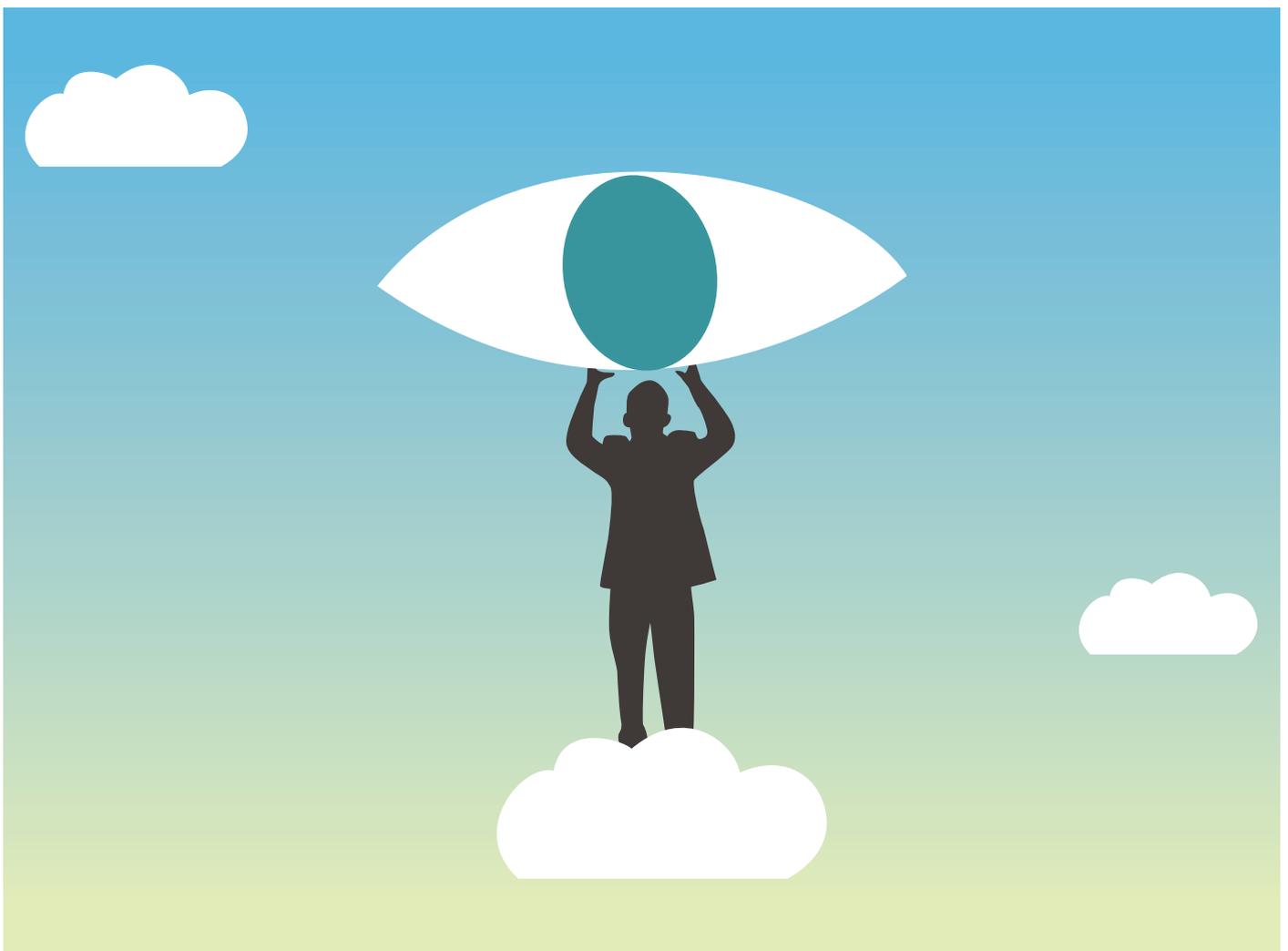
**VMA**  
GROUP

---

# Professional Development in **Internal Communications 2011-12**

*Key trends, benchmarks and industry commentary*

---



# Introduction

An introduction by David Broome  
Executive Director, VMA Group

VMA Group's Professional Development in Internal Communications benchmarking study is now in its third year, the results of which we are delighted to share with you. The study has gone from strength to strength and in 2011-12 continues to highlight some of the key trends, issues and challenges we face as an industry.

And it's a critical time to take the pulse of the sector, as organisations strive to change and adapt beyond the worst economic crisis in living memory, and internal communicators manage ever higher expectations from senior leaders to provide strategic value to help drive such change.

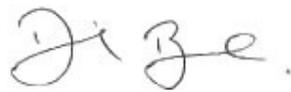
Three findings in particular stand out. First, the qualities that team managers are looking for from their team members are still core, fundamental skills such as writing and strategy setting.

Secondly, whilst respondents felt that they are an integral part of the senior leadership team, disappointingly, advocacy for internal communications amongst senior leaders remained unchanged from 2010.

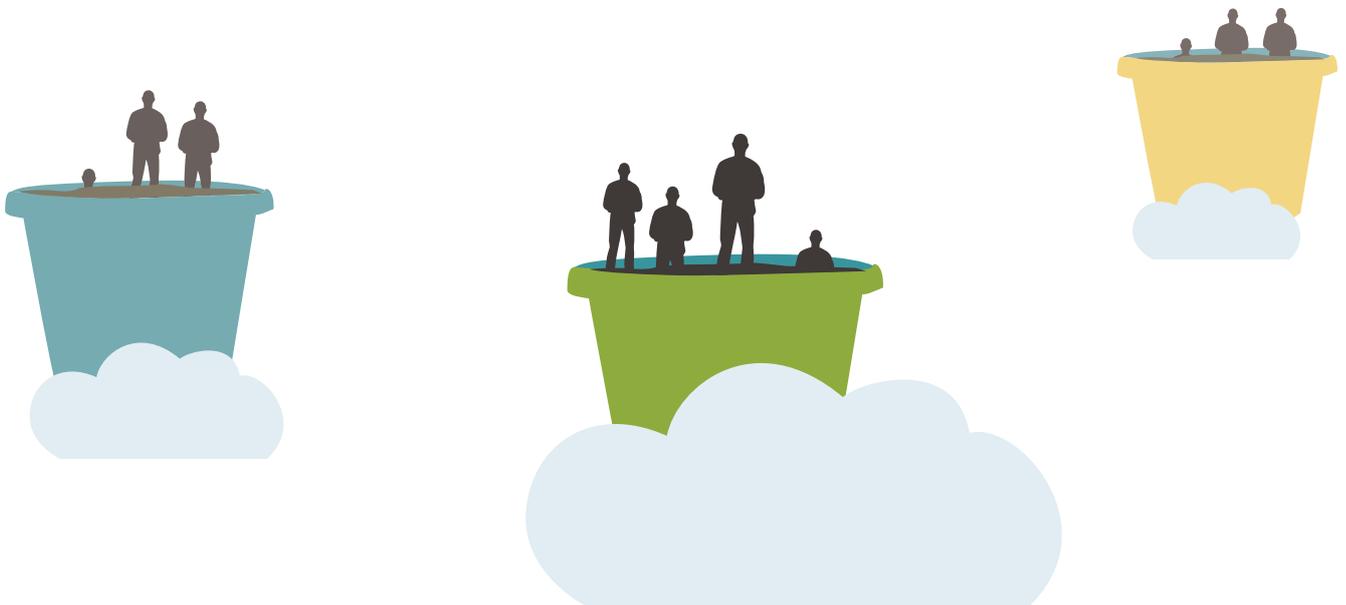
Thirdly, and perhaps most encouragingly, this year's results testify to the resilience of the discipline despite the economic climate. 74% of internal communications functions have either stayed the same or increased in size over the last year, a significant increase compared to 58% 12 months ago.

With over 500 respondents from within our network of Directors, Heads and Managers of Internal Communications, as well as Corporate Communications Directors with responsibility for Internal Communications, the results offer the most comprehensive industry study of the profession, reinforcing where internal communicators should focus their efforts and development.

Our thanks go to all those who participated.



**David Broome and the  
Internal Communications practice**



# Perception of Internal Communications

*“Overall, how is Internal Communications viewed by the senior leadership in your organisation?”*

Between 2009 and 2010 the increase in support for Internal Communications was marked, however, this year there was no change. As with our 2010 survey, this year **30%** of our respondents believed there were key advocates for IC within their leadership teams and only 9% felt their boards were unsupportive of IC.

We also asked what senior managers understood the role of Internal Communications to be. The anecdotal responses were positive on the whole, with IC being used to engage employees in company strategy, and many felt

they were an integral part of the senior team. However, a significant number of respondents felt that Internal Communications was seen as a delivery mechanism rather than an influencing discipline by their senior management teams.

*“Shock, horror: Advocacy stagnates while internal communicators are perceived not to be strategic and lacking basic operational skills such as writing, influencing and coaching. Demonstrating these skills needs to become priority number 1. Only then will IC heads share the same professional profile as their external communications counterparts and effect a paradigm shift in the extent to which senior executives value our function.”*

**Clive Ruby, Group Head of Internal Communications, Deutsche Bank**

## How Internal Communication is viewed by senior leaders



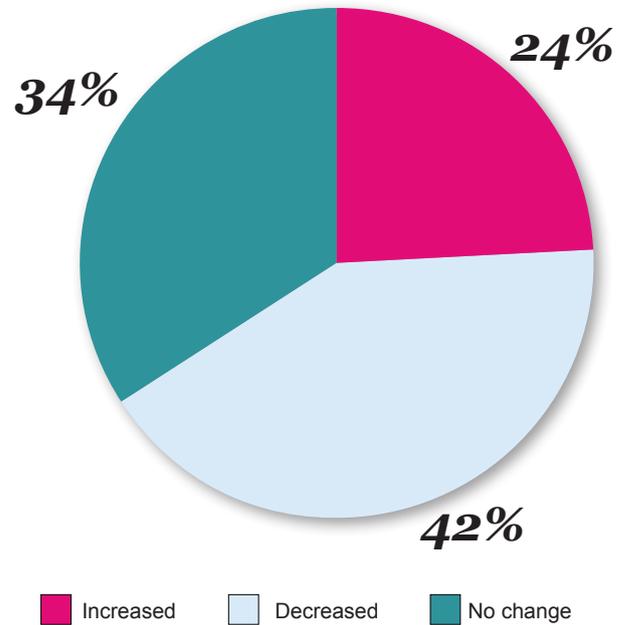
# Budgets

It's encouraging that a quarter of Internal Communications teams have seen their budgets increase in 2011, up **12%** since 2010. Of those that suffered decreased budgets, the vast majority were public sector bodies and large financial services organisations going through restructures.

*“With the UK economy in the state that it is, it’s hardly a surprise that almost half of IC teams have had their budgets cut. But while this is a challenge, it’s also an opportunity, to do things differently and be more creative. What is clear is that core skills of writing and influencing are more important than ever and that, as a function, we need to continue to raise our game if we are to maintain our seat at the top table.”*

**Ian Lynch, Head of Internal Communications, UBS**

**Changes in IC Budgets Since 2010**



# Salaries

For the first time in three years, IC salaries have shown a decline, which, while disappointing for the profession, is hardly surprising given the general employment climate in the UK. IC salaries at junior level have remained fairly static, as demand is more likely to be centred on hard ‘skill commodities’. Similarly, the salary average for a

Head of Internal Communications has not changed since 2010 as the demand for experienced and outstanding senior-level IC professionals is ever present and will always command commensurate salaries.

**The highest paid sectors are:**

- 1. Financial Services**
- 2. Professional Services**
- 3. Energy**
- 4. Healthcare**
- 5. Extractive**
- 6. Pharmaceutical**
- 7. Utilities**
- 8. Central Government**
- 9. Telecoms**
- 10. FMCG**

*“As budgets get challenged, you need good quality people with strong skills and experience. Leaders are demanding more from their comms advisers, wanting big impact strategies that drive real change, but in ever-more creative and efficient ways - and always at lower cost! Individuals who can rise to this type of challenge, true subject matter experts, will always be in demand and are worth paying for.”*

**Paul Diggins, Head of Internal Communications, RBS Insurance**

# Benefits

*“What benefits do you receive as part of your package?”*

Benefit	2011	2010
Pension Contribution	68.8%	70%
Flexible Working Arrangement	56.2%	47%
> 25 Days Holiday	46.9%	37%
Private Healthcare	46.5%	53%
Car/Car Allowance	32.7%	32%
Bonus (1-10% of base salary)	23.5%	20%
Bonus (11-20% of base salary)	20.4%	22%
London Weighting	18.1%	-
Bonus (21-30% of base salary)	6.9%	8%
Bonus (30%+ of base salary)	5.8%	5%

Since last year’s survey was conducted, the number of financial benefits offered to employees (including pension contributions, healthcare, car/car allowances and bonuses) has either remained the same or decreased, in some cases significantly, in others, only minimally.

Looking at the remaining top 10, it is clear that flexible working and holiday allowance has risen from 2010. Is this indicative of a market where employers are trying to broaden their benefits offering beyond pure financials and actually take into account “work-life balance”? The 14th PwC Global CEO Survey (conducted at the end of last year) supports this data, reporting that **58%** of CEOs

## Average salaries

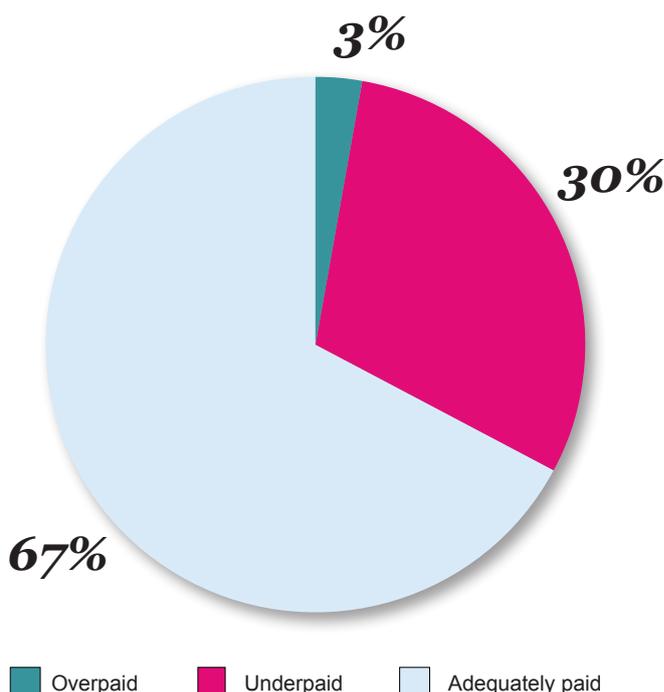
	2011	2010
Internal Comms Executive	£30k	£30k
Internal Comms Manager	£39k	£42k
Senior IC Manager	£55k	£57k
Head of IC	£74k	£74k

said that they will use more non-financial rewards to motivate staff as firms need to make sure their employees are engaged financially and emotionally. With employers increasingly offering more flexible working practices in order to recruit and retain employees and to enable them to achieve a better “work-life” balance, we are also finding that, on the other side of the fence, employees are asking what benefits come with a basic salary more frequently, and flexible working arrangements and increased holiday entitlement tend to be high on their wish list.

*“In terms of remuneration, do you feel underpaid, adequately remunerated or overpaid?”*

**67%** of respondents said that they felt “adequately remunerated” and, bearing in mind salaries have remained stagnant across the board in the last year, this suggests that the total package has an impact and that non-financial rewards definitely play a part.

## Remuneration: how do you feel?



# Team size

In comparison to last year, more people were part of bigger teams with over 8% belonging to a team of 16+: positive news in terms of communications' presence within businesses. Furthermore the number of "stand alone" internal communicators has dropped to 21%, which is another welcome step for the profession.

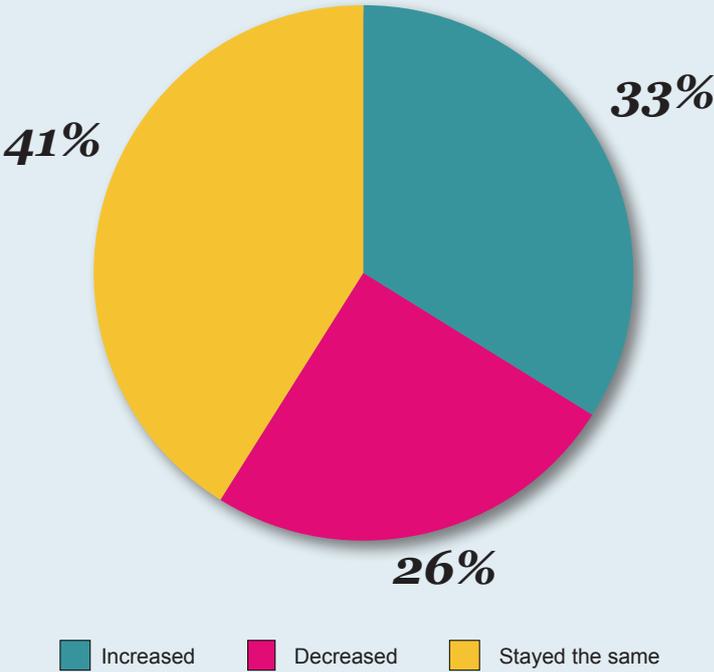
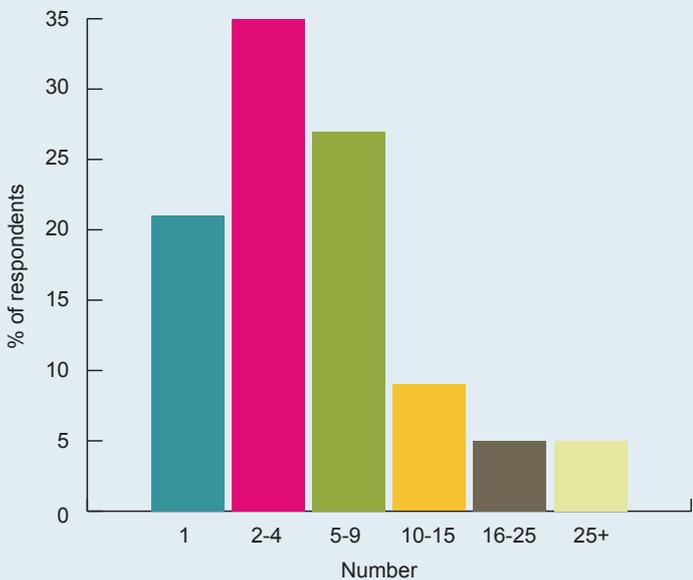
A further encouraging statistic which stood out is that **73.8%** of comms teams have either stayed the same or increased in size, up from 58% last year. Only 26.2% of teams decreased and this is a significant drop from the 42% reported the year before. This leads us to believe that Internal Communications is becoming well established as a business function and is in generally good health.

***“73.8% of comms teams have either stayed the same or increased in size, up from 58% in 2010.”***



Team size: changes since 2010?

Team size:



# Skills

## Personal perception - top five skills for development

- 1. Coaching Senior Leaders**
- 2. Social Media Development**
- 3. Influencing**
- 4. Public Affairs**
- 5. External Communications**

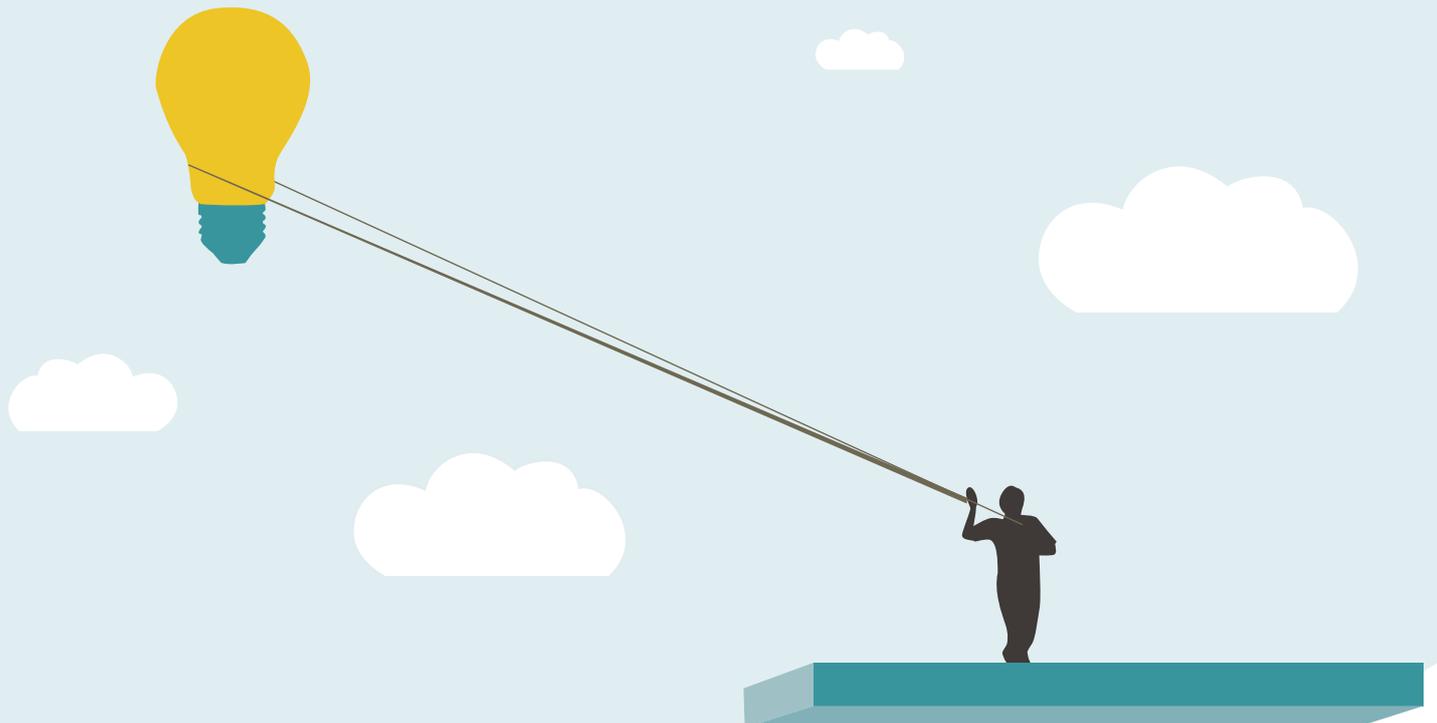
The personal perception of skills deficits among internal communicators speaks of seeking to improve social media skills, broadening out from pure Internal Communications and gaining the ear of the board through coaching and influencing. While some of these skills are recognised as deficits by team managers, there is also an apparent deficit around core skills such as writing and strategy setting. Interestingly, 'social media development' while perceived by IC professionals as their second biggest skill deficit, is only ranked at 12th on the list of desired skills amongst hiring managers. While this is an increase since 2010 when it was placed 16th, there seems to be a need to get the fundamentals right before venturing into new channels. Influencing is the skill most lacking in Internal Communications professionals, according to team managers and those seeking to hire IC talent.

*"The VMA Group's Internal Communications Survey is an excellent piece of benchmarking research for the profession. It also provides valuable guidance where internal communicators should focus their efforts and development. It is essential to have solid core communication and business skills before focusing on tools and channels."*

**Katharina Auer, Head of Internal Communications, Rio Tinto**

## Top five skills that are 'most lacking' in IC recruits - according to hiring managers

- 1. Influencing**
- 2. Coaching Senior Leaders**
- 3. Strategy Setting**
- 4. Writing – Specific Corporate Messaging**
- 5. Writing – Publications/Online**



# Use of Social media

In this year's survey we set out to explore which social media tools are being used the most by organisations, but also which sectors have been most enthusiastic in adopting social media for employee communication and engagement.

Social media tool	% of organisations using in 2011	Position in 2010
Blogs	56	7
Online Forums	43	3
Webcasts	38	9
Customised tools	23	2
Twitter	19	6
Podcasts	18	1
YouTube	16	8
Yammer	15	-
LinkedIn	14	10
Facebook	13	4

Blogs have shown a resurgence in popularity, having been the social media tool of choice in our first internal communications survey in 2008, whereas podcasts have gone out of favour. Yammer makes its first appearance and one respondent commented that it was particularly useful as an online forum for employees facing redundancy.

**“56% of organisations use blogs.”**

*“In the digital age in which we all now live and work, employees don't want 'broadcast' communication - they want dialogue, they want a voice and they want to feel engaged. There's been a great deal of talk over recent years about Generation Y entering the workplace. Well, they're already here and - whether we know it or not - they're shaping and changing the way we all communicate with each other. As internal communicators, we have a critical role to play in embracing social media. Those of us who don't will simply be left behind.”*

**Nicole Dempster, Director of Internal Communications EMEA, InterContinental Hotels Group**

It's interesting to see public sector and not-for-profit organisations among the top ten using social media - which suggests it's a creative and cost-effective way to drive engagement when communications budgets are restricted.

## Industries using social media the most:

1. Financial Services
2. Professional Services
3. Energy
4. Central Government
5. Not-for-profit organisations
6. Telecoms
7. Manufacturing
8. Media
9. Local Government
10. Healthcare

## What social media is being used for:

1. Peer-to-peer communication
2. Connecting geographically dispersed teams
3. Creating dialogue
4. Improving collaboration
5. Increasing CEO and senior management visibility

Social media remains a polarising topic and there was a huge divergence in attitudes among respondents, from outright scepticism about social media as a 'waste of time' and channel for 'manufactured good news' on one hand, to the belief that it was an essential tool to connect senior management with employees and drive two-way conversations on the other. One respondent commented that their organisation is encouraging employees to see social media as a 'personal brand' channel as much as a business channel for communicating corporate messages.

# What do you like/dislike about your job?

When asked to name the best thing about working in Internal Communications, one clear theme emerged among respondents: sitting at the heart of an organisation. Respondents commented that they felt they made a tangible contribution to their organisation in terms of driving business strategy and cultural change, and helping employees to understand their value and contribution to the organisation.

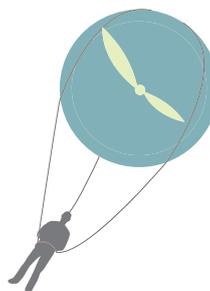
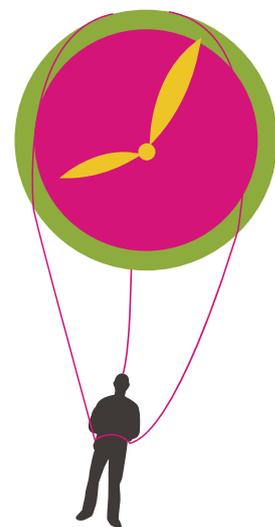
Other strong themes emerged around the variety of the role and the opportunity to work with people at all levels throughout an organisation.

When asked what was the worst thing about the job, most comments focused on lack of support for, and failure to perceive the value of, Internal Communications at senior management level. This left some respondents feeling that their contribution to the business wasn't recognised. Other comments focused on internal politics making the job more difficult, alongside more practical considerations such as lengthy sign-off processes and unmanageable workloads.

In addition to the 'day job', most respondents' time is currently taken up with change communications, with HR-related change, restructuring and redundancy being significant areas of focus in the context of the continuing recession. IT change also scored highly, as so much business transformation is now driven by new technology and streamlining of IT systems. Other projects mentioned by respondents included relocation and other business change, the implementation of new communications channels, employee engagement and managing employee surveys.

## What kind of projects are you currently working on?

Business as usual	72%
HR Change	60%
Restructure	56%
IT Change	38%
Redundancy	30%
Other	27%
Outsourcing	14%
Merger	12%
Acquisition	10%



# Looking forward

The role of Internal Communications has become more important than ever, as executives take stock of the effect of the last couple of years on employees and communicators are challenged to find more creative and impact-driven ways in which to increase engagement. Our survey results suggest that there are three key challenges that internal communicators are currently faced with:

## Social media

It is evident from our findings that many more organisations are now using social media in some shape or form. With changing generational demographics this is essential, however, whilst it affords communicators additional tools and channels through which to communicate a message, it should not be the be-all and end-all. Social media should be used as part of a more robust channel mix and internal communicators will need to ensure that the tools they are using are current and consistently measured so as to ensure that their efforts in this space are justified.

## The role of the line manager

The general consensus is that line managers play a key role in employee engagement and, whilst communication is an important skill for them, it requires training and development. Often, there is not enough investment in this and, as a result, line managers either do not deliver messages to their teams or they do so in an ineffective fashion, which can lead to further confusion and

disengagement. The challenges internal communicators face is how best to support line managers, how much time they should dedicate to this and how to measure the effectiveness of using this population to communicate.

## Ensuring that Internal Communications remains a priority for organisations

During tough economic times when restructuring, cost-cutting and change is constant, it is easy for employee engagement to become less of a priority for organisations. The resounding message from our survey is that internal communicators are very concerned that, as we head in to 2012, the impact of Internal Communications will be forgotten. Therefore, internal communicators need to ensure that what they are implementing has a positive impact on the business and, in consequence, measurement has never been more important.

*“For me, Internal Communications is gaining greater credibility and therefore facing increasing expectations to support businesses through uncertain times where change has become a daily reality for leaders, managers and employees. What we’re facing as a result is the need to communicate more but in a way that engages and involves employees, through new media like video and social media channels. The challenge is, as ever, to prioritise (given budget and resource constraints) to make the most of this opportunity and truly establish ourselves as experts who deliver business benefit and ultimately improve employee engagement.”*

**Deanne Raseta, Head of Internal Communications, Aviva Investors**



# About us

As the UK's largest Internal Communications recruiter, VMA Group is the market leader in the search for talent in the Internal Communications profession in the UK and internationally through our global network.

We have an impressive track record of making appointments that last and add value for clients and candidates alike. We recruit in the following areas:

- \* Strategic Internal Communications
- \* Change Communication
- \* Digital Internal Communications
- \* HR Communications
- \* Employee Engagement
- \* IT Communications

At a time of widespread corporate change, we understand the critical role Internal Communications can play in improving how an organisation engages with its own people. Our team, picked from the IC profession itself, has experience of practicing Internal Communications at HMRC, BAE Systems, Cancer Research and RBS.

## Contact us

If you would like to talk to us about the survey, your recruitment needs or your next career challenge, please contact a member of VMA Group's Internal Communications practice on +44 (0)20 7436 4243 or email [ic@vmagroup.com](mailto:ic@vmagroup.com)





**VMA**  
GROUP

**VMA** Group

23 Bedford Square

London

WC1B 3HH

T: **+44 (0)20 7436 4243**

E: **mail@vmagroup.com**

W: **www.vmagroup.com**