

2010 CIPR: State of the PR Profession

Benchmarking Survey

July 2010



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FOREWORD

Jay O'Connor FCIPR, CIPR President

When speaking to members across the UK, there is one topic that dominates the conversation: the economy - a mix of optimism and concern about the impact of the coalition government's financial measures on communications budgets. The good news is that the PR profession has shown resilience in the face of a challenging economic environment and there are clear confidence indicators. Online reputation management, crisis management and internal communications are expected areas of growth, linked to organisations' need to navigate through difficult times and the need to communicate and engage. Whilst members are broadly comfortable with their knowledge of social media, 23% believe their knowledge is limited. The CIPR's Social Media Panel was launched earlier this year to help support knowledge building, training and best practice.

The Challenges

There is no doubt that public sector budget cut planning is beginning to bite. Almost half of our in-house public sector respondents are concerned about redundancy. We must work hard to support our members, to help communicate the value of the work that they do and to consider new approaches to the delivery of communications. Indeed, 43% of our members agreed that budgetary pressures have made them work more closely with other departments in their organisation, in particular marketing and HR. As Matt Tee, Permanent Secretary for Government Communications stated at our AGM in June: *"It's about [practitioners] becoming more generalist and extending beyond the comms mix. This means developing a broader knowledge of other areas of the organisation, closer collaboration with colleagues and improved management skills."*

Diversity

Building on our December 2009 survey that included data on ethnicity, disability and age (included in this report), our 2010 survey looked at the differences between male and female practitioners on pay, representation in the boardroom and senior management positions. Results highlight a disparity between men and women, with more men in senior positions, more men in the boardroom and men earning on average more. For a profession that has a large and vibrant community of female practitioners, we need to urgently understand how this compares to other professions, the reasons for any disparities and how the profession should tackle it. The CIPR's Diversity Group, created earlier this year, will be talking to our members across the UK to understand what needs to be done to make our profession more representative of the people it serves.

Practitioners in the Boardroom

Again for the first time, our survey has drilled down into practitioner representation at the boardroom table. It reveals that 22% of practitioners surveyed currently hold a board position and 35% of practitioners who are not on the board state there is a communications professional on the board. This provides a benchmark for future surveys so that we can understand the progress we are making in this regard. What is clear is that the appointment of practitioners to boards demonstrates the value placed on public relations as a strategic function.

I would like to thank Andrew Hawkins and his team at ComRes for working with us on this report and of course to all of the members who participated - your input is appreciated very much.



Andrew Hawkins MCIPR, Chairman ComRes

As was the case in last year's CIPR membership survey, while it is true that the recession is a theme which still preoccupies many PR practitioners, there are plenty of new opportunities emerging in the sector.

We have undertaken this year's survey at a time when we anticipate the onset of a second wave of effects from recession in the public sector. Perhaps predictably, the recession continues to concern and dominate the profession, with in-house public sector practitioners giving the most anxious prognosis as to the prospect of redundancy over this next year. However, as before, practitioners do retain a certain level of optimism, laying testament to the flexible nature of the industry today.

Broadly speaking, results paint a striking portrait of continuity from 2009, with crisis management experiencing growth, while sponsorship remains an area of ongoing decline. On a more positive note, the survival instinct of the PR industry remains apparent, with robust levels of growth in the area of online reputation management persisting into 2010.

ComRes is delighted to have conducted this study on behalf of the CIPR. Our particular thanks also go to all those who participated in this study – we are extremely grateful for your time and input.

METHODOLOGY

ComRes surveyed 1,940 CIPR members online between 19 May and 9 June 2010. The survey was conducted according to the Code of Conduct of the Market Research Society.

ComRes is a member of the British Polling Council and abides by its rules (www.britishpollingcouncil.org). This commits us to the highest standards of transparency.

The BPC's rules state that all data and research findings made on the basis of surveys conducted by member organisations that enter the public domain must include reference to the following:

- **The company conducting the research (ComRes)**
- **The client commissioning the survey**
- **Dates of interviewing**
- **Method of obtaining the interviews (e.g. in-person, post, telephone, internet)**
- **The universe effectively represented (all adults, voters etc)**
- **The percentages upon which conclusions are based**
- **Size of the sample and geographic coverage.**

Published references (such as a press release) should also show a web address where full data tables may be viewed, and they should also show the complete wording of questions upon which any data that has entered the public domain are based.

All press releases or other publications must be checked with ComRes before use. ComRes requires 48 hours to check a press release unless otherwise agreed.

EXECUTIVE SUMMARY

As part of ComRes's role as the CIPR's polling partner, this survey was conducted in order to focus on the current issues, and to track the trends, relating to the state of the PR profession.

Major themes to emerge from this report are the effects of the economic downturn, including the anticipation of cuts; and areas of growth and decline within the profession.

RIDING THE STORM OF THE RECESSION

The PR profession's resilience in the face of the economic downturn seems to continue, the majority of members disagree that they are worried about being made redundant (60%). However, this is nearly a 13% decrease since last year (73%). More than a quarter of participants (28%) are currently worried about the prospect of redundancy, which has increased since last year (26%).

The anxiety about redundancy is more prevalent with practitioners employed in-house in the public sector, with almost half (49%) of all practitioners who fit this profile worried about being made redundant.

AREAS OF GROWTH

The strongest growth in the profession is reported with online reputation management (called 'digital PR' in 2009). In similar fashion to last year, the key areas that are experiencing growth are in the service provision of crisis management. It seems in the current economic landscape, company performance and reputation management remain increasingly important to client organisations.

AREAS OF DECLINE

As with last year, sponsorship is experiencing the greatest report of decline, an area that is hitting the private sector the hardest. Event management is the next area that appears to be experiencing cut backs by the profession this year.

THE PROFILE OF THE INDUSTRY

A personal analysis of the profession reveals that the greatest percentage of practitioners is from Greater London and in their late twenties or early thirties. However, despite the fact that nearly two thirds of PR practitioners are female, male practitioners employed in the profession are more likely to be in a senior position, with a higher salary and to have a position on the board of their organisation.

1 SAMPLE PROFILE & CONTEXT

Before the detail of the survey is addressed, this first section summarises the profile of PR practitioners who took part. PR practitioners were asked to give detailed information on their professional role.

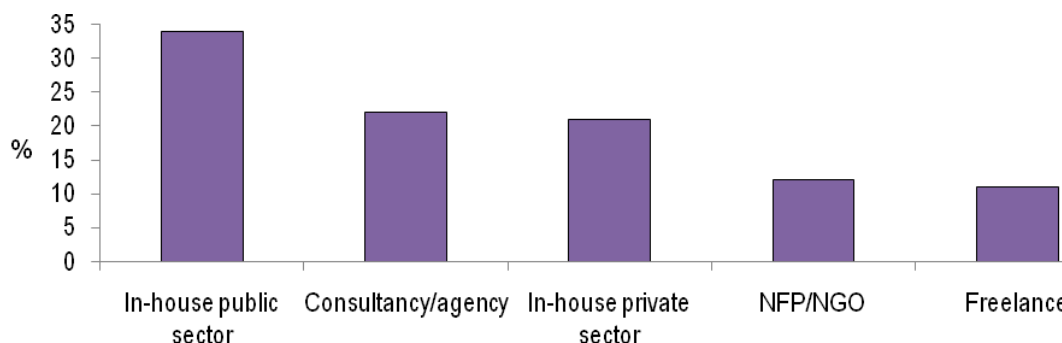


Fig.1.1: Occupational Role
Base: All practitioners

The highest percentage of practitioners (see Fig1.1) is employed in-house in the public sector (34%). This is followed by consultancies or agencies (22%) and in-house in the private sector (21%). PR practitioners are the least likely to be employed in-house for a not-for-profit/NGO (12%) and freelance (11%).

PR practitioners were asked to go into further detail about the nature of their role within the profession. The chart below illustrates what level of responsibility respondents hold in their organisation.

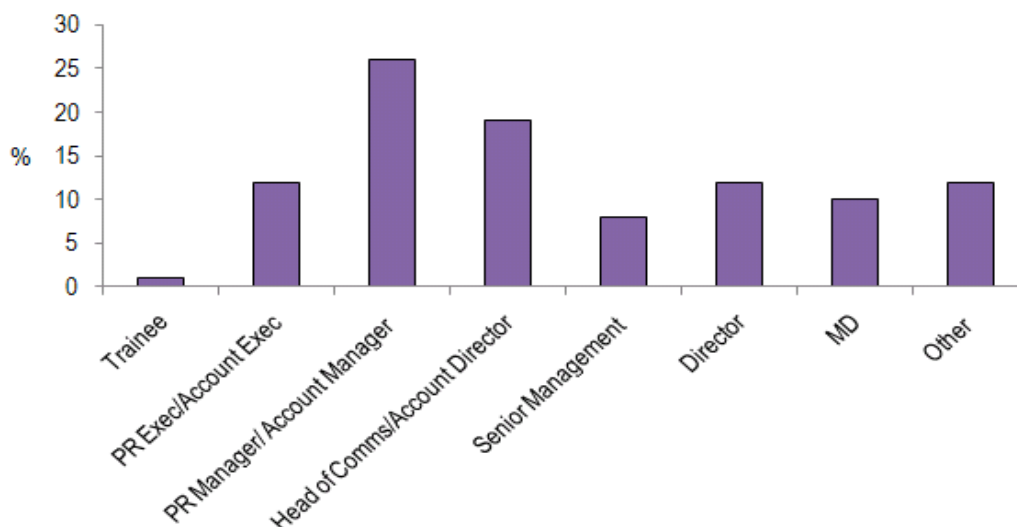


Fig 1.2a: Responsibility within Organisation
Base: All practitioners

The largest percentage of participants are in mid - senior positions, with PR Manager or Account Manager level comprising more than a quarter (26%). This is followed by practitioners who are Head of Communications or are an Account Director (19%) of their organisation. PR and Account Executives are next to follow, with 12% of practitioners who hold this level of responsibility.

For further analysis, this profile has been broken down by gender.

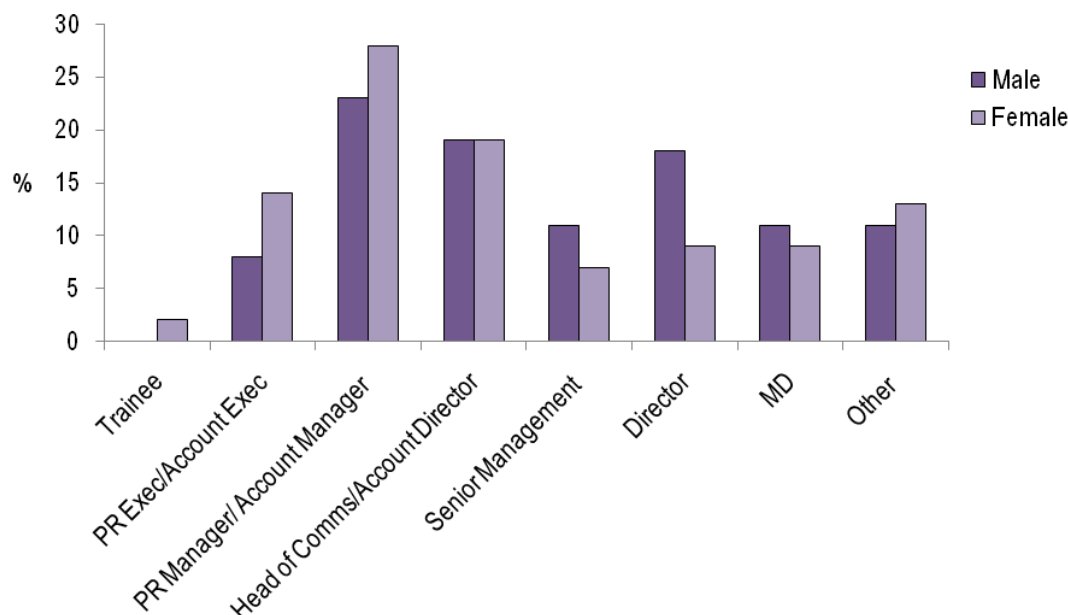


Fig 1.2b: Responsibility within Organisation, by Gender
Base: All practitioners

Men are more likely to hold a Senior Management or Director position than female practitioners; with 18% of male practitioners at Director level, 11% who are Senior Management and 11% at Managing Director; compared to 9%, 7% and 9% respectively of female practitioners.¹

Female practitioners are more likely to be a PR or Account Manager than male practitioners, with 28% of women holding this position compared to 23% of men. In addition, female practitioners are more likely to be a PR or Account Executive, with 14% of women holding this position compared to 8% of men. However, it is worth noting that overall there is a greater number of women who participated in the survey than men.

¹ Overall there are more women in the sample than men (by a ratio of almost 2:1), but once we reach the higher levels of responsibility (Director and Senior Management), that difference has largely disappeared, with the proportions of men at Director level double that of women at Director level (18% of men in the sample are Directors compared to 9% of women). Given that there are more women in the sample overall though, the absolute numbers are similar.

It is also true that the men in the sample are more evenly spread over the age range, whereas women tend to be more concentrated at the younger end. The reasons for the differences by age and level of seniority may well be related, but the key point is that men tend to be both older and in more senior positions. Therefore the average age of men is older than women and men are more likely to be in senior positions (but this does not mean that women are not in senior positions).

Practitioners were then asked to give details on what part of the PR industry they are involved in. Fig 1.3 illustrates the PR functions in which in-house practitioners are involved.

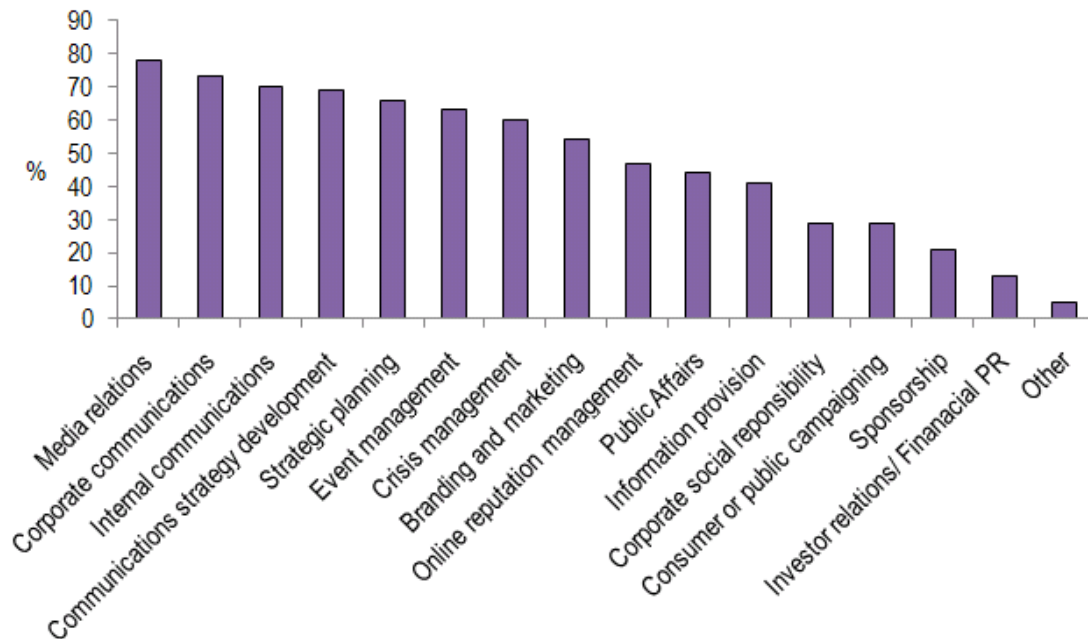


Fig.1.3: Type of PR Functions Practitioners are Involved in
Base: All in-house practitioners

Most notably, Fig 1.3 illustrates that in-house practitioners are not isolated in the functions they carry out on a daily basis. Indeed, the majority of in-house practitioners, both in the public and private sector, conduct a range of PR tasks.

The largest percentage of in-house practitioners (78%) is involved in media relations. Clearly this relates to the fact that the media is a key communications channel between an organisation and its publics.

The second most common function in which in-house practitioners are involved is corporate communications (73%) with internal communications following close behind (70%). There is also significant in-house involvement with communication strategy development (69%).

The smallest proportion of in-house practitioners (13%) is involved in financial PR.

Consultancy and agency practitioners were also asked to give details on what part of the PR industry they are involved in.

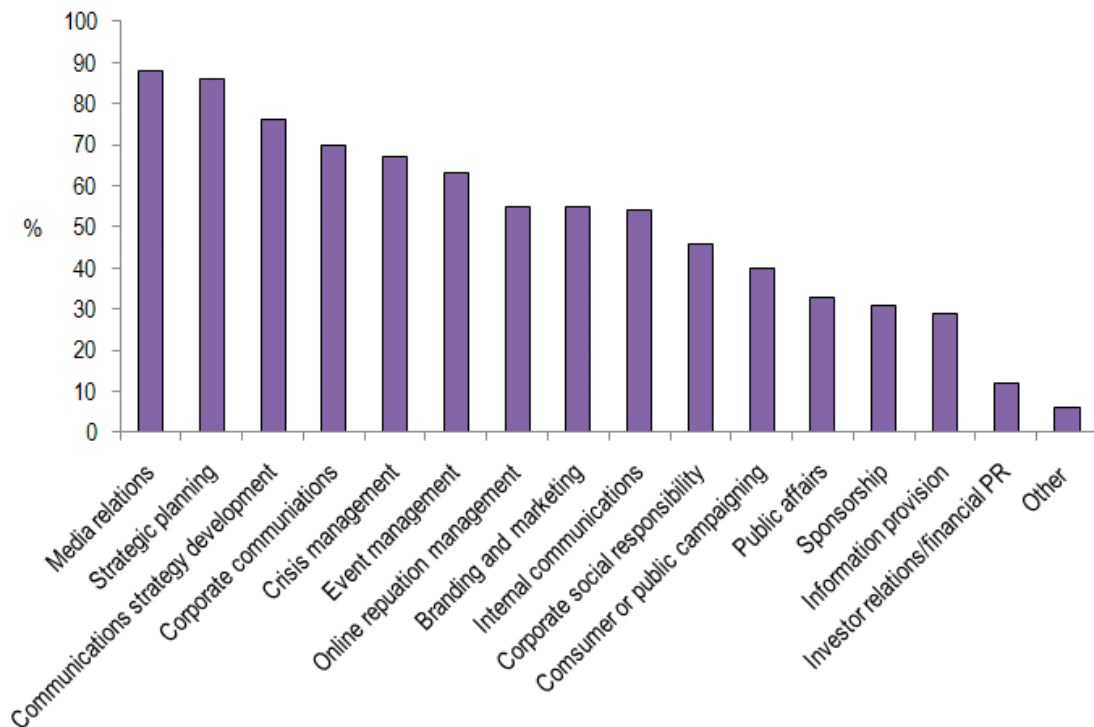


Fig.1.4: PR functions that Practitioners are Involved in
Base: All consultancy / Agency practitioners

In similar fashion to in-house practitioners, Fig 1.4 illustrates that consultancy practitioners are not isolated in the functions they carry out on a daily basis.

The largest percentage of consultancy practitioners are involved in media relations (88%). This is closely followed by strategic planning (86%). There is also significant consultancy PR involvement in communication strategy development (76%).

The smallest proportions of consultancy practitioners (12%) are involved in investor relations and financial PR.

When comparing the functions of in-house and consultancy/agency practitioners it is no surprise that the majority of both are involved in media relations. However, what is interesting is the role that communications plays within an organisation. For in-house practitioners, corporate communications (73%) and internal communications (70%) were the second and third highest functions in which they are involved, while for the consultancy/agency it was strategic planning (86%) and communications strategy development.

Both show that organisations are recognising the need for better communications with both their internal and external stakeholders and the involvement of communication experts within company strategy development.

2. RAMIFICATIONS OF THE FINANCIAL CRISIS

With the current economic climate in mind, it is important to understand the impact of the economic environment on the different aspects of the PR profession. Respondents were asked to comment on their perspectives of how the economic downturn is affecting the organisations they are working in, all of which are detailed in Fig.2.1a below.

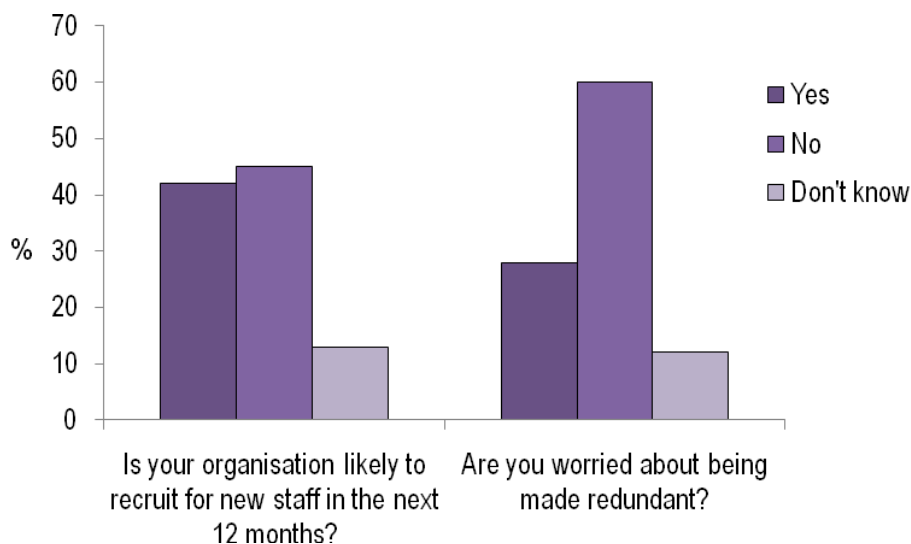


Fig.2.1a: Potential Effects of the Economic Downturn
Base: All practitioners

The majority of members disagree that they are worried about being made redundant (60%). This is a decrease since last year (73%). More than a quarter of participants (28%) are currently worried about the prospect of redundancy, which has increased since last year (26%).

The likelihood of practitioners' organisations recruiting in the next 12 months is almost split, with 42% of respondents who agree with this statement and 45% who disagree.

The results of this question have been analysed by employer type. Fig 2.1b illustrates the percentage of practitioners who agree with the statements.

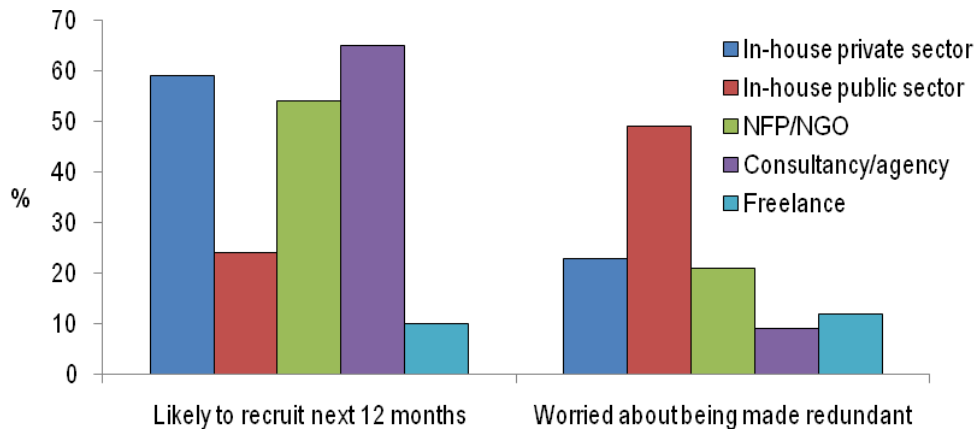


Fig.2.1b: Potential Effects of Economic Downturn by Practitioners Who Agree With These Statements
Base: All Practitioners, by Employer Type

It is evident that practitioners employed in-house in the public sector are suffering the most from the symptoms of the economic downturn. Almost half (49%) of all in-house public sector practitioners are worried about being made redundant, and less than a quarter (24%) agree that their organisation is likely to recruit in the next 12 months.

Practitioners were then asked where they expect the greatest areas of growth and decline within their organisation to be in the next five years. This aims to complete the pen-portrait of the impact of the economic downturn on the PR profession as a whole.

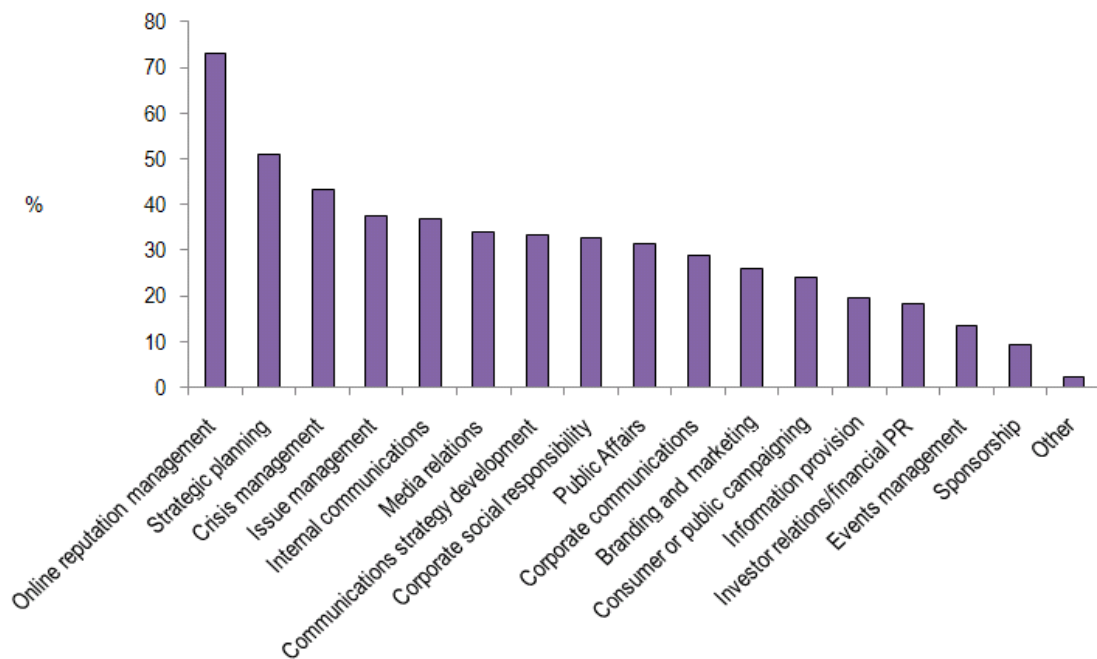


Fig.2.2b: Areas of Greatest Growth in the Next Five Years
Base: All practitioners

It is a positive indication of the resilience of the profession that there are plenty of areas of expected growth in spite of the economic downturn. The greatest areas of expected growth in the next five years across the board are in online reputation management (73%), strategic planning (51%) and crisis management (43%).

This is undoubtedly due in part to the fact that the financial crisis has led to companies and organisations needing reputation and crisis management services even more than they would in 'normal' economic times.

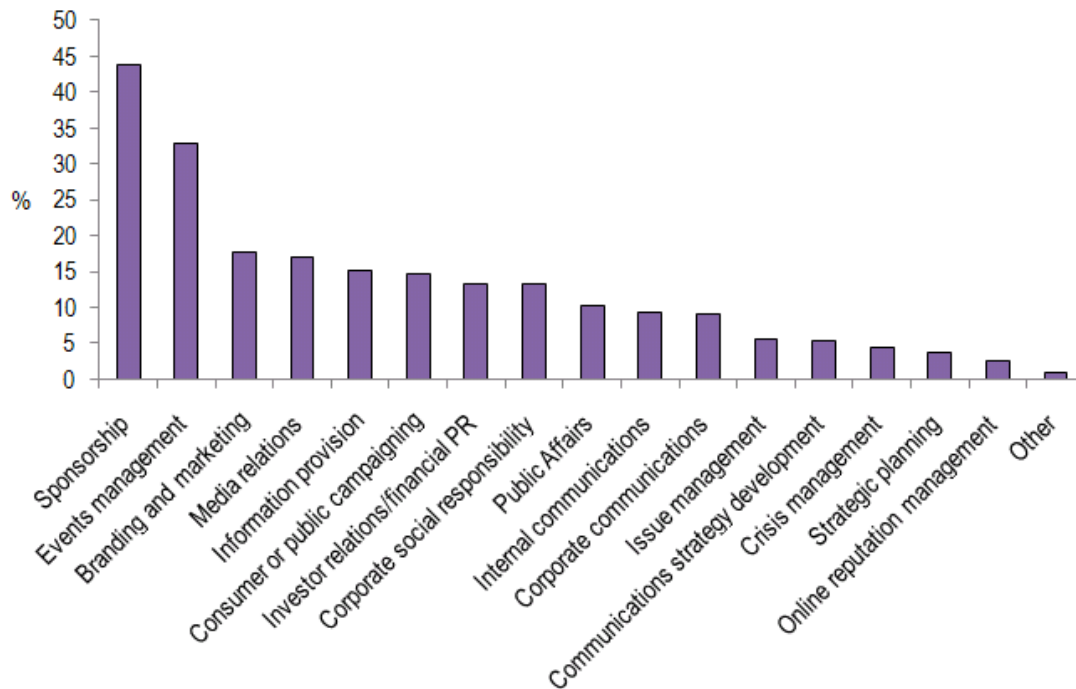


Fig.2.3: Areas of Greatest Decline in the Next Five Years
Base: All Practitioners

Looking to the wider impact on the economic downturn, it seems that the activity which PR practitioners expect the most to decline than any other is sponsorship, with 43% of practitioners expecting it to decline, followed by events management (33%).

The activity that PR practitioners expect to decline the least is online reputation management (3%). This indicates how, in such turbulent and potentially image-ravaging time, this activity takes on greater importance.

PR practitioners were asked how satisfied they are with their skills to develop effective strategies and to implement online and social media campaigns for their organisation.

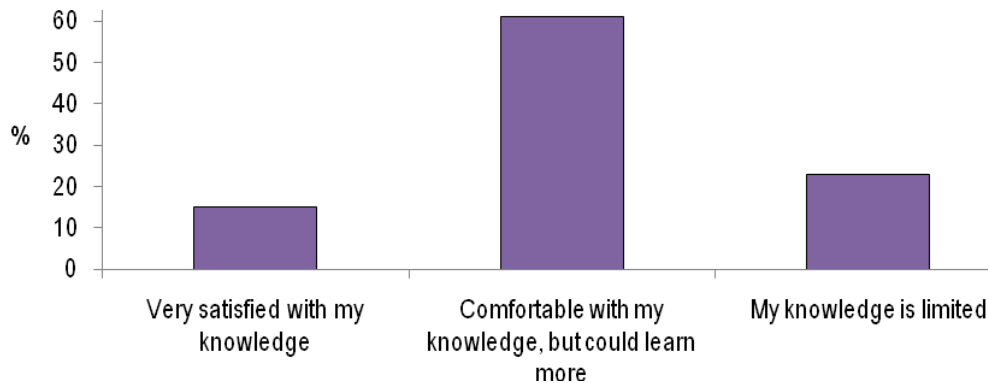


Fig.2.4: Knowledge Satisfaction
Base: All practitioners

Fig 2.4 indicates that 61% of PR practitioners are comfortable with their knowledge to implement online and social media campaigns, but feel that they could learn more. A further 15% are very satisfied with their knowledge. However, it is noteworthy that 23% of PR practitioners feel that their knowledge in this area is limited.

Participants employed in-house were questioned whether budgetary pressures have made them work more closely with other departments in their organisation.

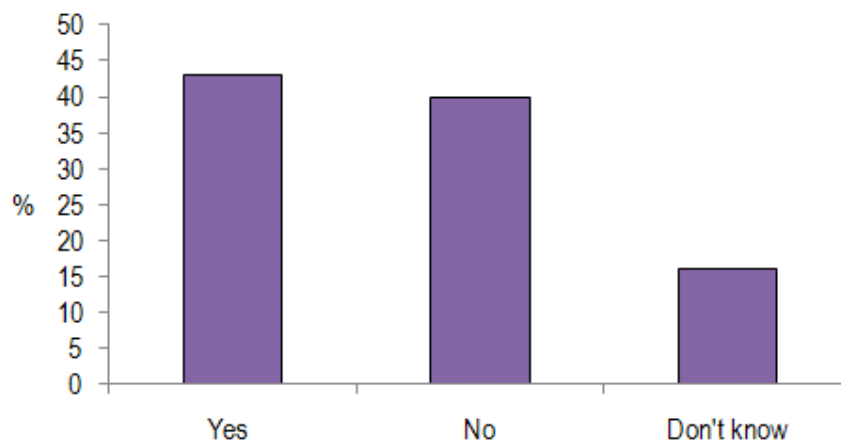


Fig.2.4: Have Budgetary Pressures Brought Departments Closer Together
Base: All in-house practitioners

In-house practitioners are clearly divided regarding whether budgetary pressures have brought the department of their organisation closer together or not, with 43% of practitioners who agree with this statement and 40% who disagree.

The 43% of in-house respondents who said that budgetary pressures have brought different departments in their organisation closer together were then asked which departments they are now working more closely with.

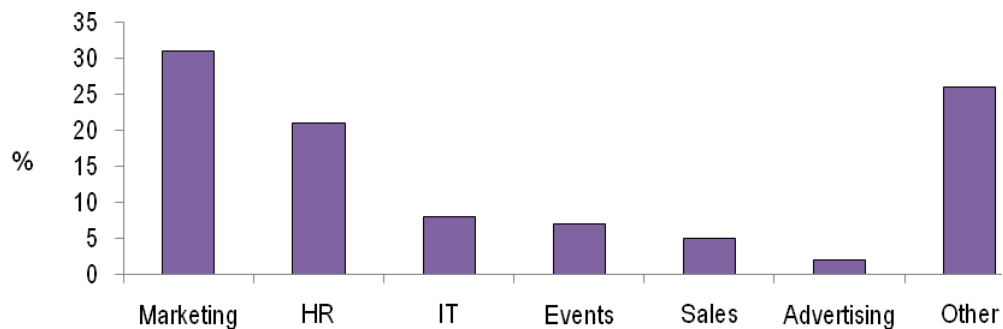


Fig.2.5: Which Departments Are You Working Closer With
Base: All in-house Practitioners Who Are Working Closer Together

Fig 2.5 illustrates that participants are most often working more closely with their marketing colleagues (31%), followed by HR (21%).

3. PR BUDGETS & SALARIES

Public relations has become a multi-billion pound profession. It is illuminating therefore to scrutinize the financial performance of the PR profession and to see how this has shifted over a five year period. In order to do so, practitioners were asked what their organisation's turnover was five years ago, two years ago, and in the last financial year.

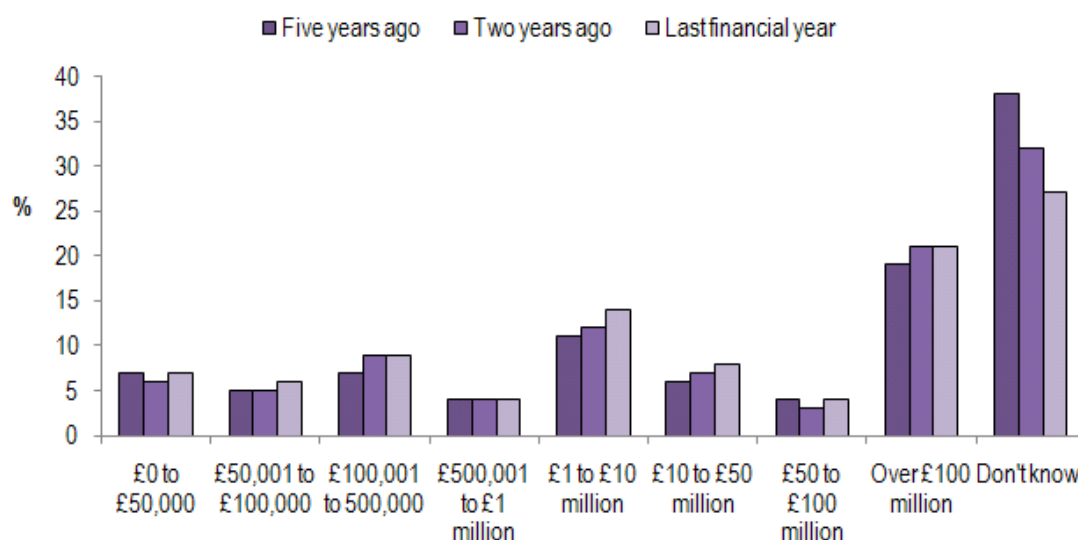


Fig.3.1: Financial Turnover
Base: All Practitioners

A significant percentage of practitioners estimate their organisation to have had a turnover of below £1 million (26%) in the last financial year. This is consistent with estimates of the financial turnover of practitioners' organisations five and two years ago, with 23% and 24% of practitioners who made an estimation of under £1 million respectively.

Estimates show that there was a slight increase in turnover in the last five years for £1 to £100 million. This increase is also found in estimates of the financial turnover for £10 to £50 million.

In addition, nearly 21% of practitioners estimate the financial turnover of their organisation in the last financial year to be over £100 million. This remains remarkably consistent with the turnover estimate from five years (19%) and two years ago (21%).

In-house practitioners were also asked for information about their communications budget.

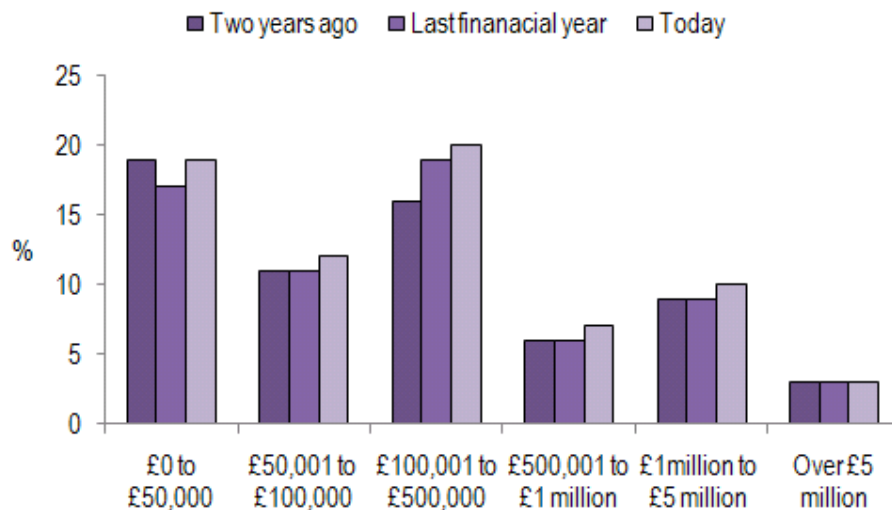


Fig.3.2: Communications Budgets
Base: All In-house Practitioners

Fig 3.2 illustrates that there has been a slight increase in the majority of communications budgets across in-house PR departments, according to their practitioners' estimations. In particular, there has been a slight increase of communication budgets between £0-£50,000, and in all other budgets across the scale apart from over £5 million, which receives the same estimation level as the communication budget in the last financial year and two years ago. This potentially indicates that the constraints of the economic downturn are starting to release slightly. This survey was conducted just a few weeks before the emergency Budget and does not reflect the response to the detail of the Budget.

Leading on from this, it is valuable to look at the salaries of practitioners.

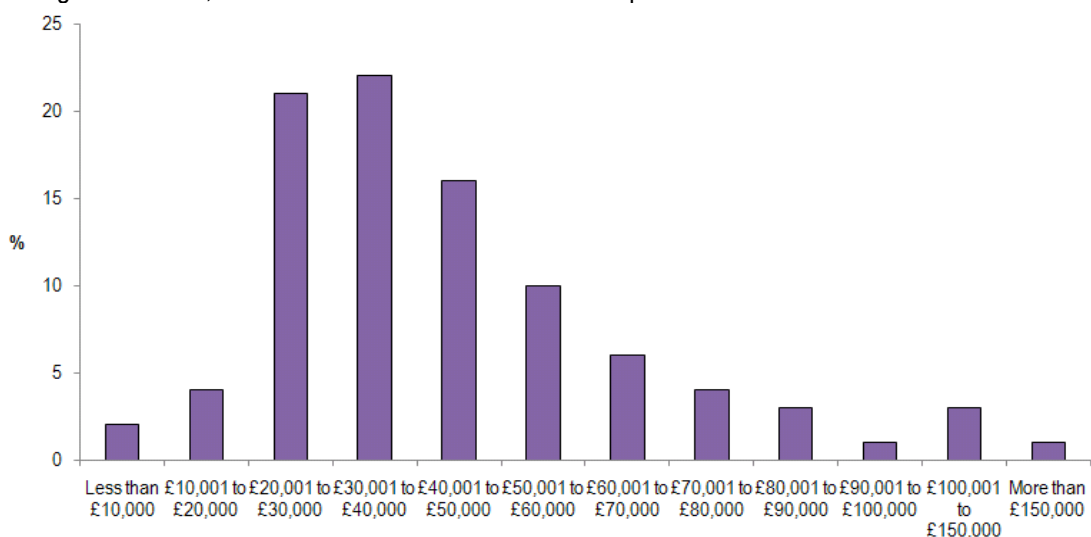


Fig.3.3a: Salaries
Base: All Practitioners

The greatest percentage of practitioners (22%) earn between £30,001 and £40,000. The results of this question have been measured by employer type.

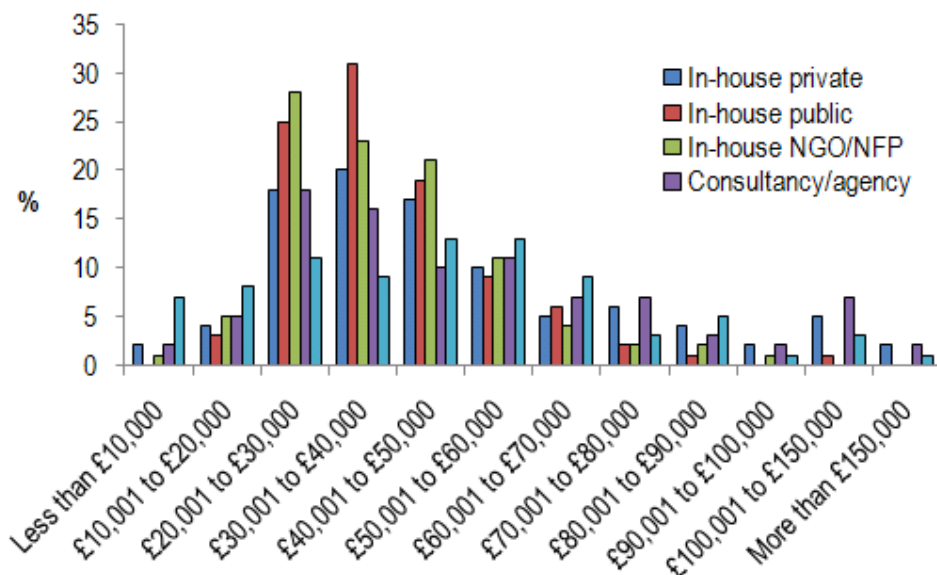


Fig.3.3b: Salaries, by Employer
Base: All Practitioners

Unsurprisingly, private sector, consultancy and agency, and freelance salaries tend to be higher than public sector and not-for-profit or NGO organisations. 34%, 39% and 35% of private sector, consultancy and agency and freelance practitioners earn a salary in excess of £50,000 respectively.

On the other hand, only 19% of practitioners working in the public sector and 20% working for not-for-profit or NGO organisations receive a salary in excess of £50,000.

This question has also been broken down by gender.

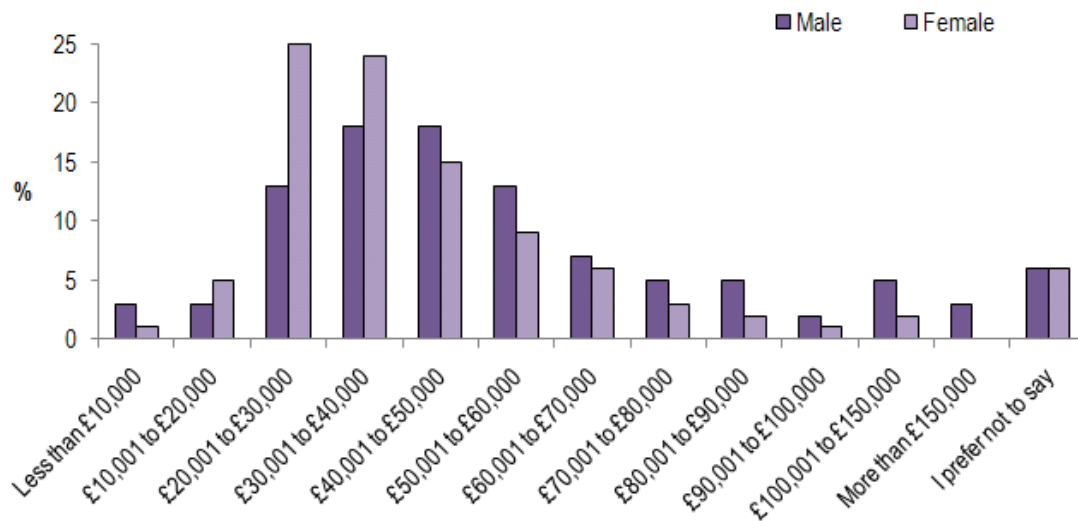


Fig.3.3c: Salaries, by Gender
Base: All Practitioners

Interestingly, men in the PR profession are far more likely to be earning a high salary than women, with 40% of men in the profession earning a salary in excess of £50,000, compared to 23% of women. This is linked to the fact that men in the PR profession are more likely to be in a senior position than women.

4 COMPANY PROFILE

In order to measure the size of an in-house PR team, in-house practitioners were asked how many employees are employed by the organisation in which they work. Fig.4.1 illustrates the size of an organisation and the size of their PR teams.

			Number of employees in organisation								
Number of employees in PR		Total	0 to 5	6 to 10	11 to 15	16 to 20	21 to 25	26 to 100	101 to 250	251 to 500	More than 500
	Sample size:	1,276	30	20	22	16	15	116	134	143	777
	0 to 5	42%	100%	95%	86%	88%	87%	80%	67%	51%	24%
	6 to 10	18%		5%	5%		7%	15%	18%	19%	20%
	11 to 15	7%			9%			1%	6%	9%	9%
	16 to 20	7%				13%		1%	3%	10%	8%
	21 to 25	6%					7%	1%	3%	3%	8%
	26 to 100	14%						3%	2%	5%	20%
	101 to 250	3%							1%	1%	5%
	251 to 500	2%								1%	4%
	More than 500	1%									2%

Fig.4.1: Number of Employees and the Size of their PR Team
Base: All in-house Practitioners

The table above illustrates the size of the PR team working within an organisation. From this table we can see that 60% of all respondents work in teams of fewer than 10 people. Of the respondents who work for large organisations (more than 500 employees), 44% work in a PR team of fewer than 10 people, while 20% worked in teams of between 26 and 100. In-house PR teams generally remain small regardless of the size of their organisation.

Practitioners operating in-house were then asked to state the sector in which *their organisation* operates most frequently.

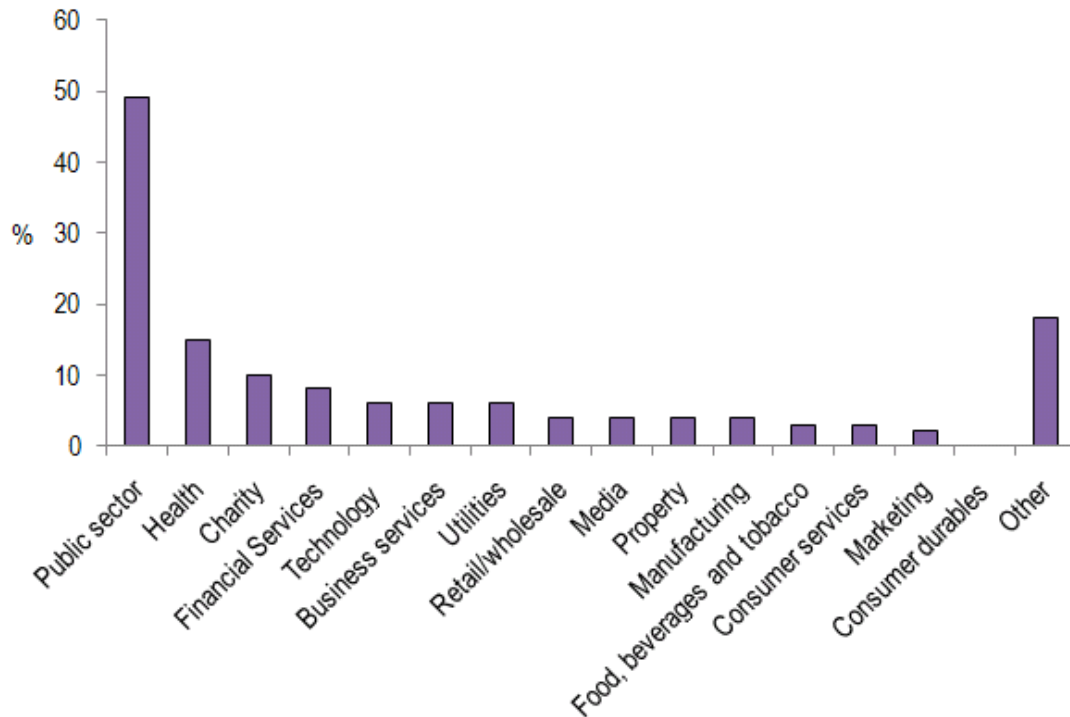


Fig.4.2: Sector Where Organisation Does Most of its Work
Base: All In-House Practitioners

By far the largest percentage of PR practitioners who are employed in-house are operating in the public sector (49%). Marketing was selected as the least common (2%). Just under a fifth (18%) selected 'other' as a response to this question.

Leading on from the previous question, practitioners working as part of a consultancy or agency were also asked to disclose the sector in which *their organisation* operates most frequently.

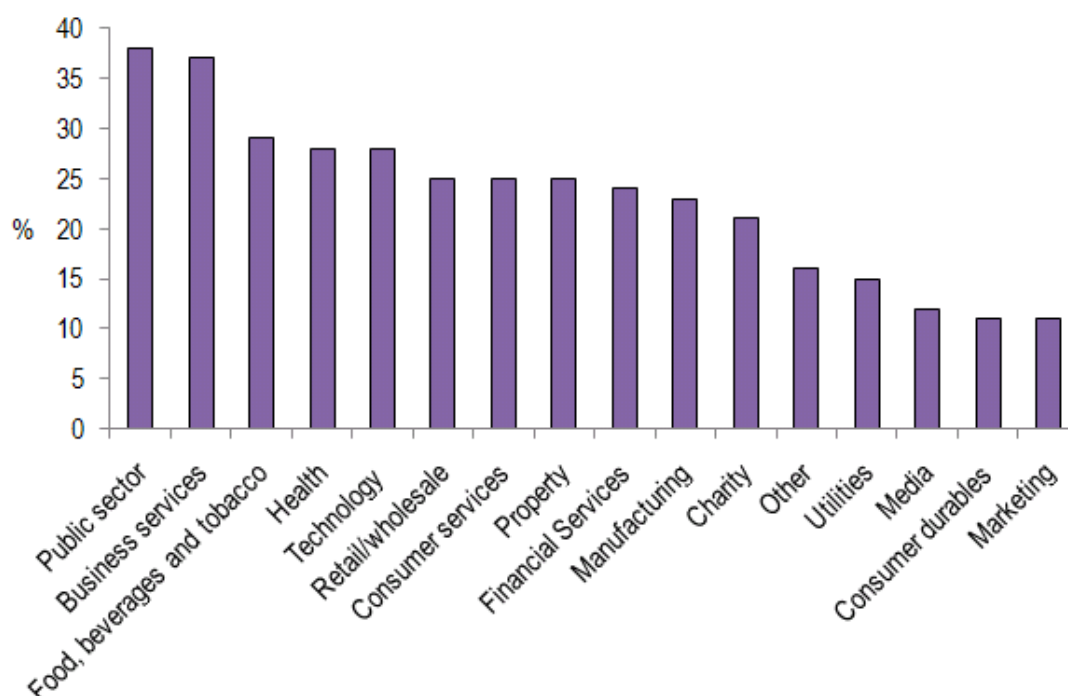


Fig.4.3: Sector Where Organisation Does Most of its Work
Base: All Consultancy / Agency Practitioners

In similar fashion to practitioners who are employed in-house, consultancy or agency practitioners are likely to do most of their work (38%) in the public sector. This is closely followed by business services, with 37% of consultancy or agency practitioners having clients in this area.

The geographical location of clients has been examined, as can be seen in Fig.4.4. This summarises where clients are located.

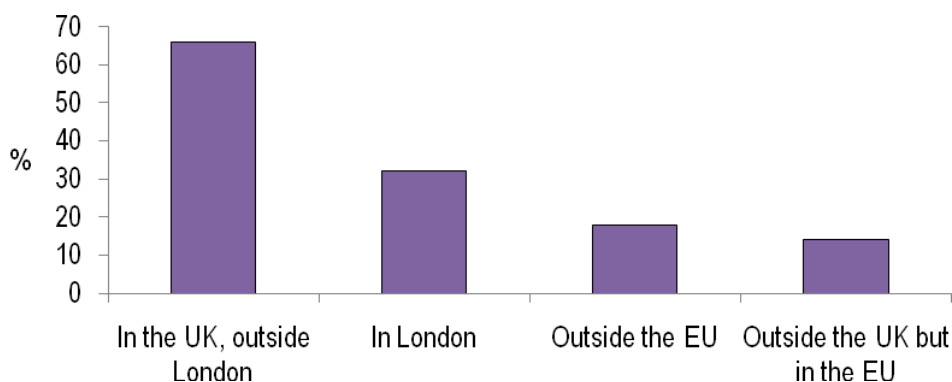


Fig.4.4: Geographical Location of Clients
Base: All Practitioners

London, although important, does not hold the monopoly on PR clientele (32%). Two thirds (66%) of all PR practitioners' clients are based outside of London but within the UK. This is in line with overall CIPR membership figures which show two thirds of members are based outside of London.

PR practitioners were also asked whether they had a position on the board of their organisation.

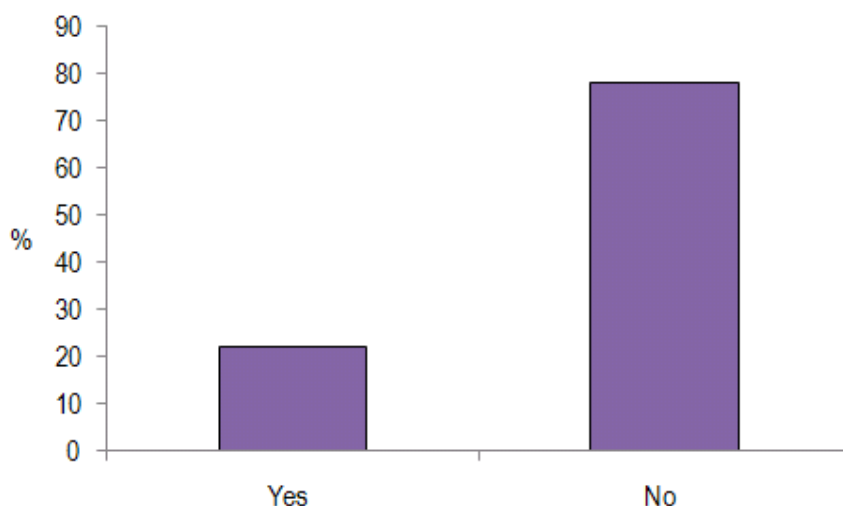


Fig.4.5a: Position on the Board of Organisation
Base: All Practitioners

The majority of respondents do not have a position on the board of their organisation (78%). Nonetheless, nearly a quarter (22%) of participants currently holds a board position.

The results of this question have been measured by the gender of practitioners.

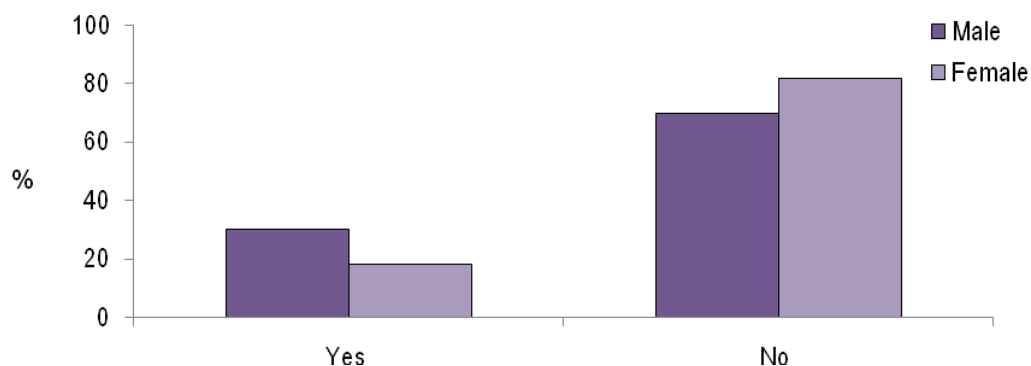


Fig.4.5b: Position on the Board of Organisation, by Gender
Base: All Practitioners

In similar fashion to role, male PR practitioners are far more likely (30%) to be a member of their organisation's board compared to their female colleagues (18%).

The 78% of PR practitioners who do not have a position on the board of their organisation were then asked if there are any communications professionals on the board.

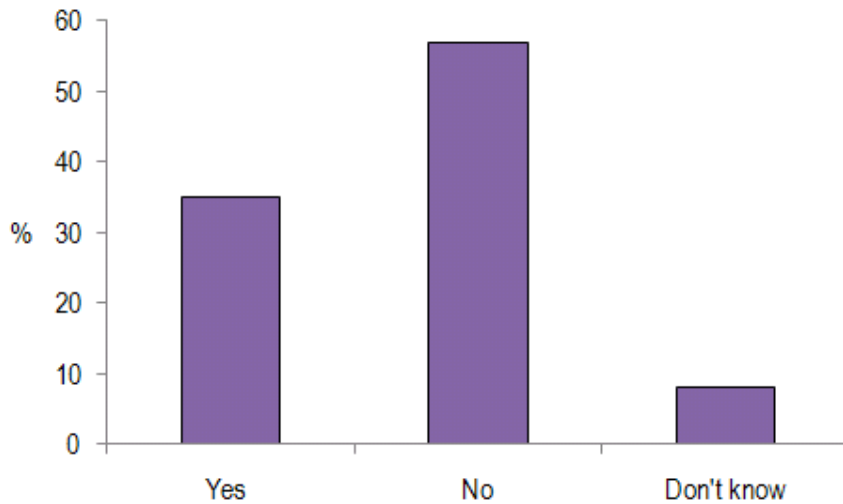


Fig.4.6: Communications Professionals on the Board
Base: All Practitioners Who Do Not Sit on Board

Fig 4.6 illustrates that 35% of PR practitioners who are not on the board of their organisations state that there is still a communications professional on the board of their organisation.

5 PERKS OF THE JOB

Following the significant amount of media spotlight falling onto the bonus culture which prevails through many sectors, it is interesting to ask PR practitioners in different sectors if they receive a bonus.

PR practitioners are more likely not to receive a bonus (58%). However, more than a third (39%) of PR practitioners do receive a bonus.

The 39% of respondents who said that they do receive a bonus were then asked how much as a percentage of their salary they received in bonus in 2009 and expect to receive this current year.

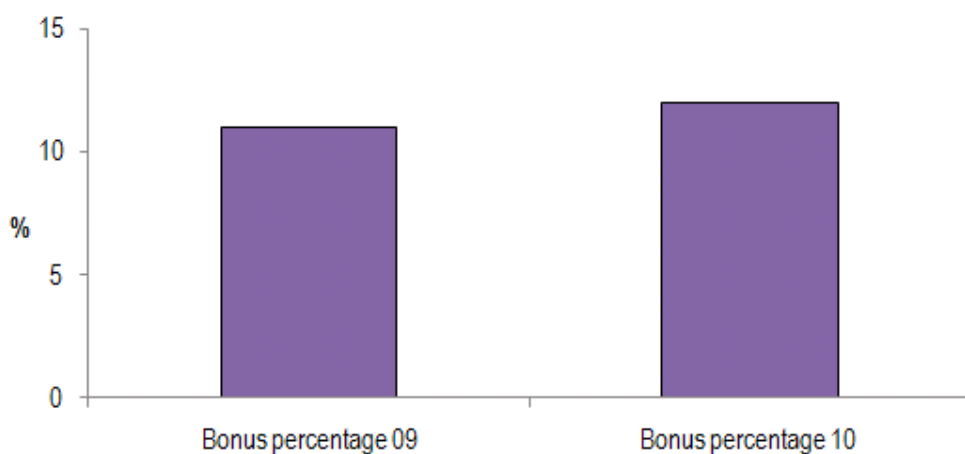


Fig.5.1a: Percentage of Bonus, 2009 & 2010
Base: All Practitioners Who Receive a Bonus

PR practitioners expect to receive a bonus that is 11% of their salary this year.

Practitioners were asked to give further details regarding the availability of other benefits from their organisation.

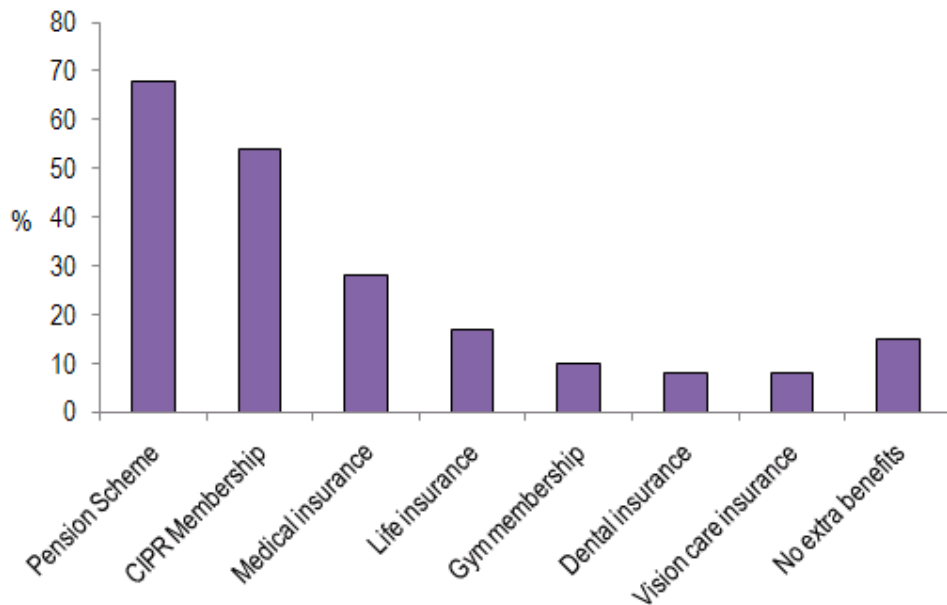


Fig.5.1b: Provision of Benefits
Base: All Practitioners

PR practitioners are most likely to receive a pension scheme out of the benefits listed in Fig 5.1b from their organisation (68%). CIPR membership is the second most available benefit to PR practitioners (54%), which suggests that membership is highly valued in PR organisations.

The results of this question have been measured by employer type.

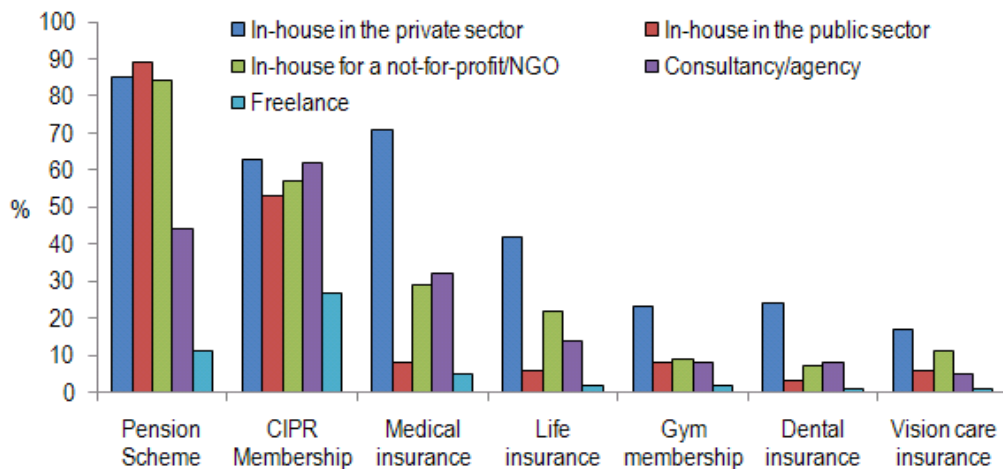


Fig.5.1c: Provision of Benefits, by Employer
Base: All Practitioners



6 DIVERSITY

The CIPR monitors the diversity of its membership on an ongoing basis, through surveys of its membership and the membership application process.

CIPR surveys provide a snapshot of particular strands of diversity. In December 2009 we focused on ethnicity, age and disability. In 2010, as our data on the 2009 strands will not have changed significantly, we have focused on gender, gender pay and roles within the profession. In 2011 we will return to the ethnicity, age and disability strands.

Gender is highlighted in different sections of the 2010 survey. To round out the picture, we have included the published December 2009 diversity data below.

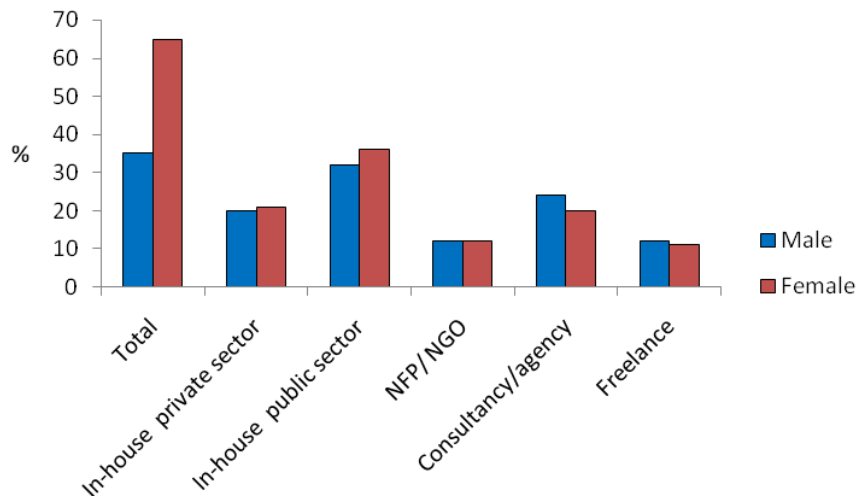


Fig 6.1: 2010 Gender Breakdown of Practitioners
Base: All Practitioners

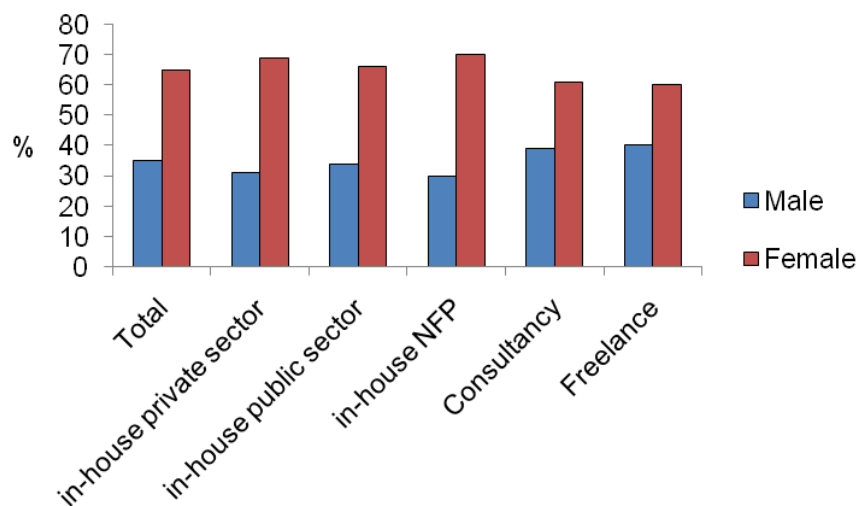


Fig 6.2: 2009 Gender Breakdown of Practitioners
Base: All Practitioners, by Sector

In both 2009 and 2010 our benchmark tracker has shown that 65% of PR practitioners are women. This, again, is in line with the 2005 CEBR study which found almost two thirds of the industry to be comprised of women, in comparison to 46% for the UK workforce as a whole. These latest results confirm that the PR profession is predominantly female.

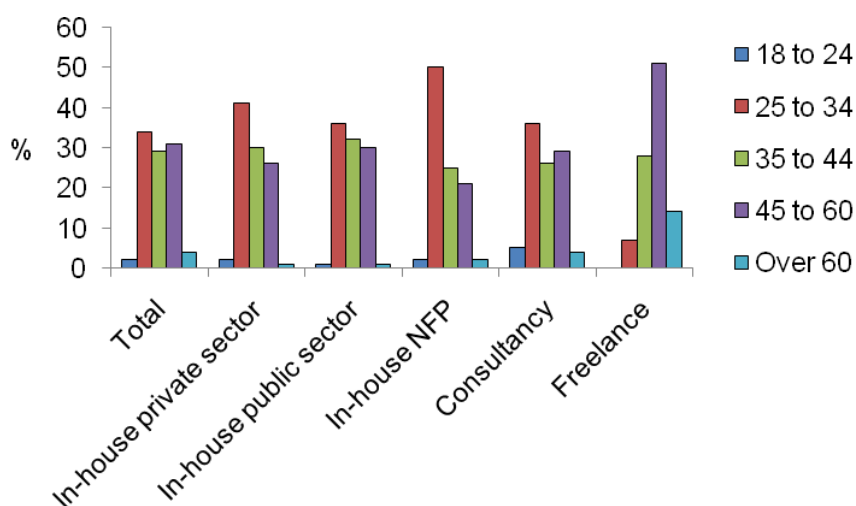


Fig 6.3: 2009 Age Range
Base: All Practitioners, by Sector

There is a broad distribution of ages with approximately one third of practitioners aged 25-34, one third aged 35-44 and one third aged 45-54. The most common age range is 25-34 (34%), the second greatest percentage of people are aged between 45 and 60 (31%), demonstrating the value of experience within the profession.

Analysis by sector reveals that by far the greatest percentage (50%) of in-house NFP members are aged between 25 and 34. Practitioners aged 45-60 significantly dominate the freelance sector, with 51% of freelancers within this age range. These results are consistent with the 2005 findings.

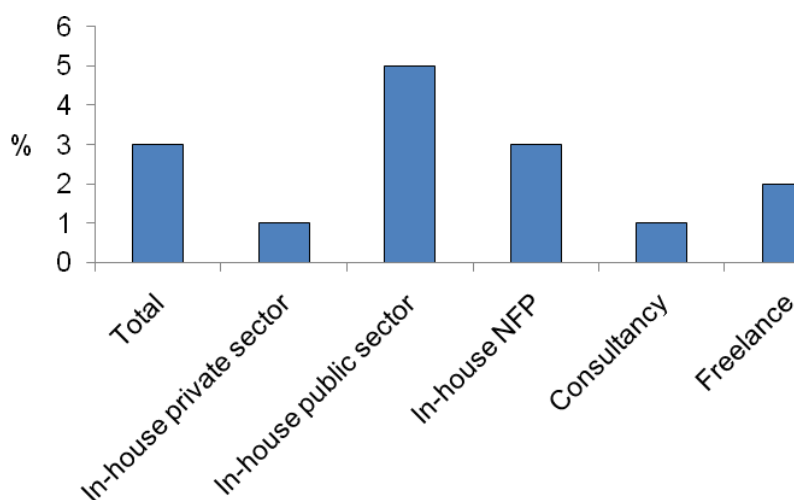


Fig 6.4: 2009 Are you Termed as Having a Disability?
Base: All Practitioners

The vast majority of respondents (97%) do not consider themselves disabled under the definition used in the 1995 Disability Discrimination Act. The public sector has the highest percentage of those describing themselves as disabled (5%). This figure highlights that the public sector is compliant with the 3% target set by the 2005 Disability Act for the employment of people with disabilities in Public Bodies. However, this is still a relatively small proportion of the profession.

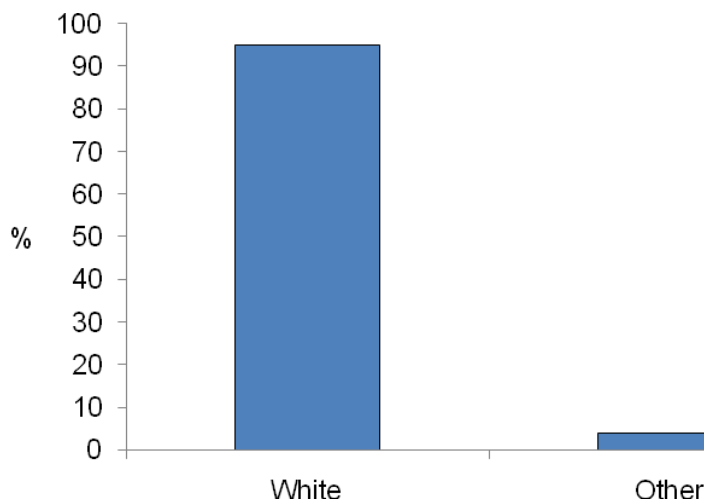


Fig 6.5: 2009: Ethnicity
Base: All practitioners

An overwhelming majority of practitioners are white (95%), compared with 4% of practitioners who state that they are from a different ethnic group.

The CIPR holds records on the gender and age of its entire membership, and this shows a broad distribution of ages within the CIPR - 63% of members are over 35, 25% of members are aged 25-35 and 5% of members are under 25.

Since 2005 the CIPR has also tracked disability and ethnic background and at present holds information on around a third of its total membership on these strands. This data shows that 0.4% of members have a disability and 8.5% of members describe themselves as non-white (does not include Irish / other white background).



This survey was conducted by ComRes, CIPR's polling partner



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