



The increasingly difficult global economic conditions of the past two years have presented a set of challenges to businesses, government and not-for-profit organizations that eclipse anything we have seen for several generations. This environment is combined with a new and more complex corporate communications landscape that includes revolutionary changes in technology, a sea-change in the production and delivery of journalism, and rapidly shifting political and societal trends.

The confluence of these forces has had a dramatic influence on the responsibilities of the Chief Communications Officer (CCO), and in many cases has resulted in a significant expansion of the role beyond anything that would have ever been predicted a few short years ago. To better understand these developments, Spencer Stuart and Weber Shandwick with KRC Research partnered to conduct a comprehensive and quantitative survey of global CCOs.

*The Rising CCO*, now in its second year, examines the roles, responsibilities and opinions of CCOs in the world's largest companies.

“ Crisis communication work, leading in a rapidly changing environment, and understanding new business/financial challenges will be among the most challenging communications issues in the year ahead. ”  
– Fortune 500 CCO

#### CCOs' "STOCK" RISES DURING PAST 12 MONTHS

- More CCOs report directly to the CEO than last year – 58% identify their immediate boss as the CEO compared to 48% one year ago (a 21% increase).
- Four out of 10 CCOs (40%) consider the CEO their greatest ally in the organization. One year ago, only 6% of CCOs felt strongly enough about the support of the CEO to name him or her via a write-in response on the survey.
- CCOs' tenure has increased, from an average of 54 months in 2007 to an average of 65 months in 2008. By comparison, separate Spencer Stuart research finds the average tenure of chief marketing officers (CMO) at 28 months, chief financial officers (CFO) at 56 months, chief information officers (CIO) at 38 months and chief human resources officers at 46 months.

#### CRISIS & ISSUES MANAGEMENT EXPERTISE INCREASINGLY VALUED

- The need for crisis/issues management expertise increased 45% since 2007 (from 33% in 2007 to 48% in 2008).
- An April 2009 Web search of "crisis communications" generated over 40 million results.

## BLOGGING & SOCIAL MEDIA RISE ON CCO AGENDAS

- CCOs cite social media/blogging as the most frequently added function to their departments in 2008.
- Social media/blogging is expected to be the communications tool that will increase most dramatically in importance in 2009.

RISING CCO VALUE			
	2007	2008	Change
Report to CEO	48%	<b>58%</b>	+21%
Tenure as CCO	54 months	<b>65 months</b>	+11 months
Crisis/issues management expertise needed for corporate communications professionals	33%	<b>48%</b>	+45%
Top function/responsibility added to department in past 12 months	not asked	Social media/blogging	N/A
Fastest growing communications resource for next year	Company Web site	Social media/blogging	N/A

## CCOs IN COMPANIES WITH THE MOST ADMIRABLE REPUTATIONS\* DIFFER FROM THEIR PEERS IN LESS REGARDED ("CONTENDER") COMPANIES ON A VARIETY OF FACTORS

- Similar to last year's survey results, CCOs who work for companies that are considered "most admired" by *Fortune* have higher organizational status, longer tenures and use social media more.
- Communications departments in "most admired" companies have larger annual PR budgets (\$5 million or more) than those in "contender" companies.

HOW "MOST ADMIRABLE" COMPANY CCOs DIFFER FROM CONTENDER COMPANY CCOs		
	Most Admired*	Contender*
Report to CEO	<b>62%</b>	39%
Tenure as CCO	<b>73 months</b>	60 months
Have prior PR agency experience	<b>41%</b>	26%
Social media/blogging among top resources relied upon in 2008	<b>24%</b>	11%
Social media/blogging will increase most dramatically in importance in 2009	<b>38%</b>	26%
Annual PR budget is \$5 million or more	<b>80%</b>	58%

\* Based on *Fortune's 2008 Most Admired Survey* (March 17, 2008). In general, most admired companies are the most highly ranked companies in an industry on overall reputation; contender companies are ranked in the industry's bottom half.

## COMMUNICATIONS ACTIVITIES DIFFER BY REGION

- Reliance upon social media has been greater in North America, but European CCOs expect to narrow the gap in 2009.
- North American CCOs spent more time last year than European CCOs working on media relations, financial performance issues and executive communications while European CCOs focused more of their time on their corporate Web sites, corporate publications and social responsibility issues.
- European CCOs were four times more likely than North American CCOs to add reputation management as a departmental function in 2008.
- The communications budget is a bigger challenge for North American CCOs than for European CCOs, as it was in 2007.
- In Asia Pacific, CCOs pinpoint competitive intelligence and risk management tools along with the company Web site as communications resources that will increase most dramatically in importance in the year ahead.
- In 2008, Asia Pacific organizations added several new functions to their stakeholder engagement portfolio. Social media, corporate social responsibility, NGO relations and responsibility for the internal and external Web sites were added to more CCOs' remits than any other function.

### HOW CCO ACTIVITIES DIFFER BY REGION\*

	North America	Europe
<b>Social media/blogging activities</b>		
Among top resources relied upon in 2008	<b>18%</b>	7%
Added function to department in 2008	<b>41%</b>	22%
Expected to increase most dramatically in importance in 2009	<b>30%</b>	26%
<b>Differences in most time consuming responsibilities in 2008</b>		
Media relations	<b>84%</b>	74%
Financial/business performance issues	<b>73%</b>	61%
Corporate Web site	49%	<b>59%</b>
Executive communications	<b>26%</b>	4%
Corporate publications	23%	<b>41%</b>
Social responsibility issues	19%	<b>35%</b>
Added reputation management function to department in 2008	5%	<b>20%</b>
"Budget constraints" considered a big challenge	<b>62%</b>	48%

\* While represented in the survey, the number of CCOs in Asia Pacific is too small for comparative reporting

### CCOs' RELATIONSHIP WITH THE CEO DIFFERS REGIONALLY

- European CCOs are more likely to report directly to their CEOs than CCOs in North America.
- CCOs are much more likely to be evaluated based upon the CEO's opinion of communications effectiveness and awards/recognition in North America than in Europe. Web site usage and competitive benchmarking are more commonly used as success metrics in Europe than in North America.
- CCOs in North America are more likely to consider the CEO their number one organizational ally than European CCOs.

HOW CCOs' RELATIONSHIP WITH CEO DIFFERS BY REGION*		
	North America	Europe
Report to CEO	53%	<b>66%</b>
<b>Differences in most important communications effectiveness metrics in organization...</b>		
CEO's gut feel	<b>80%</b>	65%
Awards and recognition	<b>50%</b>	35%
Employee visits to internal Web site	30%	<b>48%</b>
Competitor benchmarking	30%	<b>46%</b>
Visitors to corporate Web site	22%	<b>35%</b>
CEO is CCO's biggest ally	<b>46%</b>	30%

\* While represented in the survey, the number of CCOs in Asia Pacific is too small for comparative reporting

“ To make the organization aware that in these difficult times a good reputation can work as a magnet for stakeholders will be among the most challenging communications issues in the year ahead. ”

– Fortune Global 500 CCO

## CCOs DIFFER REGIONALLY IN TENURE AND CAREER SUCCESS CRITERIA

- CCOs in North America have longer tenures than CCOs in Europe (nearly two years longer).
- North American CCOs are more likely than European CCOs to believe that tomorrow's CCOs will need a strong business and financial foundation, crisis and issues management expertise and sophisticated writing skills.
- European CCOs are more likely than North American CCOs to expect that future communications leaders will need good relationship skills, such as persuasiveness, charisma, deep media relationships and the ability to manage staff. They are also more likely to see the need for reputation management experience (reinforcing their recent formalization of the function in their departments) and effectiveness measurement expertise.

HOW CCOs DIFFER BY REGION*		
	North America	Europe
Tenure as CCO	70 months	45 months
<b>Differences in qualifications for future CCOs</b>		
Business/financial experience	68%	48%
Business acumen	68%	43%
Crisis/issues management expertise	55%	26%
Persuasiveness	47%	57%
Reputation management expertise	46%	65%
Sophisticated writing skills	41%	13%
Charisma/presence	21%	41%
Measurement expertise	17%	35%
Deep media relationships	12%	24%
Staff management skills	7%	22%

\* While represented in the survey, the number of CCOs in Asia Pacific is too small for comparative reporting

“Continuing to manage an organisation’s reputation at a time of great market disruption and turbulence will be among the most challenging communications issues in the year ahead.”

– Fortune Global 500 CCO

The Spencer Stuart/Weber Shandwick research provides quantitative evidence on where the CCO role stands today and how it is expected to evolve. The study reinforces the fact that when many organizations endure critical times, CEOs increasingly look to CCOs for strategic crisis communications and their ability to quickly react to a variety of scenarios. Like never before, CEOs are depending on CCOs to help steady their company reputations and calm their stakeholders. We will continue to track their progress.

#### ABOUT THE RISING CCO

*The Rising CCO* surveyed 159 senior corporate communications professionals from companies based in North America, Europe and Asia Pacific. Eighty-four percent of respondents work in global Fortune 500 companies. The survey was conducted online with KRC Research from September – December 2008. Respondents included individuals with titles such as Chief Communications Officer, Head of Corporate Communications, Senior VP Communications, Head of Corporate Marketing, and Global Chief Public Affairs Officer.

To learn more about our *Rising CCO* research, please contact:

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