



Global research and training for internal communicators

P R E S S R E L E A S E

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Recession pressures internal communicators to prove their worth more than ever before

Reputation is fragile – communicators need to define, deliver and demonstrate their value to organisations, and not simply deliver messages.

LONDON, July 2, 2009 The fallout from the global economic downturn is pressurising and driving internal communicators to reassess their roles and their worth in ways never seen before, a survey of more than 1,300 global IC practitioners has revealed. Almost half (47%) of respondents are experiencing a change in strategy and four out of ten people predict a change in headcount (40.6%) in the next 12 months.

The Melcrum survey found that almost every area of internal communication is being re-examined in light of the recession, including where the function belongs within a company's structure, its strategy, how to reallocate spend internally with reduced budgets, whether existing channels should be scrapped in favour of cheaper, more interactive mediums and how to cope with reduced headcount.

Budget cuts take their toll

Budget cuts have taken the biggest toll on the industry with almost half (46%) of communicators saying they intend to spend less on consultants in the next 12 months.

"It's going to be tough for consultancies for the remainder of 2009 and into 2010," said Victoria Mellor, CEO of Melcrum Publishing. "The current squeeze in spending is forcing advisors to re-evaluate what they offer and become more focused.

"Cutbacks are never easy for teams to make but, anecdotally, many internal communication leaders admit to me that their teams emerge stronger and more respected as a result," Mellor added.

Communicators caught up in a crunch

Cutbacks have also demanded a strategic change of direction with 47% experiencing a change in their communication strategy as a result of the economic downturn.

The function has seen a huge change in fortunes compared to a year ago, but despite the downturn, enforced redundancies and re-allocation of budgets, the majority (80%) of respondents said they were confident their organisations would either continue to invest in, or maintain investment levels of a year ago.

Bill Quirke, founder of UK consultancy Synopsis and a leading authority on internal communication, however, warned practitioners that even though the recession was putting strategic communication at the forefront of business change, internal communicators needed to prove their worth now more than ever before.

“During the bad times there is often more budget allocated to internal comms but more work to be done, the work is far more challenging, and there are fewer people [due to reduced headcount] to do it and they are working under far more pressure. Communicators are caught up in a crunch,” he explained.

Only 14.7% of respondents said they were able to demonstrate a return on investment compared to 48% who said they could not.

“They have not escaped the value-for-money test,” Quirke cautioned. “Their reputation is fragile – communicators need to define, deliver and demonstrate their value to organisations, and not simply deliver messages.”

Refocus efforts to impact business

As spend reduces and technology and social media increasingly become part of our everyday social and working lives, internal communication channels are also changing dramatically with 44.6% of respondents predicting a decline in print communication spend in the next year. In contrast, 53% expect to see a rise in intranet spend with technologies such as SharePoint and various social media tools on the rise with 40% planning to introduce blogs and 35% webcasts.

Andy Brown, partner at Engage Group, and an expert on research and measurement, said that communication teams are getting “much smarter” with many more using data to determine their spending decisions.

“Tough times have forced them to act and target the areas of the business that need smoothing out. Reducing spend on print and concentrating on the intranet, for example. Nine times out of ten print has a lower effect in engaging employees than the intranet,” Brown added.

Key findings from the global survey

- **Skills and training:** 27% do not have relevant training.
- **Professional development:** 52% said the most important skill for communication teams to develop right now is the ability to coach managers on how to communicate more effectively.
- **Strategy:** 35% of respondents said they do not have a clear internal communication strategy.
- **Pay:** More than half of communicators said they were paid fairly for the work they do, while 17.7% said they were remunerated poorly for their roles.
- **Role of group internal communication:** 42% take responsibility for group functions compared to 23% of respondents who see their role as providing guidance and co-ordination for the communication community.
- **Structuring:** Almost half (48.7%) of respondents said internal communication sits within the corporate communication function, while 20.2% cited HR. More than half (52.8%) of communicators surveyed said their departments were centralised rather than decentralised (12.6%).

A more in-depth analysis of the key findings from the research will be made available to Melcrum members via the Internal Comms Hub: www.internalcommshub.com

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Notes for editors

Melcrum's *Key Benchmark Data for Communicators 2009* survey was conducted in January 2009. The survey was designed to gather essential data on developing trends, challenges and priorities for internal communication departments in 2009. This is the fourth survey of its kind conducted by Melcrum, the first was conducted in 2003.

A total of 2,210 internal and corporate communication professionals from around the world responded to the survey. The regional breakdown of respondents is as follows:

United Kingdom (31.3%), North America (26.7%), Asia-Pacific (20.2%), rest of the world including Europe, Middle East and Africa (21.7%).

For the purpose of analysis the statistics in this press release relate to responses from organisations with 1,000 employees or more. This totalled 1,374 respondents.

About Melcrum

Melcrum runs the world's leading membership group for strategic communicators. We provide our members with access to independent research, executive education and best practice content.

Who is Melcrum? Melcrum is a privately held research and training business. We're committed to supporting senior-level communicators achieve the rewards and recognition they deserve.

How does Melcrum support internal communicators? With budgets and resources under pressure, let Melcrum be your partner. We'll support you and your team by giving you access to a huge range of ready-to-use tools and templates, answer your questions, give you research data you can use in your presentations, and tell you what's working for other communicators. Our researchers spend their time meeting and talking to practitioners to find out where the best work gets done. Internal communicators tell us what their challenges are and trust us to find the answers. We then share these tools, techniques, and case studies with our members.

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