

CEO POSITIONING AND INTERNATIONAL COMMUNICATION: INSIGHTS FROM COMMUNICATION LEADERS IN EUROPE

Key Results of the European Chief Communication Officers Survey 2013

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CHALLENGES FOR COMMUNICATION LEADERS

International outreach: More companies operate in more countries than ever – challenges of new markets and new stakeholder demands have to be met. As a consequence, new approaches are needed to manage communications along global value chains.

Positioning top executives: In mediatized societies, organisational reputation is heavily influenced by the performance and authenticity of CEOs (chief executive officers) and other leaders (managing directors, presidents, etc.), both in the media and in social networks.

RESEARCH QUESTIONS AND METHODOLOGY

Which strategies are used by global heads of communications to master these challenges?
What can be learned from leaders in the field?



What is the status quo of CEO positioning and communication in European corporations and what are the challenges of international communication?

Qualitative survey: 43 global heads of communication in multi-national corporations in 12 key markets; Ø 67,000 employees; i.e. ABB, Allianz, Banco Popular, BMW, BASF, Bosch, Gorenje, Illy, Melia, Old Mutual, Ringier

Quantitative survey: 597 chief communication officers in 39 European countries; listed and private companies

CHALLENGES AND TRENDS IN CEO COMMUNICATION

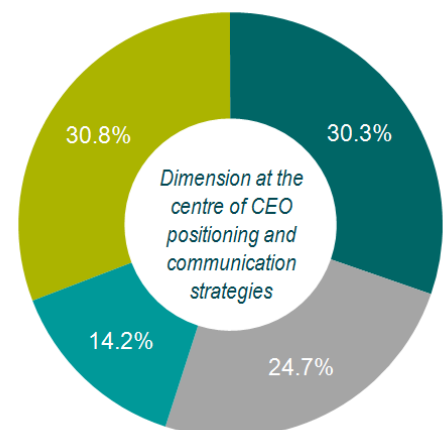
1) Different impacts of CEO reputation: The reputation of the CEO is most important when communicating with employees. While leaders in listed companies have also a major impact on financial communications, private companies see more relevance in the fields of political and public / community relations.

2) Positioning without monitoring: 83.2 per cent of the companies interviewed pursue CEO positioning. But only two third have developed specific communication strategies and instruments for their CEO, and four out of ten do not monitor the CEO's reputation. A reasonable management process for CEO communication and positioning is often missing.

3) Focus on performance and responsibility: Most European companies emphasize predominantly either functional or ethical competencies of the CEO. Personal assets are highlighted less often. Cognitive competencies are more often employed by private companies (30.2 per cent) than by listed corporations (20.3 per cent).

The CEO's functional competencies
(having skills to accomplish the job, being capable)

The CEO's ethical competencies
(holding personal/professional values, being responsible)



The CEO's personal competencies
(behaving appropriately, being smart)

The CEO's cognitive competencies
(processing relevant knowledge, being intelligent)

4) Biggest challenges: Reduction of complexity, getting attention, compressed time. Changing communication habits, proliferation of media channels, degradation of journalistic standards and audiences' preference for infotainment over facts make CEO communication more difficult. While time is a very limited resource there is an increasing need for CEOs to show personal presence. This becomes ever more complicated when operating in different time zones.

» CEO needs to be able to address large audiences with simple messages and at the same time he/she needs to be a great leader of the business in question. These characteristics don't always go hand in hand. «



Senior Vice President
Corporate Communication, Finland

5) Long term trends: The humane CEO, branding and politicization.

Times of distant, nearly invisible authorities are gone. A stronger personalisation of company stories requires „personal brands“, who have to be synchronized with corporate brands. In the ongoing strive for legitimacy, CEOs are the „first citizen“ of the corporation – political personae, who at the same time are not expected to pursue too close contacts to parties and governments.

MANAGING INTERNATIONAL COMMUNICATION

1) Major challenges in cross-country settings: Sensitive strategies, monitoring publics, understanding media systems.

Three out of four communication leaders in Europe state that international communication is important for their companies. The same number says that it will become even more important within the next three years. Getting the big picture in other regions is still a major problem; also management structures are mentioned by nearly every second.

2) Weak organisational structures, high personal involvement. International communication is part of the daily business for 90.5 per cent of communication leaders in Europe. But only 55.4 per cent report about solid structures and strategies for this field in their companies.

3) Strategies to internationalise the communication function. Attracting internationally experienced newcomers (overcoming the traditional bias towards home country candidates), training and acculturating excellent locals, and making all communication structures intercultural and global are recommended paths to success.

4) Long term trend: building the communicative organization.

Global communication leaders show a clear preference for centralised communication functions today. However, they expect them not to last: there is a weak consensus expecting the dissolution of central structures. Some respondents see a tendency that communication will become a general management competence. Communication professionals may be given the responsibility to develop those competencies on all levels of the organisation. Finally, communication functions are expected to move from structures predominantly linked to stakeholders and programs to more integrated approaches. Change initiatives are a key challenge: communication managers will be responsible for training and “special projects” which need communicative support.

» We will see a move from companies that have a communication department to communicating companies.«



Head of Communication
Services, Switzerland