



*The voice of Public Relations
around the world...*

Quarterly Newsletter

February 2009, Volume 8

We value your input! For feedback or submissions, e-mail: news@iccopr.com

What's New @ ICCO

- **ICCO news**
 - **Global CMS task force formed**
 - **BusinessWire partnership renewed for 2009**
 - **Pilot initiated for online streaming of PRWeek conferences**
 - **Improved ICCO website to launch in February**
 - **New address for ICCO**

- **Key events**
 - **February 10: PRWeek Social Media Conference, online**
 - **February 13: PRCAI Annual PR Summit, Delhi**
 - **May 21-22: Spring meeting of the ICCO Board of Management, Stockholm**
 - **May 21: Holmes Report European SABRE Awards Gala, Stockholm**
 - **June 10-12: European Summit on Measurement, Berlin**

- **Surveys**
 - **Talent research gains PR industry attention**
 - **Global survey on consultancy financials is underway**

Industry Highlights

- **UK consultancies optimistic for 2009**
- **Academic study links news dissemination to capital market benefits**
- **Australia ranks as world's top country brand**
- **'Working from home' is widely accepted practice among US consultancies**

Thinkers' Corner

- **"More on 'Things ICCO Can Do to Help'" - Virginia Hague, ICCO**

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*The ICCO quarterly newsletter is distributed to over 1,000 firms in 30 member countries.
To download a pdf of the complete articles or view past editions, visit www.iccopr.com.*



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Full Articles

What's New @ ICCO

Global CMS task force formed

In order to drive development of the Consultancy Management Standard and to ensure the needs of consultancies are met on an international scale, ICCO and the PRCA (UK) are spearheading a new CMS task force. To date, dedicated representatives from member associations in Austria, Czech Republic, India, Ireland, Norway, Switzerland and Turkey have joined the effort.

The group will continue to engage in regular dialogue throughout the year in order to share ideas on content, the certification process and promotion of the standard itself.

Any local association interested in taking a more active role in CMS is invited to designate a representative to the task force. Contact virginia.hague@iccopr.com to participate.

BusinessWire partnership renewed for 2009

ICCO and BusinessWire, a global news dissemination company that also provides services to assist organisations in managing their corporate communications and research needs, have renewed a partnership agreement through December 31, 2009. The agreement offers advantage to ICCO member associations and affiliated firms worldwide, including:

- Free membership with benefits to the BusinessWire service
- Discounts on domestic and international rates
- Opportunities to attend BusinessWire events

For more information, visit the 'Partners' section on the ICCO website or go directly to www.businesswire.com.

Pilot initiated for online streaming of PRWeek conferences

The UK-based publication *PRWeek*, part of the Haymarket Group, is known for producing high-level conferences on the public relations industry's hottest topics. Unfortunately for many of us, these conferences typically take place in London, which means incurring considerable travel expense in order to attend.

Now there is a potential solution on the horizon. *PRWeek* is experimenting with a new model that will bring its conferences to interested public relations professionals worldwide by streaming the content online. The first of these, an event focused on the use of Social Media, will be conducted in collaboration with ICCO. The online conference will be available to ICCO members and affiliated firms at a discounted rate for viewing in different time zones on February 10.

Find more details and sign up on www.prsummitonline.com with your 'ICCO' discount code.

Improved ICCO website to launch in February

After much anticipation, the newly-designed ICCO website is finally nearing the launch stage. New features include:

- an improved consultancy search directory that links into the association websites, thus avoiding duplication and ensuring that all information is up-to-date
- better search functionality in the best practice suite
- more emphasis on industry research and professional standards
- easier administration and document sharing
- a fresh, professional look and feel that is more reflective of the ICCO brand

Assuming a successful testing stage, the new site should be ready to go live in February.

New address for ICCO

The office of the ICCO Executive Director has moved to Barcelona, Spain. New contact details can be found on www.iccopr.com under "Contact Us", although the e-mail address virginia.hague@iccopr.com remains unchanged.

Talent research gains PR industry attention

The results of the ICCO and IPR-commissioned study on retention of talent in public relations consultancies were published in early December. A major insight that emerged was that people who choose a career in a consultancy are a "different breed" - and one that thrives on challenge. Key findings also included seven specific recommendations to guide firms in reducing unwanted staff turnover, namely:

1. Provide employees the opportunity to work on challenging projects of various types.
2. Create an aggressive management development programme that includes training to help managers improve relationships with their direct reports.
3. Make sure your employees know your firm's mission, and work to instil a sense of shared vision among your employees.
4. Refine your hiring practices.
5. Place an emphasis on work/life balance; if possible, tie it to incentives to stay.
6. Create an environment and corporate culture that are diverse and different from the rest.
7. Spark a robust dialogue within your organisation.

The study was featured in *The Holmes Report* of December 14 as well as receiving coverage in the December 22 release of *PRNews* (US edition). The research will also be presented by Lou Capozzi and study author Vanessa Tremarco at the 12th Public Relations Research Conference of the Institute for Public Relations, to be held in Miami in March. Acceptance to the IPRRC is very competitive, and the event promises to yield interesting debate on the highly relevant issue of employee turnover.

A full copy of the ICCO talent study can be found on www.iccopr.com. You can also read the blog on the IPR website at www.instituteforpr.org/digest.

Global survey commences on consultancy financials

A survey on some of the key financials involved in the management of a public relations consultancy has been circulated to ICCO member associations. The different countries have been asked to provide data from their own member firms that indicate a national average for salary levels, charge-out rates and billability of staff as well as financial performance indicators such as the cost of labour and sales as a percentage of revenue.

Results of the survey will be shared with the entire ICCO community sometime in February.

Check the ICCO website at www.iccopr.com for the findings.

Industry Highlights

UK consultancies optimistic for 2009

A January PRCA PR Leaders' Panel has highlighted general optimism among PR agency managing directors. Over 60% of respondents believed that, relative to 2008, their consultancy turnover would remain the same or grow in 2009. The industry experts were also optimistic about profit margins, with almost 50% believing that they would either maintain or grow their margins this year.

Francis Ingham, Director General of the PRCA, commented: "Many clients have become more cautious about committing budget in the current climate. We are seeing the lag from pitch to conversion to commencement increasing and a shift from retainers to project work. However all of this should be put in context, and the PR industry has performed fantastically over the last five years...."

Francis also cautioned clients against trying to drive down agency prices, saying: "Clients who find agencies are willing to drop their rates should question why the agency is willing to do so and whether the quality of work will be affected. Before taking on a consultancy, you should request confirmation that it is a well run and viable business. PRCA members have to go through the Consultancy Management Standard, for example, ensuring that their business models are sustainable."

For more information on this and other Leaders' Panel events in the UK, visit www.prca.org.uk.

Academic study links news dissemination to capital market benefits

A new study by a researcher at the University of Chicago Booth School of Business has found a statistically significant relationship between greater dissemination of company-generated news and corresponding capital market benefits, including lower bid-ask spread, increased trading volume and lower idiosyncratic volatility.

According to Eugene Soltes, a doctoral candidate and author of the study, "the results suggest that how information is distributed, even when public, is important.... Greater dissemination of firm news has the opportunity to broaden a firm's base by attracting investors that were not previously familiar with the firm.... [and] a reduction in trading costs due to greater dissemination may also contribute to a lower cost of capital."

Contact information for further details can be found on www.businesswire.com under "News". The press release was distributed on January 7.

Australia ranks as world's top country brand

Australia earns the coveted spot as the world's top country brand for the third consecutive year, according to the 2008 Country Brand Index (CBI). Canada ranks second with the United States rounding out the top three. The CBI examines how countries are branded and ranked according to key criteria and identifies emerging global trends in the world's fastest growing economic sector – travel and tourism – which accounted for some US\$5.9 trillion of economic activity worldwide last year and more than 238 million jobs.

2008 CBI Top Country Brands

1. *Australia*
2. *Canada*
3. *United States*
4. *Italy*
5. *Switzerland*
6. *France*
7. *New Zealand*
8. *United Kingdom*
9. *Japan*
10. *Sweden*

CBI, now in its fourth year, is a comprehensive study of approximately 2,700 international business and leisure travellers from nine countries conducted by FutureBrand, a leading global brand consultancy, in conjunction with public relations firm Weber Shandwick's Global Travel & Lifestyle Practice. The 2008 index includes rankings and trends as well as travel motivations, challenges and opportunities within the worlds of travel, tourism and country branding.

Visit www.countrybrandindex.com for complete results.

'Working from home' is widely accepted practice among US consultancies

According to a recent survey conducted by the Council of Public Relations Firms (CPRF), more than 80% of American public relations consultancies who participated say that they allow at least some of their staff to work from home. 13% maintain that the policy is open to all employees.

For more information, see the November 19 issue of *The Firm Voice* at www.firmvoice.com.

Thinkers' Corner

"More on 'Things ICCO Can Do to Help'"

Executive Director Virginia Hague gives an overview of how the organisation is working to support the ICCO community, and how the community can help itself.

Some of you may recall that an article entitled "Things ICCO Can Do to Help" appeared in the previous edition of the ICCO newsletter. Since then, news of 'the crisis' has dominated the airwaves. Economies and quarterly spending shrank at alarming rates, Madoff made unprecedented fortunes vanish overnight, Woolworths disappeared from the UK high street, and 20 million Chinese reverted to the fields in search of work.

All of this has made the need for new information all the more urgent in the day-to-day business of public relations, and, thanks to our diverse and far-reaching membership, ICCO is in a unique position to poll the planet for ideas. So ICCO has been collecting feedback and scouring the globe for insight and best practice on tackling the present economic crisis.

More information will be made available shortly via the new website and developed on an ongoing basis, but, in the meantime, here is an update on some of the main action points for ICCO....

1) Help demonstrate how to gain market share from other disciplines

Much of the burden lies in making the right arguments to potential clients about the value of public relations – especially in difficult times – while being ready to spot opportunities. Check out related thinking from some of the industry's best minds:

- [Paul Holmes](#), industry commentator and founder of *The Holmes Report*
- [Sir Martin Sorrell](#), CEO of WPP communications group
- [Marian Salzman](#), Partner & CMO Porter Novelli Worldwide

Also have a look at how and why client sentiment towards PR has improved in the UK:

- [PR increasing its share of marketing budgets](#)

2) Offer insights from financial benchmarking and analysis of sector trends

A survey intended to provide a global benchmark on consultancy financials is currently in progress and due to be completed this month. The greater number of countries that participate, the more useful the results will be, particularly for individual firms looking to conduct cross-border campaigns or form international alliances.

Data collection for the next ICCO World Report, which focuses on growth and trends, will begin as soon as the above survey is complete. It should help us to understand where public relations did well last year and how the consultancy industry views its future.

3) Provide a global perspective

Interviews and articles from leading public relations practitioners in various countries – focussed specifically on how to tackle the crisis – are currently being compiled and translated into English where necessary. Here's a sample of some of the items available:

- [Surviving 2009: Seven Management Lessons for Agencies from Past Recessions](#)
- [Marketing Your Firm in a Stormy Economy](#)

4) Share successful actions and activities by associations and others

No one can ignore that consultancies are feeling the pressure of the current crisis, and most ICCO trade associations are busily organizing ongoing events designed to support their members. Here are some examples of activities that can either be accessed internationally or duplicated in other countries:

- [PRCA Training Online](#) – the UK trade association has created a low-cost, easily accessible programme to complement its active calendar of face-to-face workshops. Training can be an effective way of retaining and enhancing talent within the company as well as boosting productivity.
- [Harvard Leadership Program](#) – the CPRF of the US partners each year with a high-powered speaker from Harvard Business School to challenge senior PR professionals in developing their leadership skills. This year's highly-relevant topic: 'Managing your firm through a downturn'.
- [Trade Conference](#) – the GPRA partners with a leading German trade magazine and academia to bring an all-day conference and workshops for communications professionals. The event is entitled 'Secure Through the Recession' and focuses on coping with changes in the media and communications landscape. (in German)
- [Webcast Tutorial](#) – Bulldog Reporter's PR University of the US is offering a one-hour webinar of tools and techniques for "Proving ROI in a Recession".

Throughout the year, ICCO will be actively compiling many more articles, activities and examples of best practice in addition to producing some dedicated thought pieces and research – all designed with the specific aim of providing additional support for our member associations and their firms. The more feedback and contributions each of you can provide, the better able we will be to achieve our common goal during these tremendously challenging times.

Stay tuned for more communications on 'surviving the crisis', and visit the new version of www.iccopr.com in the coming weeks and months.

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