

The Corporate Responsibility Salary Survey

2010

A Report by



acona

ethical performance

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Foreword



by Mike Kelly

Chairman,
Corporate Responsibility Group
and Head of CSR,
KPMG Europe LLP

In this third salary survey I think we practitioners really can claim that CR is now a profession, rather than a cottage industry. The geographic spread is biased – as the authors point out – but if you recall the growth in respondents over the past three years then I think that bias will reduce as the brand value of this survey grows outside of the UK. This will further underline how CR is becoming embedded in business; lots done but more to do overall.

If we are a profession, then we are also pretty recession proof – as shown by thoughts on job security, budgets and numbers of people in teams as all positive indicators.

So if we are a profession and reasonably recession proof, then are there any negative indicators?

The main activities we are undertaking haven't really changed and yet when you speak to people individually there has been quite a shift into making more of an economic business case which doesn't come through in this survey. So there isn't really any progression in terms of becoming more sophisticated in how we help business to become more responsible.

The plethora of new job titles seems to have receded a bit, so the thought a while ago that a range of specialist functions would be created to address topics such as climate change or biodiversity hasn't really happened.

But my biggest concern is that we seem to have focused so much on the here and now that the horizon scanning which is a key function of CR seems to have taken a back seat. Where will the next big shift occur and over what issue?

Sadly we practitioners have not supplied any of the answers here.

Introduction

The concepts of corporate responsibility (CR), sustainability and ethical business have always been difficult to define. However, their growth has been significant. The Corporate Responsibility Salary Survey, now in its third year, aims to add clarity and transparency to the roles, salaries and backgrounds of the professionals working in this space.

This year, we've gone global. The Corporate Responsibility Salary Survey now provides the most accurate picture of how the industry looks on the ground, from those people working day-to-day in corporate responsibility around the world.

As in previous years, our survey was based on individuals working both in-house and for consultancies in CR and sustainability. We conducted the survey online throughout January and February 2010 and this year's results are some of the most exciting ever.

With three years of data now in hand, we are now able to give a snapshot of the CR industry in 2010, as well as being able to examine how the sector has developed over the last three years. We hope this year's Corporate Responsibility Salary Survey provides a useful insight to all those working in the industry around the world

In addition to detailed analysis of this year's results, this survey also has perceptive commentary from several leading figures. We'd like to thank them for taking the time to provide us with their views and also thank everyone who responded to the survey.

For more information on Acre, Acona and Ethical Performance, see page 27.

What is happening to CR over time?

Our research has provided us with the opportunity to identify what changes have occurred to the CR job market in the UK over the last three years, as it has evolved from a relatively niche sector to an increasingly important business function for all areas of industry.

Remuneration

Overall salary levels have been static over the last three years. However, there is some evidence that salaries for the most senior employees – both in-house and consultants – have fallen back slightly over the last 12 months while the middle ranks have enjoyed an increase.

Activity focus

The top three areas of activity for in-house employees have remained consistent over the three surveys – Stakeholder Engagement, Reporting and Environment. Consultants continue to focus on Reporting followed by Auditing & Assurance and Community Investment.

Gender split and pay differences

While women working in CR in the UK continuously outnumber men by about 2:1, there is no evidence that the pay gap identified in previous surveys is narrowing. Women continue to dominate in Community Investment roles while men focus on activities relating to Climate Change and Environment.

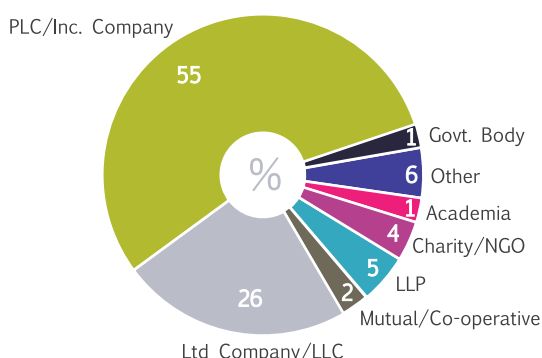
The Corporate
Responsibility
Salary Survey
2010

Part 1 The Sample

Five hundred and ninety five people completed the survey.

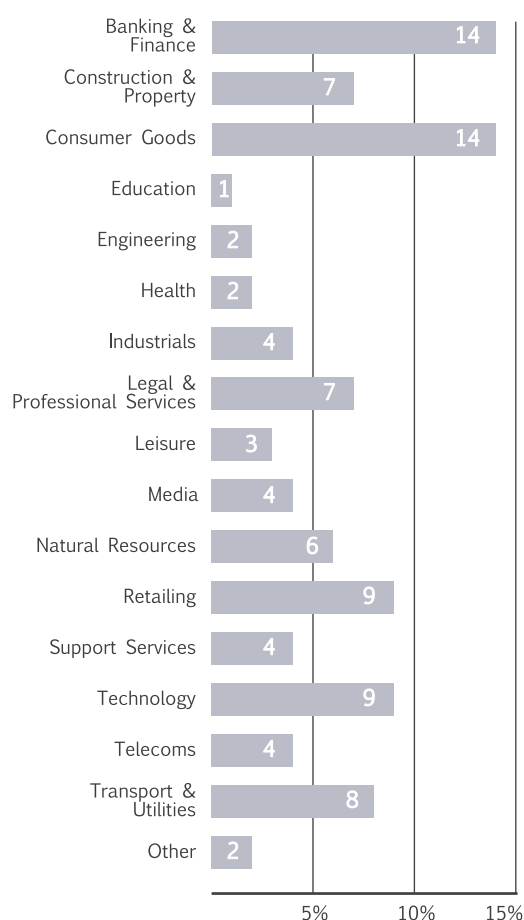
Seventy two per cent described themselves as working in-house and the remainder as consultants working for external clients. This split was broadly similar to that seen in our previous UK-based surveys.

Participants by organisation type



The highest percentages of in-house respondents work in Banking & Finance and Consumer Goods (14 per cent in each), followed by Technology and Retailing (9 per cent in each). In the UK, the number of respondents working in Banking & Finance, Retailing and Professional Services sectors each fell by around four per cent compared to last year, perhaps not surprising given the impact of the recession.

Company respondents by sector

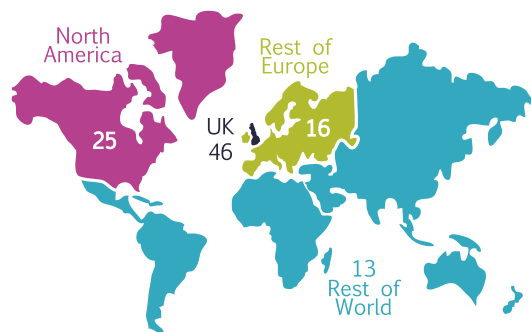


Ninety per cent of respondents were full-time employees, with the remainder split equally between freelancers/contractors and those working part-time. Freelancers/contractors were overwhelmingly employed within consultancies. Three-quarters of those working part-time were female.

Given that the survey has developed a considerable following in the UK, we expected that a majority of the respondents would be based there and this proved to be the case, as 46 per cent fell into this category. The next best-represented regions were North America, which accounted for a quarter of the sample followed by the Rest of Europe (16 per cent).

Respondents from the Rest of the World made up the remaining 13 per cent of the sample. We apologise to those from South America, Africa, Asia and Australasia for grouping together such extremely diverse regions, and we hope to see a significant increase in the number of participants from these areas next year. This will go some way to offset what we acknowledge is currently a heavy bias in the sample towards Europe and North America.

Respondents by location (%)



Globally, females continue to dominate in CR (56 per cent). In the consultancy field the sexes are more evenly balanced (52 per cent female versus 48 per cent male), compared to in-house (57 per cent female versus 43 per cent male).

The gender distribution in the UK remains unchanged from past years, with women making up 61 per cent of the respondents. Again, the gap is slightly narrower among consultants than in-house.

For more information on the differences between male and female respondents see the chapter on gender, page 21.









Part 2

Remuneration

Given the global audience for this survey, we decided to use the US dollar as the base unit for all the questions about remuneration, as we believe it remains the most widely used and recognised currency worldwide. To facilitate responses we included a link on the survey that allowed respondents to convert their local currencies into dollars.

Below is a table that sets out the average exchange rate for the world's main currencies during the period of the survey (11 January to 8 February 2010). We have also, for UK salaries and bonuses, included the equivalent value in sterling.

Average exchange rates during survey

| | |
|---|---|
|  1 USD |  0.62 GBP |
| |  0.71 EUR |
| |  1.04 CHF |
| |  46.23 INR |
| |  6.84 CNY |
| |  6.84 JPY |
| |  1.11 AUD |

Source: www.oanda.com/currency/historical-rates

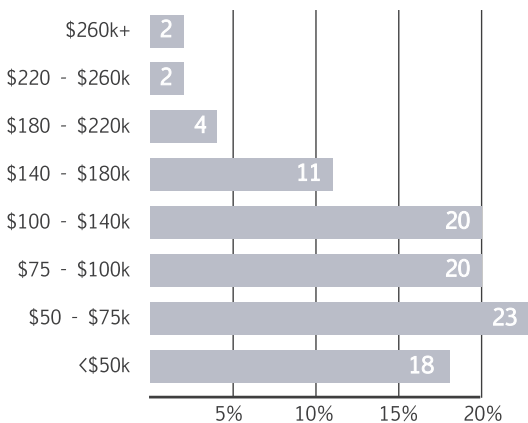
We feel it important to issue three caveats about the information that follows:

- First, averages can be distorted by a relatively small number of outliers, in this case very high or very low salaries and bonuses. Consequently, as well as looking at averages, readers should also consider the distribution of salaries.
- Secondly, we have not compared the purchasing power of the dollar in one country or region with another.
- Thirdly, due to the relatively small number of responses from outside North America and Europe, it has not been possible to provide averages for the other regions. We did consider including a Rest of the World category but felt, on balance, that the widely varying salary levels in the various regions that would make up this grouping would make the results misleading. Again, we hope that higher levels of participation from these areas in future surveys will allow us to include regional average salaries and bonuses for South America, Africa, Australasia and Asia. Where possible, we also looked at the percentage of respondents working in each sector and how this varied across regions.

Salaries

Overall, the median salary fell within a range of \$85-90k with about 40 per cent of respondents earning more.

Overall salary distribution (Global)



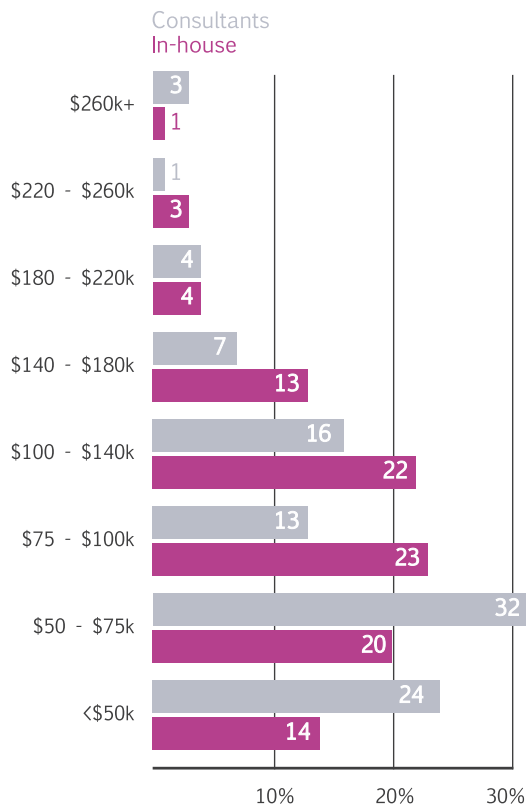
Compared to past years, average salaries of UK-based respondents appear to have risen significantly from around \$80k (£49,600) to \$88k (£54,560), while the percentage of those earning \$130k (£80,600) or more rose from 12 per cent to 17 per cent – a positive sign given the turbulent economic times of the past 12 months.

As we have found in the previous surveys, a small number of individuals are represented at the highest salary brackets with around 5 per cent of respondents being paid over \$200k. The overwhelming majority of these people are based in Europe and North America and work in-house for large listed companies.

On average, consultants are paid around \$15k per year less than those working in house, with the most pronounced gap in the Rest of Europe, where they earn \$24k a year less.

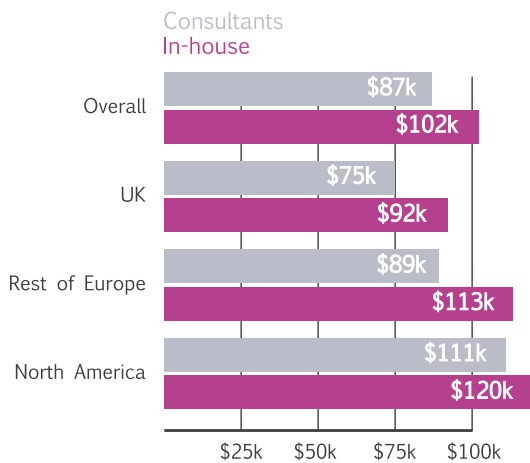
Nearly 25 per cent of consultants are paid less than \$50k (as opposed to 14 per cent of those working in-house) and 54 per cent earn less than \$75k (compared to 34 per cent of those in-house). These differences are not offset by higher bonuses (see more information on bonuses on page 10).

Salary distribution by organisation type



Our research showed that those working in North America commanded, on average, the highest salaries, followed by those in the Rest of Europe and then the UK. These differences are not balanced out by bonuses but may be reflective of the slightly different benefits packages offered in each region, as shown on page 11.

Average salaries by region and organisation type



In every region consultants are paid less than those working in-house. The difference is most significant in the Rest of Europe. In North America the salaries are more equal.

For senior people working in-house (Directors/Heads of CR), it would appear that the highest salaries are commanded by those working for the biggest companies (in terms of number of employees), who have responsibility for the largest CR teams and have control of the most generous budgets.

For consultants, the correlation is not so obvious and team size does not appear to affect salary.

We suspect the real determinant of consultants' salaries – particularly at the most senior levels – is profitability and the extent to which the individual has equity in the business (or, indeed, may be a reflection of how much business that individual has won for their respective consultancy).

Ideally, we would like to provide average salary levels for each of the main business sectors both globally and by region. However, given the current size of the sample and the distribution of participants across the various sectors, we are restricted to providing the following information.

Average in-house salaries by sector and region

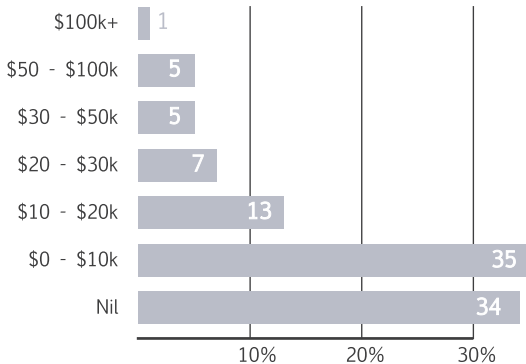
| | Overall | UK | Rest of Europe | North America |
|-------------------------|---------|--------|----------------|---------------|
| Banking & Finances | \$94k | \$83k | | |
| Construction & Property | \$136k | \$117k | | |
| Consumer Goods | \$109k | \$102k | \$132k | \$114k |
| Education | \$106k | | | |
| Legal & Pro. Services | \$89k | \$95k | | |
| Technology | \$127k | | | \$162k |
| Transport & Utilities | \$100k | \$91k | | |

Our research suggests that, for CR professionals, the Construction & Property and Technology sectors offer the highest salaries. This is particularly true in North America where the average salary in Technology is \$162k. The relatively low level of salaries of those working in Banking & Finance is, we suspect, almost certainly connected to the more widespread economic problems that have affected the sector over the past couple of years.

Bonuses

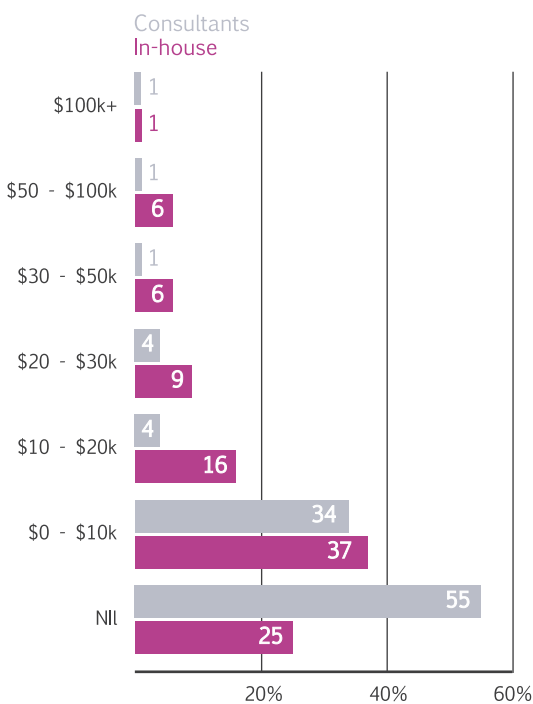
Over one third of participants around the world received no bonus in the last 12 months and nearly 70 per cent received \$10k or less.

Overall bonus distribution



In previous surveys we have illustrated that the lower salaries of consultants compared to those working in-house are not offset by higher bonuses. This year's results have further underlined this fact.

Bonus distribution by organisation type



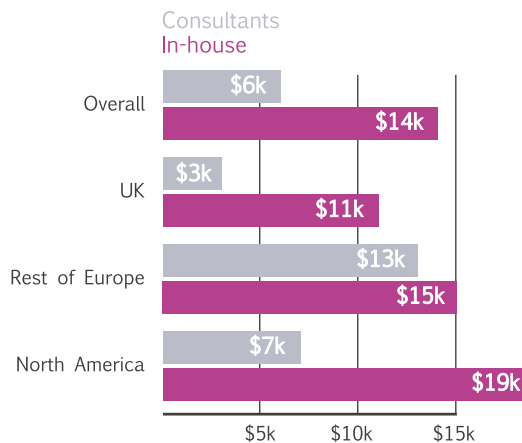
Over half of consultants receive no bonus at all. Of those who do receive bonuses the average is \$8k less than those paid to in-house employees. The narrowest gap and the region where consultants receive the highest average bonuses is the Rest of Europe.

Average bonus level by salary band

| Salary Band | Overall | Consultants | In-House |
|----------------|---------|---------------------|----------|
| \$200k+ | \$50k | \$40k | \$54k |
| \$125 - \$200k | \$23k | \$7k | \$26k |
| \$75 - \$125k | \$9.5k | \$8k ⁽¹⁾ | \$10k |
| <\$75k | \$3k | \$2k | \$3.5k |

(1) This is attributable to a small number of very high bonuses being paid to respondents in this salary band.

Average bonus levels by region and organisation type



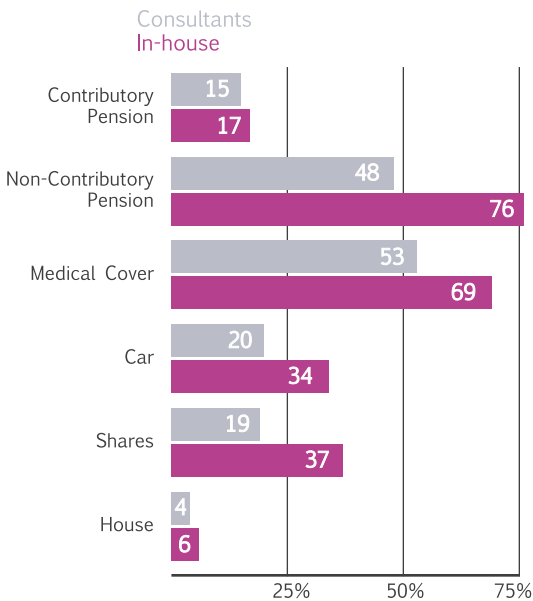
Of course, some consultants do receive high levels of financial reward, with 16 per cent earning \$150k or more when base salary and bonus are added together. However, this is still low in comparison to 24 per cent of in-house employees who receive this amount.

Benefits

In addition to higher salaries and bonuses, those working in-house receive more generous benefits than consultants.

Overall, the most widespread benefit was a pension, either contributory (where the individual funds the pension in whole or part) or non-contributory (where the employer is solely responsible for funding the pension), with 93 per cent of those working in-house and 63 per cent of consultants in receipt. The lower level of access to employer-provided pensions in the Rest of Europe compared to the UK and North America is likely to be due to the different role of the state in the provision of retirement income.

Benefit distribution by organisation type



Overall, just under 70 per cent of respondents were provided with medical cover. In North America the number rises to over 75 per cent compared to only 50 per cent in the Rest of Europe. As with pensions, we believe this reflects the different approaches to the provision of health care in these regions.

Benefit distribution by region

| | Overall | UK | Rest of Europe | North America |
|--------------------------|---------|-----|----------------|---------------|
| Contributory Pension | 68% | 77% | 58% | 73% |
| Non-Contributory Pension | 17% | 16% | 18% | 18% |
| Medical Cover | 65% | 68% | 52% | 76% |
| Car | 30% | 41% | 32% | 9% |
| Shares | 32% | 35% | 24% | 34% |
| House | 5% | 2% | 7% | 3% |

Thirty seven per cent of in-house employees were given the opportunity to purchase shares in their company, but only 19 per cent of consultants were granted the same privilege. This suggests that within the consultancy sector, ownership remains restricted to a limited number of individuals – typically founders and/or senior hires who have acquired an equity stake in the business.

It is interesting to see that just over 40 per cent of UK-based respondents get a company car or car allowance, with nearly half of those working in-house benefiting. This is in stark contrast to North America, where only 10 per cent of people are in receipt of this benefit. The greater prevalence of a company car or car allowance in the UK may go some way to explain the relatively lower salaries paid there compared to North America and the Rest of Europe.

In-house

Roles and salaries

One of the main motivations behind our first UK survey was to try to establish benchmark salaries for different roles within the sector. Yet, at the same time, we were aware that the survey was not – nor could it ever be – a medium for capturing detailed and objective job evaluation information for each participant’s role. The subtle differences in job titles makes it challenging in the extreme to know if a ‘CR Manager’ performs the same role as ‘Manager, CR’. Similarly, and perhaps more fundamentally, the broad nature of CR and sustainability are such that even when people have the same job titles and appear to undertake the same activities, there is no certainty as to the extent their responsibilities are exactly comparable.

Aside from these obstacles, we identified a number of generic roles, based on our own understanding of corporate and consultant roles, both for in-house employees and consultants and analysed the data to suggest what each would receive by way of salary and bonus. We have repeated this analysis for the current survey. We also provided composite descriptions of the educational qualifications, career histories and other personal characteristics that would most likely attach to these roles. We have performed a similar exercise this year for the global CR professional.

Director/Head

This is the most senior CR person in the organisation and is more likely to be male than female. This individual will control an annual budget of between \$500k to \$1m. They will have been in full time employment for 15-20 years and there is an even chance that this was their first role in CR. If they previously worked in CR then they probably have around 10 years of experience in the field. They will almost certainly have a first degree – though only very rarely in a CR related discipline – and possibly a Masters/Doctorate (with a greater likelihood that this is in CR than not).

Manager

People in this role will report to a more senior individual who has a specific and overarching responsibility for CR within the organisation. A typical occupant of this role would be a female graduate (non-CR related discipline) who may have a Masters or other postgraduate degree – again, more likely to be in CR. They will have been in full-time employment for 10-15 years though not necessarily in CR (if they are from a CR background they will probably have around seven years’ experience). They will control an annual budget of between \$250-\$500k.

Advisor/Analyst

This role sits within the larger CR team and reports to the Manager or Director/Head described above.

Probably a female graduate (non-CR related discipline) with, on average, 10 years in full-time employment, they are unlikely to have worked in CR before this current role. If they have, it would have been for about five years. Interestingly, if they are a postgraduate, they are more likely than either their Manager or Director to have studied a CR-related discipline, which suggests there are a growing number of people within corporate roles who are trying to align personal beliefs and academic qualifications with their careers.

Consultants

Director/Senior Partner/ Senior Manager

This could be the owner of a smaller consultancy, its directors and senior partners, or the most senior individual within a CR-focused team of a larger consultancy. Twice as likely to be male as female, they will probably have a first degree in a non-CR related discipline and are very likely to have a postgraduate qualification, probably in CR. They will have been in full-time employment for between 15 and 20 years and probably worked in the sector before their current role, racking up about eight years of experience in CR. They will control a budget of \$250-500k.

Assistant/Team Member

This is a junior and usually an entry-level role that provides support to others within a team across a range of CR activity. The individual concerned is just as likely to be a male or female graduate. Though they may have been in full-time employment for between 5-10 years, it is unlikely they have worked in CR before their current role.

Senior Consultant

This role is performed either by someone with an in-depth knowledge of a particular area (Environment, for example) or more wide-ranging knowledge of CR. This role would be occupied by a male or female who has been in full-time employment for over 10 years and almost certainly worked in the sector (for about eight years) before their current role. The individual will have a first and possibly a postgraduate degree. If the latter, it will almost certainly be in a CR related discipline.

In-house salaries and bonuses

| | Overall (Bonus) | UK | Rest of Europe | North America |
|-----------------------|--------------------|--------|-------------------|------------------|
| Director/ Head | \$135k (\$23k) | \$126K | \$159k | \$151k |
| Manager | \$85k (\$9k) | \$76k | \$96k | \$92k |
| Advisor/ Analyst | \$67k (\$6k) | \$60k | \$78k | \$85k |
| Assistant/ Support | \$41k (\$1k) | | | |

Consultant

This role is occupied by someone with limited experience of CR who works under the guidance and supervision of more senior colleagues. More likely to be female than male, with around eight years in full-time employment and experience working in CR before their current role for five years. They will hold a first degree in a non-CR related discipline and possibly a postgraduate qualification.



Claire Head,
Director
AccountAbility

Consultant salaries and bonuses

| | Overall (Bonus) | UK | Rest of Europe | North America |
|--------------------------|--------------------|--------|-------------------|------------------|
| Director/ Sr. Partner | \$115k (\$9k) | \$101K | | \$153k |
| Senior Consultant | \$78k (\$6k) | \$64k | \$100k | \$66k |
| Consultant | \$52k (\$2k) | \$49k | \$38k | \$60k |

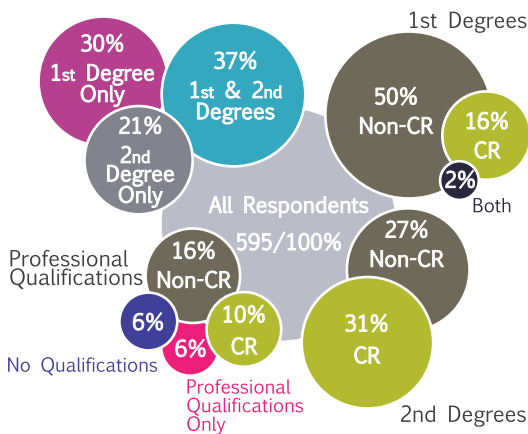
“This year’s global Corporate Responsibility salary survey is an exciting development, marking a turning point for the sector as sustainable business scales up despite the economic challenges of the last year. As an international organisation with two offices in the US, one in the UK and others in Beijing and Sao Paulo, this year’s survey is a particularly useful insight for AccountAbility as we look to expand our operations.

While it is very interesting to note the discrepancies in salary distribution between geographical regions, I believe further research should be conducted to uncover regional socio-economic infrastructures before we place too much weight on global variations. The unquestionable disparity in salary between consultant and in-house roles appears to be a uniform phenomenon and follows the trend of previous reports. But is the gap growing?”

Part 3 Education, qualifications and career history

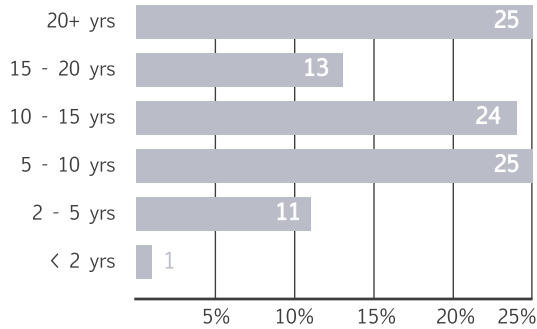
CR is a field characterised by well-educated employees. More than 80 per cent of respondents have a first and/or postgraduate degree and over a third have both. More people had a professional qualification in a non-CR related subject (17 per cent) than in CR (10 per cent). Of the latter, the majority were related to Environmental Audit or Management.

Qualifications of participants



For the overwhelming majority (91 per cent) of respondents, their current role in CR was not their first job. On average, people had been in full-time employment for 14 years and just over half had previously worked in CR.

Time in employment



For those who had switched into CR from other roles, the most frequent previous role for both consultants and in-house employees was another corporate function.

Career switchers previous jobs





Katie Kross,
Associate Director,
Center for Energy, Development,
and the Global Environment,
Fuqua School of Business, Duke University

“Corporate responsibility is an interdisciplinary field by definition. CR professionals need to bridge the worlds of business, science, policy, law, and government – and understand how to engage stakeholders from each of these worlds.”

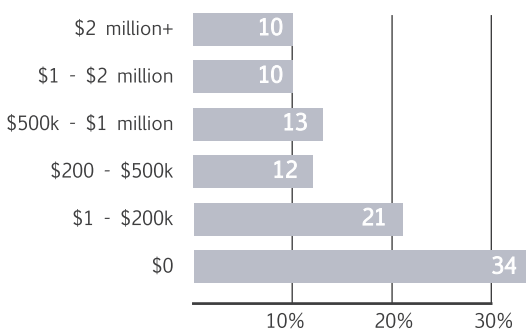
Increasingly, we see an interest both from students and employers in training that combines both fundamental business or policy expertise with CR or sustainability-specific education. As these survey results show, CR executives often have a combination of primary training in a functional discipline, coupled with a second degree in CR (37 per cent). I expect this trend to continue, with an increase in demand for graduate education that trains practitioners in CR and sustainability methodologies, and prepares executives for careers in this field.”

Part 4 CR in companies

Budgets

Around a third of respondents had no budgetary responsibility, while just over 10 per cent had control of budgets in excess of \$2m. One in four of those responsible for a budget over \$2m had a primary focus on Community Investment and three quarters received salaries in excess of \$100k.

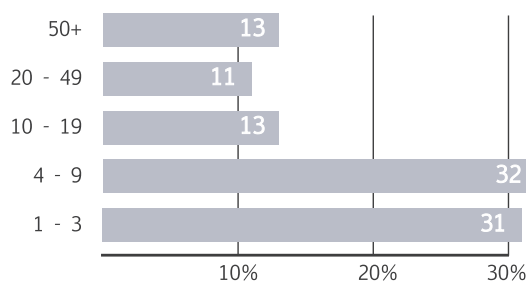
Budgets directly controlled by respondents



Team structure

The majority (63 per cent) of in-house respondents work in teams of nine people or less.

Team sizes



Somewhat surprisingly, the data suggests that on average, consultants work in larger teams than those in-house.

Sixty per cent of consultants are part of teams of 10 or more compared to 37 per cent of respondents working in-house.

Three quarters of in-house CR teams contain nine people or less, while less than 10 per cent have 20 or more.

There are a couple of possible explanations for this. It could be that when asked about teams, consultants are actually referring to the total number of people within their business. Alternatively, given that CR remains a relatively new discipline, the level of human resources devoted to it within the corporate environment remains low.

However, it would appear that overall team sizes within the CR sector are getting bigger. Our 2008/2009 survey showed only nine per cent of respondents worked in a team of 20 or more. This year, 24 per cent of respondents work in teams of 20 or more and of that group over half work in teams of 50 or more.

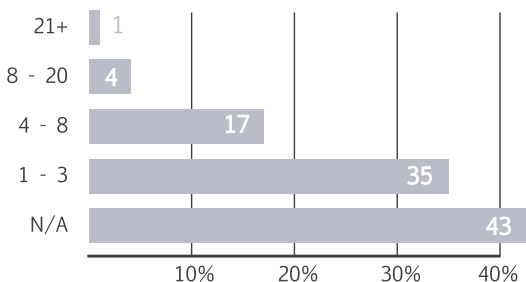
Around a quarter of those working in-house said their team was a separate function within their company and a third said they were part of a larger business function with 22.5 per cent falling under Corporate Affairs and 11.5 per cent sitting in the Marketing/Communication department.

Just under half of in-house respondents had no direct reports and only five per cent had eight or more.



Ben Eavis,
Head of Corporate Responsibility,
Sainsbury's Supermarkets Ltd

Number of direct reports in-house



“Over the past two years, the field of corporate responsibility/sustainability has faced its toughest test. Many CR sceptics predicted a retreat from businesses on their commitments. I’m pleased to see that on the whole this hasn’t taken place, and that in fact corporate responsibility seems to have come of age during the downturn. Customers have demanded better value and better values; at Sainsbury’s, for instance, we have seen an increase in sales of Fairtrade products over the past two years.”

From the survey, I’m most interested to see in which areas companies and consultancies are now focussing their work. For Sainsbury’s, given the scope of our business and the wide range of impacts we face, we continue to work across all areas. Overall I expect that topics connected with efficiency and risk management, such as climate change and ethical trading, will have become more important over the past year.”

Part 5

Job function: what do people do?

In addition to wanting to develop benchmark salaries for particular jobs, one of the purposes of this and previous surveys has been to develop a clear understanding of how people in the sector spend their time. This means analysing the main activities they focus on, and whether there are any significant differences between those working in-house, those working in a consultancy, and between males and females.

To identify how people spend the bulk of their working day, we asked participants to rank the activities they spend most of their time focusing on from the following:

- Auditing & Assurance
- Climate Change & Carbon
- Community Investment
- Diversity & Inclusion
- Environment
- Ethics & Governance
- Ethical Trading & Supply Chain
- External Marketing & Communication
- Health & Safety
- Internal Marketing & Communication
- Philanthropy
- Reporting & Performance Measurement
- SRI
- Stakeholder Engagement
- Other

From these results we analysed what respondents selected as their primary areas of focus to identify the top activities for those working in-house and those working in a consultancy.

Top 5 activities - In-house

- 1 Reporting
- 2 Environment
- 3 Community Investment
- 4 Climate Change
- 5 Stakeholder Engagement

Top 5 activities - Consultancy

- 1 Reporting
- 2 Audit / Assurance
- 3 Stakeholder Engagement
- 4 Climate Change
- 5 External Marketing

Across the sample, Reporting and Performance Measurement are the top activities for both in-house employees and consultants globally. This reflects both what we see in our work and replicates the results of our previous UK-focused surveys.

In the UK, Environment was the top activity (being selected as first choice by 20 per cent of respondents), marginally ahead of Community Involvement and followed, some way behind, by Reporting & Performance Measurement. Community Investment is far less of a focus area in the Rest of Europe. This is unsurprising and was consistent with our own experience: very few companies in these countries have well-developed charitable and/or community programmes and there is a widespread view that such support is a matter for the individual or the state. Conversely, the fact that Community Investment and Philanthropy did not feature highly in the activities of respondents based in North America contrasted with the widely-held belief in the UK that CR on the other side of the Atlantic is heavily focused on these activities.



Kevin Moss,
Head of CSR, Americas,
BT Group
Blog: www.csrperspective.com

The prominence of Stakeholder Engagement emphasises how integral this is to CR. The fact that consultants are heavily involved here suggests two things: first, that companies are keen to demonstrate to sometimes sceptical stakeholders the independence of the process; and second, that some companies lack the necessary expertise to undertake this important work for themselves.

Given the prominence of Climate Change & Carbon over the past few years, it's not surprising that it made the top five for both consultancy and in-house. Indeed, for the former, it appears to have displaced the broader Environment category as an area of focus.

"The question in my mind is how much of the doing do we, the corporate responsibility practitioners, actually do, and how much of the doing do we try and get others to do? I consider the role of corporate responsibility practitioners is to engage with stakeholders to establish CR strategies and policies, and then to set the groundwork that will enable, encourage and cajole stakeholders (mainly but not solely employees) to implement those strategies.

Our role should be as catalysts to embed corporate responsibility across the business. When a new issue arises we may have to do some of the doing ourselves in the first instance. But this should only be as a means to proving the issue before we drive for it to be addressed as a 'business as usual' operational responsibility – thus freeing ourselves up to look over the horizon for the next unknown.

Over time, I would expect to see the functional components of the role, such as strategy, engagement and reporting, feature consistently in the top five activities. Themes such as climate change, ethical working conditions, or nutrition perhaps, will cycle through and feature only for so long as we are still determining the true impact of the issue prior to embedding it in the business.

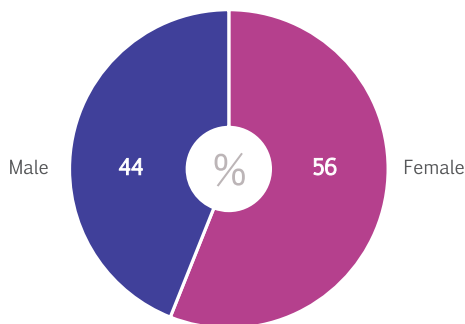
It would be interesting to be able to look independently at the evolution of functional roles and themes, and even to examine where each theme is in its lifecycle; research, strategy, engagement, operationalization and hopefully, issue resolved!"

Part 6 Gender

This survey is not the place to engage in a detailed critique of employment practices in the CR sector. However, based on our data and previous surveys it seems indisputable that there are a number of serious questions to be asked about how the sector is addressing issues of gender equality. If ever there was a case for practising what you preach, this is it.

The gender split of the sample was 56:44 in favour of women.

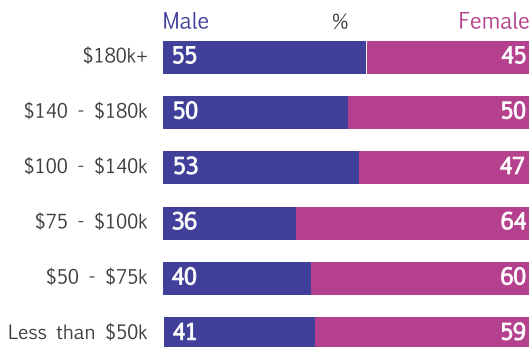
Overall gender split



The position in the UK was in line with last year at 61:39 in favour of women.

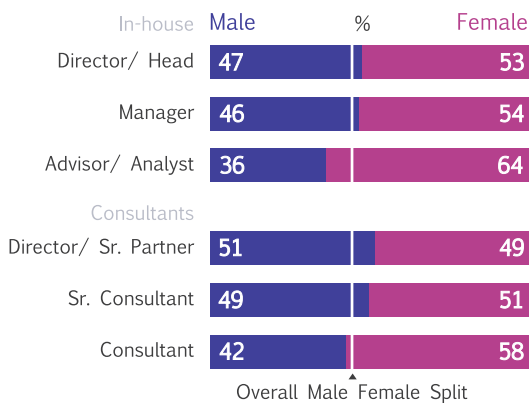
Despite their predominance, women continue to occupy less senior roles and therefore are paid less on average than men. The salary distribution by gender chart below shows clearly that women are under-represented in salary bands above \$100k and over-represented below that point. The salary issue is particularly relevant given that women are more likely than men to work in in-house roles which, as we have seen, pay on average more than those in consulting.

Salary distribution by gender



Using the generic job descriptions mentioned above, we segmented the sample to see whether there is any evidence that particular roles are more or less likely to be filled by women. Based on this analysis, we suggest that women are currently under-represented as Senior Consultants and Directors/Senior Partners and in senior in-house positions. There is more equality around the Manager level and women dominate at the Consultant and, even more so, at the Advisor/Analyst levels.

Gender distribution by job title



We also looked at those working in-house and whether there was any relationship between gender and seniority (and the accompanying remuneration levels) within the corporate hierarchy. Around 46 per cent of the in-house respondents said they were the most senior CR/sustainability person in their organisation. The gender split here was roughly in

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2010

line with the survey overall, with 53 per cent female and 47 per cent male. However, the average salaries were \$118k and \$126k respectively, while the total cash element of remuneration (salary plus bonus) was \$134k for women and \$147k for men. It would appear that generally women receive a lower base salary and percentage bonus than men. The overall global trend reflects this difference, as do our results for the UK and North America. However, when looking only at the Rest of Europe, female bonuses and total cash remuneration exceeds that of males.

Senior remuneration packages by gender

| | Average Salary | | Total Cash Remuneration | |
|----------------|----------------|--------|-------------------------|--------|
| | Male | Female | Male | Female |
| Overall | \$126k | \$118k | \$147k | \$134k |
| UK | \$122k | \$103k | \$138k | \$115k |
| Rest of Europe | \$145k | \$144k | \$160k | \$171k |
| North America | \$145k | \$140k | \$181k | \$160k |



Jennie Galbraith,
International Sustainability Manager,
British American Tobacco

"The survey, as always, provides an interesting insight into this growing profession. Unfortunately, this isn't always a positive one and the gender pay gap indicated by the survey is both surprising and disappointing. CSR professionals spend much of their time trying to convince, cajole and persuade their organisations to do things differently or better, but it is our responsibility to practice what we preach.

Of course, there are many factors that influence an individual's salary, but equal pay for equal work should be a given. This report should prompt all senior CR managers to consider if unjustifiable inequalities exist within their own teams and, if so, how they should be remedied. The mirror has been held up to ourselves this time, and the image has become quite uncomfortable."

We also considered whether there are certain activities that are more likely to be carried out by men or women when working in-house. Based on this year's survey we believe it is fair to conclude that women are much more likely to concentrate on Community Investment, while men are focusing more on Climate Change and broader Environmental issues, and Audit & Assurance. This is further supported by the results of last year's survey.

Among those claiming to hold senior CR roles, Community Investment was the most popular area of primary focus (selected by 17 per cent of respondents) and was chosen by twice as many women as men.

Part 7

Job satisfaction and job security

Job satisfaction

Around 80 per cent of respondents are satisfied with their jobs, and this is constant regardless of gender, location or whether people are working as consultants or in-house. The results suggest that people working in the sector have made a conscious decision to do so and have a deep commitment to concepts of CR and sustainable development. This alignment between personal values and the work undertaken is underlined by the fact that 95 per cent of participants would recommend a career in the sector.

Job security

Overall, more than 80 per cent of respondents felt that their job security had improved or remained the same over the past 12 months, and this applied both to consultants and people working in-house. Of those working outside Europe and North America, 50 per cent were more confident about job security and only 6 per cent felt it had declined. In the UK, the number feeling less secure had fallen from 29 per cent to 17 per cent compared to the 2008/2009 survey, which tends to support our view that people working in the sector are far more positive about their prospects than they were last year.

| | Less Secure | Same | More Secure |
|----------------|-------------|------|-------------|
| Overall | 16% | 53% | 31% |
| UK | 17% | 52% | 31% |
| Rest of Europe | 21% | 58% | 21% |
| North America | 18% | 49% | 33% |
| Rest of World | 6% | 38% | 56% |

Conclusions

Paul Burke

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Over the last few years, this survey has helped to build a fairly detailed picture of the CR community in the UK. The data has, by and large, confirmed my own perceptions: that is, and at the risk of generalising, the sector is populated by well-educated people who are personally committed to concepts of CR and sustainability, and who exhibit a high degree of satisfaction with their roles. Based on this year's results, it appears that these characteristics are shared by those working in the sector in other parts of the world.

The issues around gender are to some degree unsurprising given that other professions – and that, I think, is what CR is fast becoming – also struggle with ensuring that women are appropriately compensated for their work and are offered the same developmental and promotional opportunities. The fact that, notwithstanding the current state of affairs, there is little difference in the levels of male and female job satisfaction raises the possibility that these imbalances are not regarded as significant by those affected (alternatively, it could be that women would have exhibit even higher levels of satisfaction if they were addressed!).

The recession appears not to have affected the breadth of activities undertaken, the resources available and – interestingly – salary levels. This causes me to wonder to what extent these are indicators of the way in which CR is increasingly moving from a peripheral to a more central position in many organisations and is no longer just the preserve of larger companies with significant social and environmental impacts?

My one major area of concern relates to the continued focus on reporting and performance management. I would be the first to acknowledge the importance of both activities: public reporting can act as a powerful lever for change as well demonstrating openness and transparency and we are all familiar with the mantra of “what gets measured get managed”. However, in attempting to produce technically proficient reports that are read by a relatively small number of stakeholders underpinned by comprehensive reporting systems, there is a real danger that practitioners are being distracted from helping to implement change and thereby improve performance.

Andy Cartland

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This is the third instalment of the CR Salary Survey and there is much to be optimistic about. In particular, job security is at an all time high as 84% of CR professionals feel their job stability has improved or remained the same in the last 12 months. In the previous year's survey, which was conducted at the peak of the downturn (November 2008), the equivalent figure was 70% and given the state of the economy this was remarkable. This recession was the first substantial test of the CR market's metal, and it passed with flying colours.

It appears we have just started to emerge from the recession but already I have observed a rapid pick-up in the CR job market. A reflection perhaps that an increasing number of businesses are getting to grips with the commercial opportunities that will arise as humanity shifts from a perilously non-sustainable condition - where a rapidly growing population will put pressure on water supplies, arable land, carbon sinks and clean energy - to a sustainable condition.

It is apparent that some companies have already capitalised on the financial opportunities that will arise as a result of this transition, and have created significant revenue streams. As more and more businesses catch on, senior CR and Sustainability professionals will need to ensure they are extremely commercially

adept and able to predict market trends and maximise the business opportunities that emerge.

There is already a good deal of evidence to support the view that senior CR professionals are developing into more commercially focused workers. UK salaries increased dramatically this year (we can't yet compare international salaries as this is the first international report) and levels of remuneration are often a good reflection of how important an individual is for creating or protecting revenue.

It will be interesting to see how consultancies adapt to the transition. In this year's survey, as in previous years, consultants were not paid as generously as those working 'in house'. If consultants are to compete on salary in the future, it is likely that they will need to move from providing technical advice and services, to providing management consultancy around sustainability. As the opportunities emerging from the transition to a sustainable world and economy emerge, I anticipate a growth in the numbers of individuals in such positions.

The metamorphoses is not yet complete, but when it is, expect to see dramatically increased salaries and new job titles such as Chief Sustainability Officer becoming common place.

Peter Mason

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One especially interesting aspect of this year's results is the picture of an emerging generation of corporate responsibility professionals who have only ever worked in the field.

Although the survey shows that 90 per cent of respondents have arrived at their current positions from other spheres of activity, that means that one in ten have never actually been anywhere else.

This confirms increasingly strong anecdotal evidence that a young, committed cadre of professionals is waiting in the wings to take over from the multi-disciplinary old guard when the time is right.

No longer is it unusual – over small talk at a conference or some kind of gathering – for a practitioner to reveal that their entire working life, short as it may yet be, has been dedicated to promoting socially responsible business.

Given the job satisfaction levels also revealed by the survey, it would be safe to assume that the proportion of such people will increase significantly over time. In ten or 15 years time we may arrive at the point where the majority have worked in corporate responsibility alone.

Will that be a good thing? There is no reason for it not to be. Undoubtedly the fledgling profession has benefited greatly in its pioneering days from having many experienced people within its ranks who can boast a broad range of backgrounds and outlooks. It would be good to keep a strong element of that diversity in the profession. But there is nothing to suggest that a new generation of dedicated corporate responsibility professionals, appropriately qualified and gently marinated in the topic, will prove to be anything but useful. After all, that is the way in many other corporate fields.

About the Authors

Acre

Acre is an international recruitment firm specialising in the corporate responsibility and sustainability sectors. With offices in London and Chicago and a growing team of passionate individuals, we have placed hundreds of sustainability professionals in a range of organizations around the world, from leading corporate brands to specialist consultancies and innovative start-ups.

More info - www.acre-resources.com

Acona

Acona Ltd is an independent employee-owned consultancy dedicated to providing advice on corporate responsibility. We have broad expertise and advise large, mainly corporate clients on the full range of social, environmental and ethical matters, from tentative first steps through to day to day management, strategic planning, measuring performance and corporate reporting.

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