



Salary Survey

A report by:



carnstone
partners llp





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For more information about the CR and Sustainability Salary Survey 2014, please go to www.crsalarysurvey.com or email us at: Victoria.Taylor@Flag.co.uk, Paul.Burke@carnstone.com, Annabel.Buchan@carnstone.com, Raquel.Daniels@acre.com or ac@acre.com



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“I am delighted to contribute a few words to the fifth CR and Sustainability Survey. It is completed by professionals from all sectors of the economy, whether they work in companies, consultancies, NGOs, charities or academe.

In gathering this data and publicising the results it is an excellent example of collaboration between different agencies for a wider common good. By sharing and integrating key information on environmental and social issues we will better equip ourselves to turn the huge challenges we face into opportunities – and create long-term value for the prosperity of people and planet.

Those challenges equate to a ‘new normal’ in which business as usual cannot guarantee future success. Included within these challenges is providing for a global population that will hit 9 billion by 2030, with the majority in cities; ever greater constraints on natural resources; and huge shifts in global power and capital.

But these challenges also provide a wealth of opportunities. The opportunities in Smart City technology are estimated to be \$3.3 billion by 2030, in providing water supply the figure is \$50 trillion, while in infrastructure it is \$40 trillion.

It will be skilled committed professionals who will square this circle and who are in the business of creating a new sustainable, inclusive capitalism. London and the UK are rich in the financial and expert human capital required – especially by capturing the benefits of diversity among the people of a truly world city, giving access to new ideas and fresh perspectives.

This Report shows clearly that embedding sustainability and social purpose in the workforce is a business imperative, but also the best way of building a contented and innovative business. I congratulate everyone associated with it – and everyone committed to creating long-term value for people and planet.”



Fiona Woolf

Alderman Fiona Woolf
Lord Mayor of the
City of London



Introduction

The CR and sustainability sector continues to grow, as does the reach of our survey. This year we achieved a record 1,200 responses, a 42% increase on 2012, and we are proud to relay the results in this report. Breaking through the 1,000 respondents mark has added an even higher degree of clarity and validity to our findings.

As a relatively new industry, the CR and sustainability (CRS) sector is still finding its feet, but this year, we are witnessing the emergence of a recognised profession. CRS is becoming a mainstream business activity in many parts of the world, and in the summer, the Institute of Corporate Responsibility and Sustainability (ICRS) will be launched, formalising the profession and bringing it a level of recognition similar to other corporate functions.

This survey helps shed light on the sector, the roles within it, organisational structures, gender split, responsibilities, education and qualifications, satisfaction, and – of course – pay. As usual, the report's narrative is supplemented by commentaries from significant industry figures. We thank them for their time in giving us their perspective, and we thank the ranks of CRS practitioners who completed the survey.

For further information on Acre, Carnstone and Flag, please turn to page 33.

Result highlights

- 1,200 respondents this year, a 42% increase on 2012
- In-house employees make up the majority of the survey's sample
- Average salaries have risen in all regions except the Rest of the World and the UK, where they have dropped (slightly)
- On average, consultants are paid £8.7k less per year than those working in-house
- Those working in the Rest of Europe are the highest paid
- 90% of respondents have a first and/or postgraduate degree
- Carbon/energy management is no longer one of the top five activities
- The global average salaries for men and women are £67,859 and £52,201 respectively
- The average female salary has declined compared to 2012
- Over 52% of respondents are satisfied with their jobs and 28% are very satisfied
- 93% of respondents would recommend a career in the sector

What we mean by Corporate Responsibility and Sustainability

Corporate responsibility and sustainability (CRS) professionals

are hard to define. By their very nature, they are addressing complex, multifaceted problems and opportunities. People interpret CRS differently depending on factors such as culture, religion, governmental systems, and legal/regulatory requirements. For the purposes of this survey (and in line with the approach adopted by the Institute of Corporate Responsibility and Sustainability in the UK), we have used the European Commission's definition, adapting it slightly.

We define CRS as the responsibility of enterprises for their impacts on society and the environment. This means there needs to be strict adherence to relevant legislation and codes of practice, and social, economic and environmental impacts – such as ethics, human rights, consumer issues, climate change, and constraints on natural resources – need to be addressed through an organisation's strategy.



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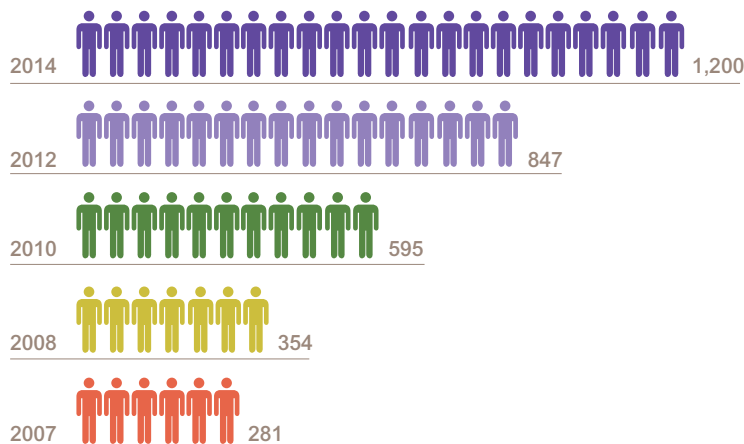
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A total of 1,200 people completed this year's survey, up from 847 in 2012, and 595 in 2010. This was a 42% increase on the 2012 survey which has allowed us even greater clarity.

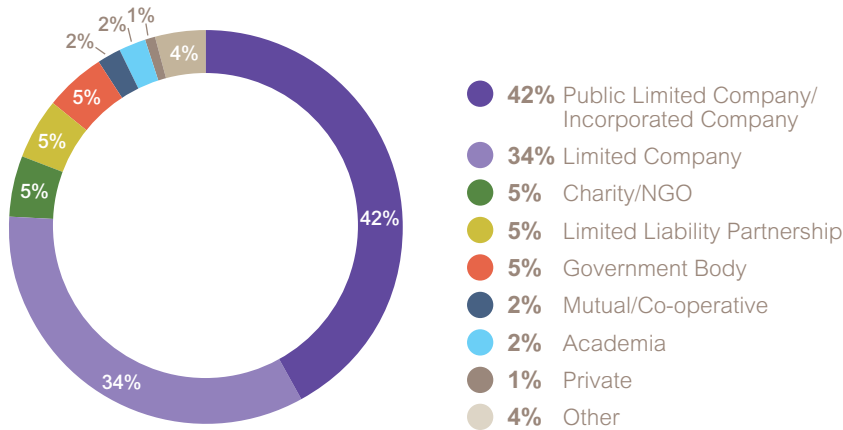
The respondents can be divided into two groups: in-house employees, who make up 65%, and consultants, who make up the remaining 35%. This split is broadly similar to what we have seen over the last two surveys, with a slight fall in the dominance of in-house respondents. In absolute terms, the number of respondents from both groups has grown. There has been an 89% increase in consultant and 25% increase in in-house respondents.

History of number of respondents



The sample

Participants by organisation type



This year, we have seen a slight increase in respondents from Limited Companies and Mutual/Co-operatives. Respondents from PLCs/Incorporated Companies make up a smaller proportion of the sample (42% now compared to 50% in 2012). This is partially explained by the lower proportion of in-house respondents.

The highest percentage of respondents work in Retailing and Consumer Goods (both at 13%) followed by Banking and Finance (12%). Banking and Finance fell from first place in 2012 to third place in this survey, and Retailing moved up from third place to now joint first. However, the continued high number of responses from Banking and Finance suggests that the sector continues to devote significant resources to CRS, notwithstanding the events of 2007–08.

Permanent full-time employees continue to make up the overwhelming majority of respondents (89%), with 6% working as a contractor or on an interim basis, and 4% as permanent part-time. The majority of part-time staff (73%) were female. 11% of those working in consultancy are employed on a contract/interim basis compared to 3% in-house (the same as 2012). Consultancies continue to operate with higher levels of contractor/interim staff.



Wouter van Tol
Director of Corporate
Citizenship, Europe
Samsung

“In this survey, the Banking and Finance sector dropped from first to third in terms of numbers of respondents. Is this an important change; did the banks reduce their CRS resources? Or did Consumer Goods and Retailing simply grow their number of respondents faster this year?

As I pondered this, I was reminded that I would love to know more about the role of the banks' CRS departments in the banking crisis. As practitioners, we know about the importance of embedding CRS in the organisation, about influencing the core business, about creating value for society as well as shareholders. Yet, society had to bail out the banks and a colossal amount of value was destroyed.

The post-catastrophe cliché is ‘lessons must be learnt’, and that applies in this case. What should our profession do differently based on what happened in banking? Answers on a postcard, or preferably in a book...”



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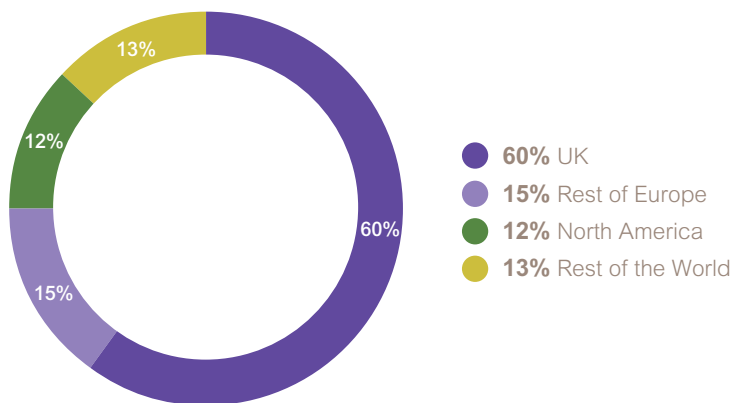
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Respondents by location



The first two surveys were exclusively UK affairs, but this changed in 2010. The overall distribution of respondents is similar to last time, with subtle changes. The proportion of respondents from the UK has risen to 60% from 53% last time. There has been a fairly significant decline in the proportion from North America (22% → 12%), a slight rise in the Rest of the World (12% → 13%), and an increase from the Rest of Europe (13% → 15%), leaving the overall proportion of respondents from outside the UK slightly lower than in 2012. However, in absolute terms there has been a 58% increase in UK respondents, 63% increase for the Rest of Europe, 56% increase for the Rest of the World, and a 19% decrease for North America.

The Rest of the World category takes in Africa, South America, Asia and Australasia – a very diverse set of regions. Next time, we will continue to concentrate on increasing the response rate from the Rest of the World region by working with more partner organisations outside the UK. When the number of respondents from these regions has grown sufficiently, we intend to divide the Rest of the World category into smaller geographical regions.

This year the proportion of female respondents dropped below 50% for the first time. The split this year was 47% female, 53% male compared to a 52/48 split in 2012, and a 56/44 split in 2010. Whether this is indicative of a rebalancing of the gender split or merely reflects a temporary blip is impossible to tell. This trend, however, may be largely a result of the higher response rate from consultancies where women are under-represented compared to in-house.

The decline is particularly marked in consultancies where women make up just 44% of employees, down three percentage points on 2012.



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Salary trends are a critical indicator of where the sector is headed. This year's salary distribution has been arrived at by converting non-UK salary ranges into pound sterling, using the exchange rates as listed by xe.com on 17 February 2014.

The rates used are as follows:

Currency	GBP
1.00 CHF	0.67
1.00 AUD	0.54
1.00 EUR	0.82
1.00 USD	0.59

Before we delve into this section's findings, it is important to be aware of the data's limitations when attempting to compare remuneration levels by region.

First, data of this nature can easily be affected when a relatively small number of outliers – very high or very low salaries, or bonuses – distort the averages.

Second, and more importantly, exchange rates vary over time, which obviously makes comparisons difficult. Looking back at the rates that prevailed at the time of the last survey, while the pound/Swiss franc values have remained broadly the same, the pound has dropped in value by 14% against the Australian dollar, and 6% against the US dollar, while it has risen 2.5% against the euro. In addition to these exchange rate fluctuations, it must also be remembered that the headline figures for each region do not reflect cost of living variations across national economies. In other words, the purchasing power of sterling in one country or region cannot be reliably compared with its purchasing power in another, further compounding the difficulties of cross-region comparisons. Additional payment arrangements, such as bonus rates, that are specific to particular countries further complicate the issue.

Third, 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 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 have also looked at the percentage of respondents working in each sector and how this varied across regions.



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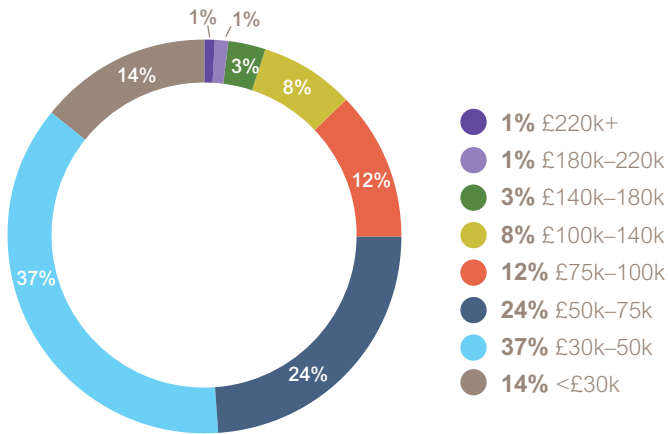
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Overall salary distribution



Overall, the global median salary fell in the range of £50k–75k, at the lower end of that range. Overall, the global mode fell in the range of £30k–50k. The mean in the UK was £55,071 compared to £56,360 in 2012. The percentage earning above £75k in the UK has decreased slightly to 17%. A small number of individuals are earning salaries at the higher end with 5% of respondents being paid over £140k (same as 2012). Once again, these individuals are overwhelmingly based in Europe and North America and work in-house for major companies with more than 1,000 employees.

Mean (average)
UK salary

£55k

Mean (average) global
salary value

£61k

Median (middle) global
salaries lower end of

£50k–75k

Mode (most common) global
salary value

£30k–50k



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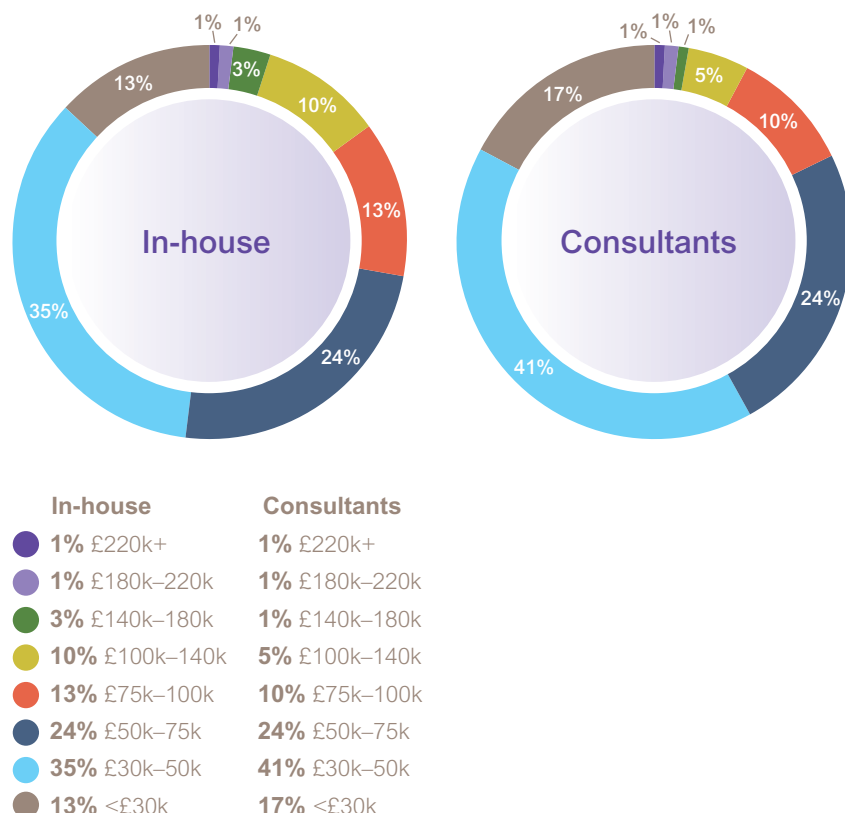
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Salary distribution by organisation type



On average, consultants are paid just under £9k a year less than those working in-house (a very similar gap to previous surveys). 58% of consultants earn less than £50k compared to 48% of those in-house.

Overall, those working in the Rest of Europe are the best paid, earning £70,503 on average, followed by £69,733 for North America, £65,654 for the Rest of the World and £55,071 in the UK. The average salaries have risen (slightly) in all regions except the Rest of the World and the UK where they have dropped (slightly). There is nothing to suggest that respondents from the Rest of Europe are better qualified or significantly more senior.

As we have highlighted in previous surveys, there is no correlation between salary and team size but there is a correlation between salary and budget size, budget sizes being larger for individuals with higher salaries. We suspect based on our own experience, that the major determinants of salary is the importance placed on CRS within an organisation.



Tony Henshaw
Chief Sustainability Officer
Aditya Birla Group

“From a corporate perspective, sustainable development means evolving the organisation’s business management systems to strategically position it in a way that allows it to both defend itself against, and take advantage of, the changing externalities that will undoubtedly shape its operations and the future market for its products and services.

The Chief Sustainability Officer must have the skills to develop a sustainable development programme that implements international standards of operation. By doing so, the business is able to manage the externalities it faces today.

The world, however, is changing at an ever-increasing pace and so developing a deep understanding of global trends is a requirement that allows the CSO to work closely with the CEO to craft and implement a viable, affordable, future-proof strategy that makes the organisation sustainable.

In order to be effective, an understanding of business management systems, along with their development, measurement and assurance is essential. Strategic planning skills are needed alongside an understanding of corporate finance for the CSO to be heard in the boardroom.”



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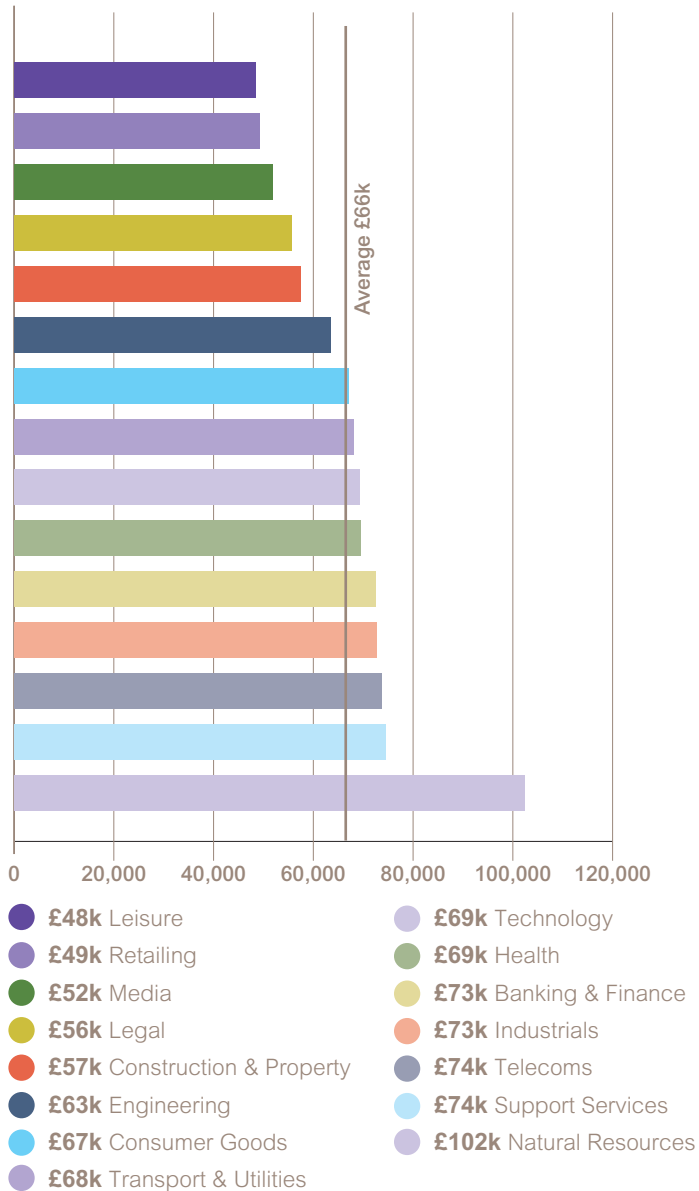
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Average in-house salaries by sector



This year there is greater variability by sector in the average salaries. Natural Resources remains in first position, and the average salary for that sector has risen from £95k to £102k. Although Natural Resources remains number one, the top five most highly paid sectors have changed this year. Support Services has entered the top five, into second place, and Banking and Finance has returned to fifth place, while Consumer Goods and Health have dropped. Leisure remains the lowest paid sector for CRS professionals.



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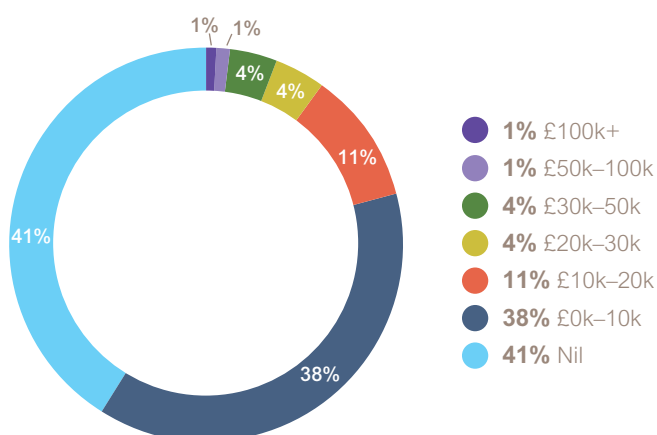
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The movement of Banking and Finance back up into the top five supports our contention above that the sector is devoting significant resources to CRS. It is tempting to speculate whether this is the result of a desire to use CRS as a means of rebuilding trust among stakeholders or, perhaps, an indicator of a more fundamental shift in approach that now sees CRS as an intrinsic element of corporate strategy.

Here it is important to highlight that some of these changes were caused by a small number of highly paid individuals distorting the average. In the case of Support Services, a small number of individuals were paid over £100k, which in a relatively small sample had a significant effect on the sector average. Salaries in this category varied from £33k–290k.

Bonuses

Overall bonus distribution



41% of respondents received no bonus compared to 36% in 2012. 90% received less than £20k (the same proportion as 2012).



Benjamin Kott
CEO, EnergyDeck

“A lot has been said about the importance to hire and retain great people. Nowhere is the need for this felt more strongly than when running a fast-moving start-up company.

Before launching EnergyDeck – an innovative web-based platform that helps organisations save energy and resources through crowd-based analytics and connecting different stakeholders – I worked for Google, which has always had a relentless focus on hiring the best and brightest, nurturing them and enabling them to do great things. Google’s success speaks for itself.

In the start-up world, things are even more extreme. In the early years, people are your only asset, and they quite literally make or break your company. At the same time, you have limited resources to compete with the big players salary-wise, but you can offer something unique: the ability to shape a potentially game-changing product or service.

But you don’t need to look only at the ‘Googles’ and start-ups to get an idea for the key role of human resources. In a recent speech at Stanford University, Carlos Brito, the CEO of Anheuser-Busch made his priorities clear: ‘The only sustainable competitive advantage you have over other companies is your people’.

Bring it on!”



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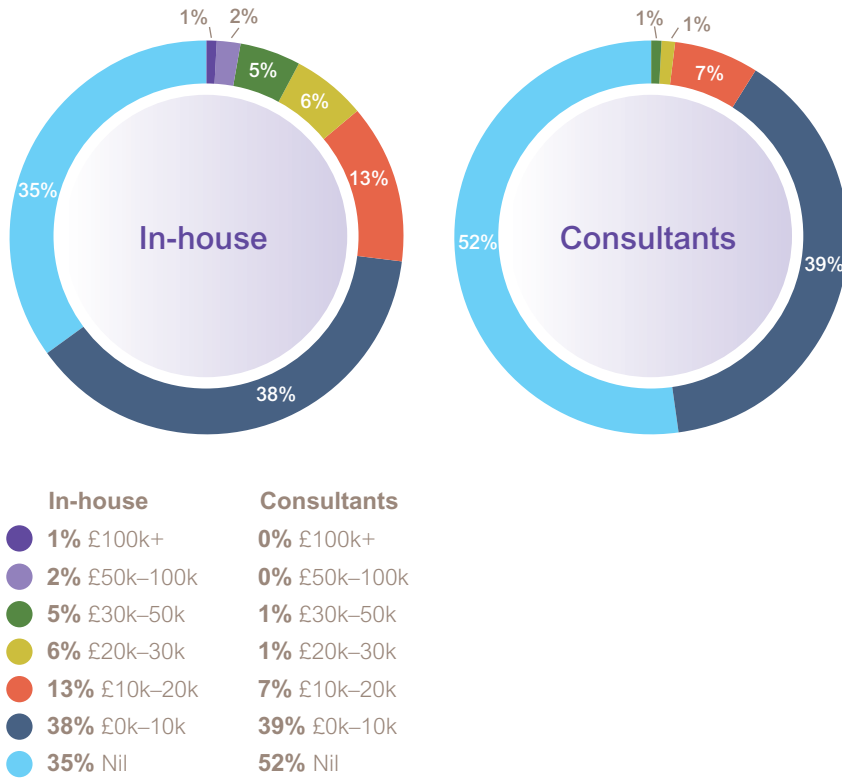
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Bonus distribution by organisation type



As with all of our previous surveys, the results show that the lower salaries of consultants are not offset by higher bonuses. Over half of consultants receive no bonus at all compared to 35% for in-house employees.



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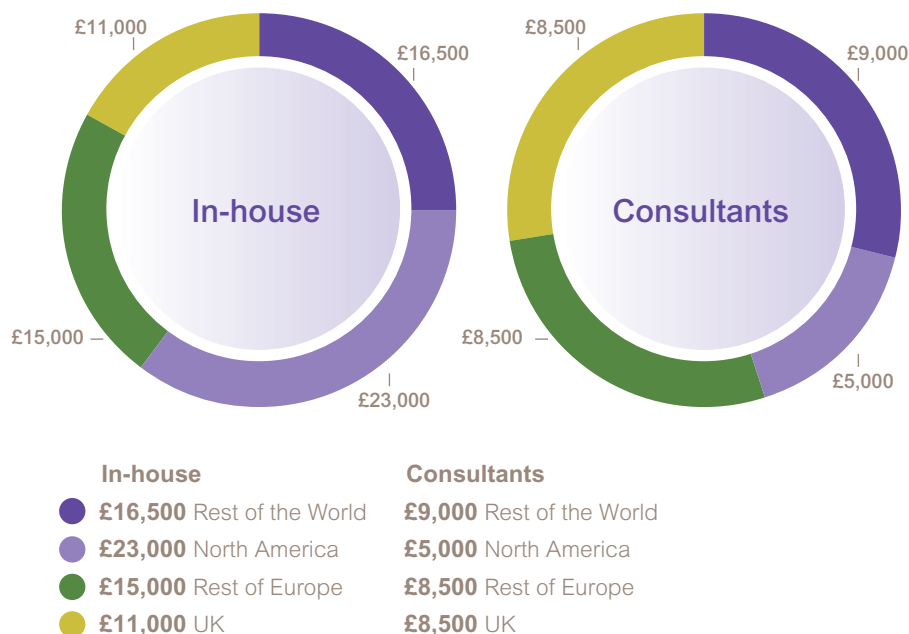
Average bonus level by salary band (of those that do receive bonuses)

	Overall	Consultants	In-house
<30k	£3,000	£4,000	£2,500
£30k–50k	£2,000	£3,500	£4,000
£50k–75k	£8,000	£7,000	£8,000
£75k–100k	£17,000	£10,000	£19,000
£100k–140k	£23,000	£12,500	£25,000
£140k–180k	£52,000	£24,000	£55,500
£180k–220k	£62,000	£42,500	£69,000
£220k +	£101,000	£150,000	£84,500

A theme continued from the last survey is the strong positive correlation between income and bonus size both in-house and in consultancies.

One final caveat: the consultant bonus average at the £220k salary band is misleadingly high and, again, reflects the small sample size and a number of extremely well-remunerated individuals.

Average bonus level by region and organisation type (of those that do receive bonuses)



Consultants receive a lower average bonus in every region. The narrowest gap between the bonuses received by consultants and in-house employees is in the UK; the largest is in the North America. In 2012, the Rest of Europe had the largest gap.

Looking at the average in-house bonus by sector the top five are: Natural Resources, Health, Industrials, Banking and Finance, and Consumer Goods (in that order).



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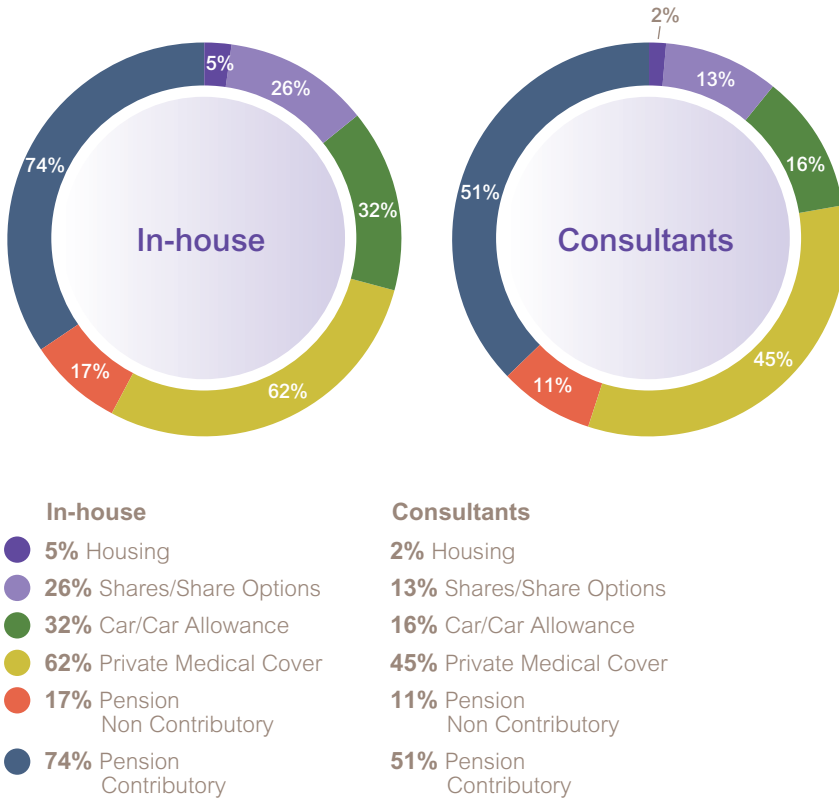
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Benefit distribution by organisation type



In-house CRS professionals also receive more generous benefits, with 91% receiving a pension of some kind, compared to 62% of consultants. Medical cover retained its position as the second most common kind of benefit.



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Generic role descriptions

One of the main motivations behind our first UK survey in 2007 was to establish benchmark salaries for different roles across the sector. From the outset we were aware that the survey was not – nor could ever be – a medium for capturing detailed and objective job evaluation information for each participant's role. Based on the survey data, it is impossible to say, for example, whether respondents with the job title 'CR Manager' perform the same or similar roles, while subtle differences in job title (is a 'CR Manager' equivalent to 'Manager, CR'?) may signify the naming conventions of different organisations or something more fundamental.

However, notwithstanding these obstacles, we identified a number of generic roles, based on our own understanding of corporate and consultant roles, both for in-house staff and consultants. We then analysed the data to suggest what each would receive by way of salary and bonus. We've repeated this analysis and, as in the previous survey, provided composite descriptions of the educational qualifications, career histories and other personal characteristics that would most likely attach to these roles.

All figures in the examples below are a combination of salary and bonus.

In-house (large companies with more than 1,000 staff)

Director/Head

The most senior CRS person in the organisation has an average total remuneration of £132k (UK – £121k), though many earn a lot more. The individual concerned is nearly twice as likely to be male than female. He'll have a first degree – though not in a CRS-related subject – and have been in full-time employment for a minimum of 15 years, and very possibly a lot longer. He'll control a budget of around £1m. Compared to the last survey, it's increasingly the case that this won't be his first CRS role. Less than a quarter of this group report directly to the CEO, Chairman and/or Board of Directors.

Manager

Managers receive an average remuneration of £63k (UK – £59k) and control a budget of around £180k. People in this role report to a more senior individual with over-arching responsibility for CRS. Managers may be male or female and, typically, will have been in full-time employment for around 10 years, including time spent in another CRS role. He or she will have a first degree – but not in a CRS-related subject; over half will also have a Master's with one in three having studied a CRS-related subject to this level.



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Advisor/Analyst

This person is a member of a larger team reporting to the Manager or Director/ Head roles described above. Advisors are likely to be female graduates earning around £39k (overall and in the UK) and have been in full-time employment for less than 10 years. They're almost as likely to have studied a CRS-related subject as not for their first degree. Over half have a Master's with three-quarters having studied a CRS-related subject.

Assistant/Team member

This is a junior role that provides support to others within the CRS team. Average remuneration is around £24k (UK – £27k). Overwhelmingly female with around five years in full-time employment, including time spent in another CRS role, assistants will almost certainly have a first degree (though not in CRS). Half of them have a Master's, probably in a CRS-related subject.

Consultancies

Director/Partner

This could be a senior person in a CRS team at a large consultancy or the owner/ founder/director of a smaller consultancy. Three times as likely to be male than female, this person earns around £85k (UK – £81k) and controls a budget of around £750k. Around 70% of directors are graduates and a similar percentage have a Master's, though probably not in a CRS-related subject. He'll have almost certainly worked in CRS before the current role and have been in full-time employment for an average of 15–20 years.

Senior consultant

Senior consultant roles are evenly split between men and women. These individuals typically have an in-depth knowledge of a particular aspect of CRS, though some might be generalists. On average, they earn around £51k (UK – £49k) and will have worked in the sector for around 10 years and have previous experience in another CRS role. Three-quarters have a first degree and half of them have a Master's in a CRS-related subject.

Consultant/Analyst

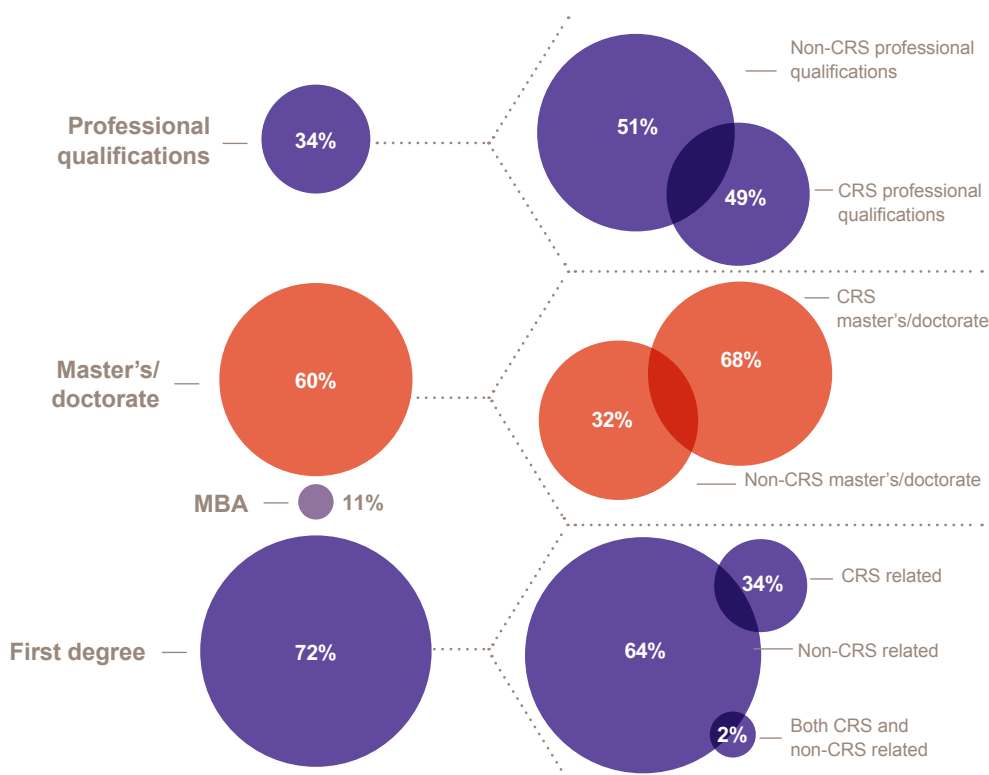
This role is usually occupied by someone with less experience of CRS and who supports more senior colleagues. They are predominantly female, earning about £29k (UK – £31k). They've worked in CRS prior to their current jobs and have been in full-time employment for around seven years. Around 80% are graduates and over 60% have a postgraduate degree in a CRS-related subject.

Education, qualifications, skills and career history

CR and sustainability is a competitive industry, and there is high demand for jobs in the sector. Educational attainment, professional qualifications, training, skills and experience are increasingly important in this competitive market.

The CRS sector is characterised by well-educated professionals: 90% of respondents have a first and/or postgraduate degree (up from 88% in 2012). More people have professional qualifications in non-CRS-related subjects than CRS related subjects. 11% have an MBA, slightly lower than 2012 (13%). More people have Master's degrees/doctorates in CRS-related subjects than non-CRS. Only 34% of respondents have a professional qualification of some description and the majority are in fields unrelated to CRS.

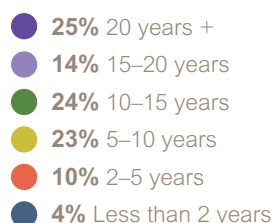
Qualifications of participants (%)



Deborah Allen
Managing Director –
Corporate Responsibility
BAE Systems plc

“While there are an increasing number of courses and qualifications directly focused on all aspects of CR, practitioners must not lose sight of the need for key business skills. The salary survey confirms that the ability to influence stakeholders is a key competency for in-house CR practitioners and this requires understanding of business issues as well as the ability to relate the CR agenda to the risk presented by business activity. Similarly, while developing a strategy for any client, CR consultants must be cognisant of their business context.”

Time in employment



- | Consultants | In-house |
|---------------------------|---------------------------|
| 38% Consultancy | 8% Consultancy |
| 24% Corporate | 58% Corporate |
| 9% Charity/NGO | 10% Charity/NGO |
| 9% Government Body | 6% Government Body |
| 5% Academia | 4% Academia |
| 4% Sole Trader/Freelancer | 1% Sole Trader/Freelancer |
| 11% Other | 13% Other |



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For the vast majority of respondents – 90% – their current role was not their first job. On average respondents had been in employment for nearly 14 years (similar to the previous survey) and nearly 70% had previously worked in CRS (for an average of 9.8 years in 2014 compared to 9.5 in 2012). The average time spent in CRS has remained broadly consistent over the last three surveys. Of those who moved into CRS from outside the sector, just 23% did so within the last five years (compared to 56% in 2012 in the last four years).

As in the previous survey, for in-house employees who had moved into CRS, the most frequent previous role was another corporate function. For consultants it was another consultancy role.

In-house respondents perceive the ability to engage with stakeholders as the most important competence for both getting into the profession and for having maximum impact once in. For consultants, the top position is taken by planning and developing strategy. As expected, influencing and persuading skills feature high on the list for in-house respondents but lower down for consultants, while research and analysis is a more important competence for consultants. For entry level jobs, this may reflect the requirements on junior consultants to carry out more task-based activities, research and analysis.

Entry Competencies

(the competencies have been weighted according to their position)

Top 5 entry competencies – In-house		Top 5 entry competencies – Consultants	
1	Engage With Stakeholders	1	Plan & Develop Strategy
2	Influence & Persuade	2	Research & Analyse
3	Plan & Develop Strategy	3	Engage With Stakeholders
4	Research & Analyse	4	Project Management
5	Project Management	5	Influence & Persuade

Impact Competencies (for established professionals)

(the competencies have been weighted according to their position)

Top 5 – In-house		Top 5 – Consultants	
1	Engage With Stakeholders	1	Plan & Develop Strategy
2	Influence & Persuade	2	Engage With Stakeholders
3	Plan & Develop Strategy	3	Influence & Persuade
4	Measure & Report Impact	4	Research & Analyse
5	Project Management	5	Project Management



Jennie Galbraith
Chair, ICRS
Head of Sustainability,
British American Tobacco

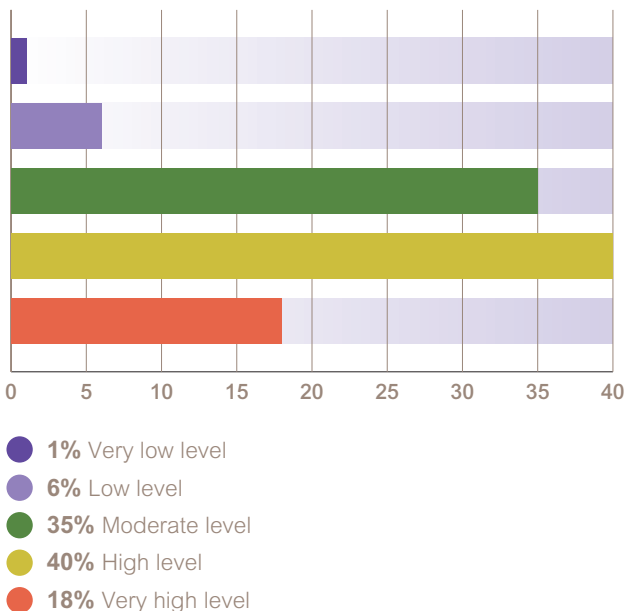
“In developing its competency framework, the ICRS was very conscious to ensure that the end product reflected the actual skills and behaviours that are required to be brilliant at CRS. We want the framework to be useful and not something that gathers dust on a shelf. We want it to be used by individuals – to assess current strengths and the areas they need to improve on. We also want it to help employers identify the characteristics that are required to be successful in particular roles. With that in mind, we spoke to a wide range of practitioners – working in-house, for consultancies, and within the academic community – to get their views.

These results demonstrate that the framework is relevant – very few respondents specified an additional behaviour or area of expertise. From a personal perspective, given the centrality of this area to my own organisation’s approach to CRS, it is particularly pleasing that the in-house respondents selected ‘Engaging with Stakeholders’ as the top choice across both dimensions. Placing stakeholders at the heart of how corporates develop their CRS strategy is vital if the outcome is to be credible.”

Companies

Respondents from in-house teams generally report high levels of executive management engagement with CRS aims. Indeed, only 7% reported low or very low levels of organisational commitment.

Overall levels of executive management commitment



Overall, nearly 60% of in-house employees reported high or very high levels of commitment among executive management, the same as in the previous survey. The survey shows a lower level of commitment among other employees, only 42% reporting high or very high levels. On average, executives are perceived to be nearly 20% more committed than employees. Level of commitment was once again remarkably similar across the different regions.

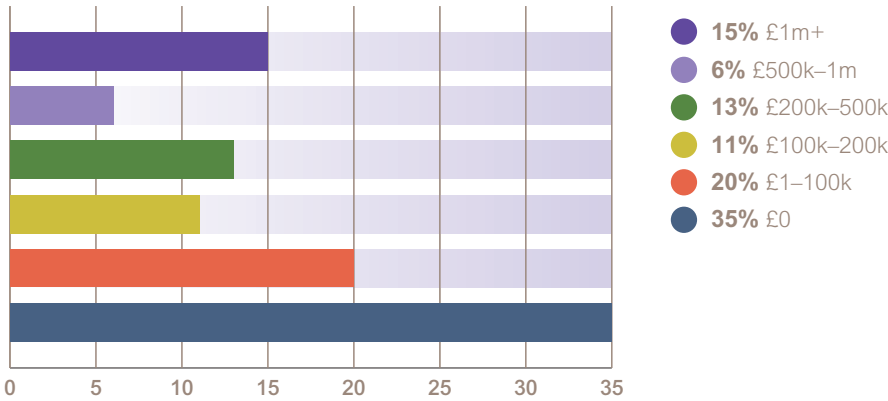


Peter Hughes
Head of Corporate Responsibility
Pearson

“Doomsayers in 2008 confidently predicted the demise of the corporate responsibility and sustainability professions in the face of harsh economic realities. This survey confirms that the profession is actually in rude health. Not only has the number of respondents grown and salaries remained stable, but the levels of organisational commitment also remains very high. Interestingly, the sector is highly qualified, but typically not in CRS related subjects. In part, that is not too surprising, for what is a relatively new profession. There are signs that this is changing however – the survey reports that there are more people with master’s or doctorate level degrees in CR-related subjects than not.”

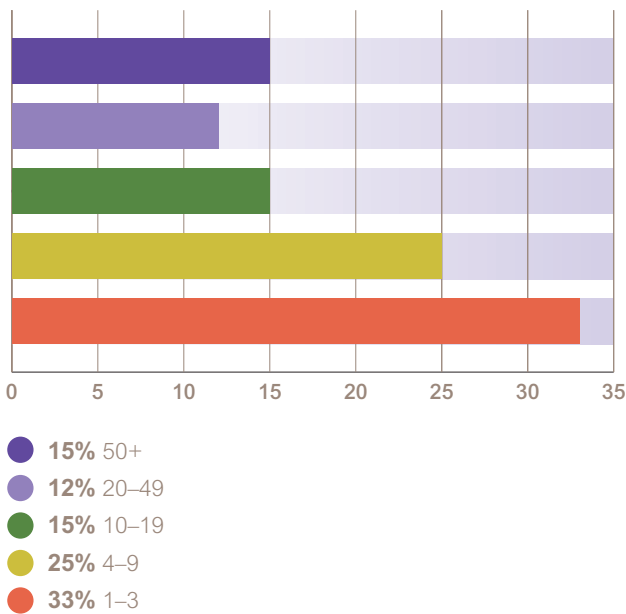
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Budgets



35% of respondents have no budgetary responsibility, slightly lower than the 2012 survey where it was 36%. The percentage of respondents with budgets in excess of £1m has also decreased slightly from 16% in 2012 to 15% this year. The average budget for those managing over £1m is £1,700,000.

Team sizes



Just under a third of respondents (27%) working in-house had team sizes of 20 or over.



Ramon Arratia
European Sustainability
Director
Interface

“ Now that sustainability has become more strategic and embedded, we will see a shift in the skills needed from the usual either communications/ advocate person (the geezer) or technical profile (the geek) towards people who can handle strategy, innovation processes, product development and with a commercial understanding. On the other hand, we are seeing skills needed outside traditional sustainability teams to cope with specific challenges, eg finding a new raw material or developing a service model.”



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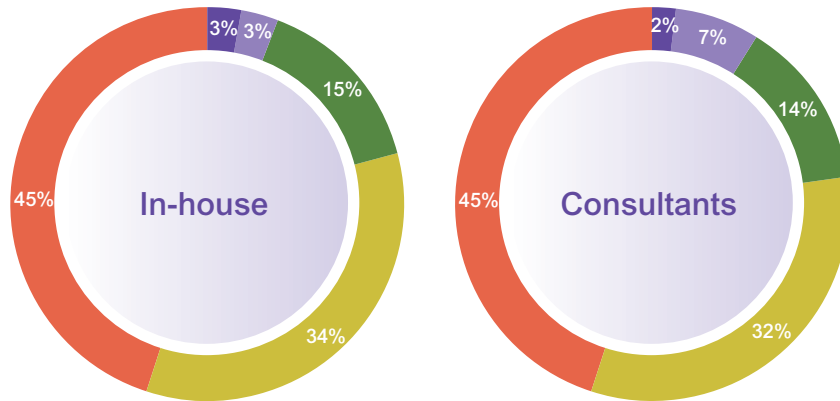
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Number of direct reports



In-house

- 3% 21+
- 3% 9–20
- 15% 4–8
- 34% 1–3
- 45% Not applicable

Consultants

- 2% 21+
- 7% 9–20
- 14% 4–8
- 32% 1–3
- 45% Not applicable

Just under half said they have no staff reporting directly to them. In-house, only 6% have more than eight team members compared to 9% in consultancies.



Justin DeKoszmovszky
Head of Global Sustainability Strategy
PUMA

“I’ve observed a general but significant shift to focusing on ‘how’, not ‘why’, to action sustainability. Leaders are focusing on strategic and commercial integration of sustainability, and that is impacting the breadth of skills required (ie: need to have technical sustainability expertise/skills but also the management and business skills/experience to execute across functions) and the types of positions where sustainability is a core component. Corporate strategy, marketing, brand management and innovation; all these very core business functions require professionals who ‘get’ sustainability.”



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In addition to our aim of developing 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 to identify whether there are significant differences between in-house and consultancy roles, as well as between the functions performed by men and women.



Ian Ellison
Sustainability Manager
Jaguar Land Rover

“Sustainability is a relatively new profession and continues to evolve. With the shift from add-on functions towards the core of business, the challenge increases significantly. There are many more interfaces with multiple stakeholders, each with their own mindset, processes and vocabulary. Those that succeed will be the ones that are best able to build bridges to the full range of stakeholders, maintaining integrity with the sustainability paradigm. The ability to do this and remain commercially successful over the short, medium and long term is key to individual, business and, indeed, societal success. This series of surveys shows that sustainability continues to embrace diversity by welcoming its own specialists alongside arrivals from a variety of other professions. Those that stay on to prosper and make a big contribution will be the ones able to think and act holistically and effect appropriate change in a fast moving and imperfect world, regardless of professional background.”



Marie Morice
Group Citizenship, Head of
Governance and Integration
Barclays

“It is interesting to see that stakeholder engagement has climbed up the job function ranking. As a global business, it is important to consider the needs of all our stakeholders in our key business decisions, and evaluate broader societal impacts. At Barclays, we are embedding this approach into strategic decision-making at all levels of the business. During 2013, we developed and piloted a ‘Citizenship Lens’, a values based decision-making tool that is being applied alongside other decision-making tools, to help colleagues move beyond legal, regulatory and compliance requirements, to consider broader societal impacts and opportunities.”



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As in previous years, we have weighted each respondent's selections by rank. This is designed to reflect the likelihood that the first two or three choices will form the primary focus of a respondent's job.

From analysing the results in this way, we have ranked the top areas of focus for in-house and consultancy staff.

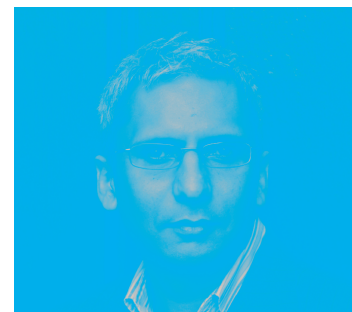
Top five activities – In-house

2012	2014	Activity
1	1 =	CRS strategy development and implementation
4	2 ▲	Reporting/performance measurement
2	3 ▼	Environment
–	4 ▲	Stakeholder engagement
–	5 ▲	Auditing/assurance
3	– ▼	Community investment
5	– ▼	Carbon/energy management

Top five activities – Consultants

2012	2014	Activity
1	1 =	CRS strategy development and implementation
4	2 ▲	Reporting/performance measurement
5	3 ▲	Environment
–	4 ▲	Stakeholder engagement
2	5 ▼	Auditing/assurance
3	– ▼	Carbon/energy management

Remarkably and for the first time, this year the top five activities are the same for in-house employees and consultants. CRS strategy development and implementation remains the top activity for both categories. Reporting and performance measurement is back to occupying a top position in both. Environment has risen as an activity for consultants, to third place this year from fifth place last year. Interestingly, carbon/energy management has dropped out entirely having been in the top five for both categories in 2012. It now sits in position six for consultants and position eight for in-house.



Yogesh Chauhan
Director Corporate Sustainability
Tata Consulting Services

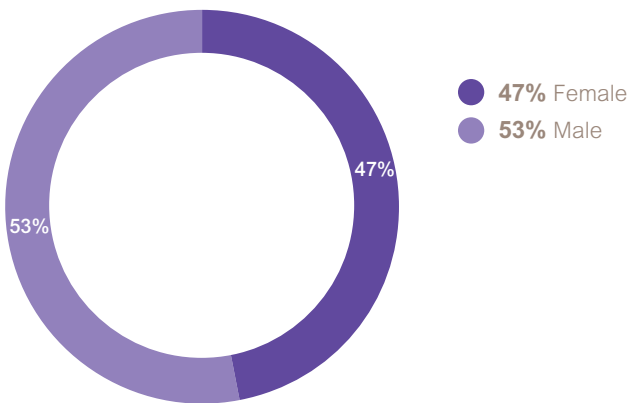
“The survey really has come of age! The dramatic increase in respondents and its longevity has, in my mind, established it as the leading industry barometer.

It's encouraging to see stakeholder engagement as a key competence and that staff teams remain small – this, I hope, reflects our overall purpose to be out there embedding best practice. The coming together of the job function ranking amongst in-house staff and consultants is also to be welcomed and perhaps reflects the maturity of the profession in collectively focusing on what matters most.

There are several results we need to be mindful of. Worryingly, carbon/energy management has dropped from our job function ranking. Its importance in creating truly sustainable businesses cannot be underestimated and I hope the result isn't a reflection of our profession simply accepting shifting management priorities. The seniority and pay differentials skewed in favour of males; and an over-representation of those from traditional educational routes are trends we need to be concerned about if we are to be a beacon for diversity and inclusion.”

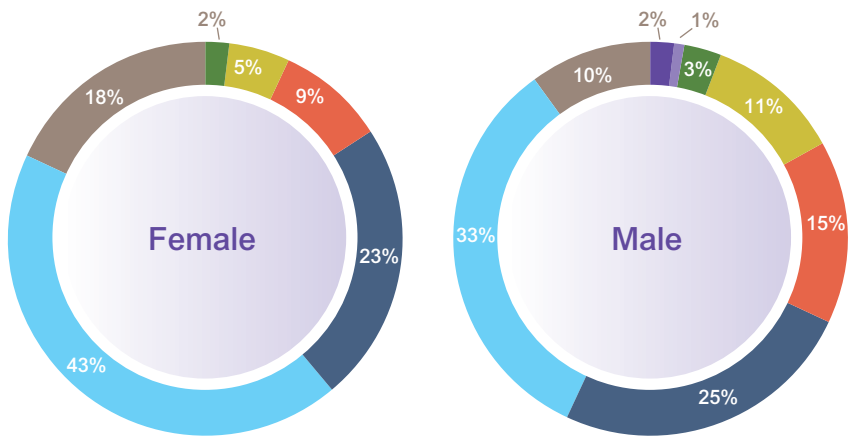
Gender

Overall gender split (in-house and consultants)



The gender split was 53:47 in favour of men which is almost the reverse of last time when it was 52:48 in favour of women. In-house, women made up 48% of employees compared to 44% in consultancies.

Salary distribution by gender

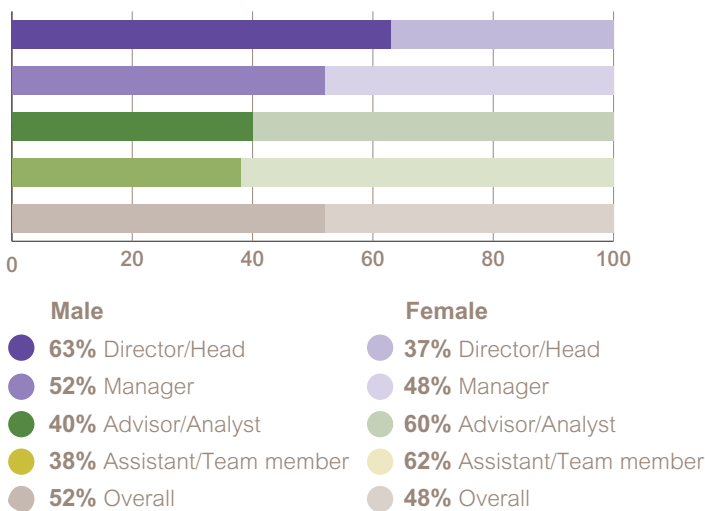


Female	Male
0% £220k+	2% £220k+
0% £180k–220k	1% £180k–220k
2% £140k–180k	3% £140k–180k
5% £100k–140k	11% £100k–140k
9% £75k–100k	15% £75k–100k
23% £50k–75k	25% £50k–75k
43% £30k–50k	33% £30k–50k
18% <£30k	10% <£30k

Gender

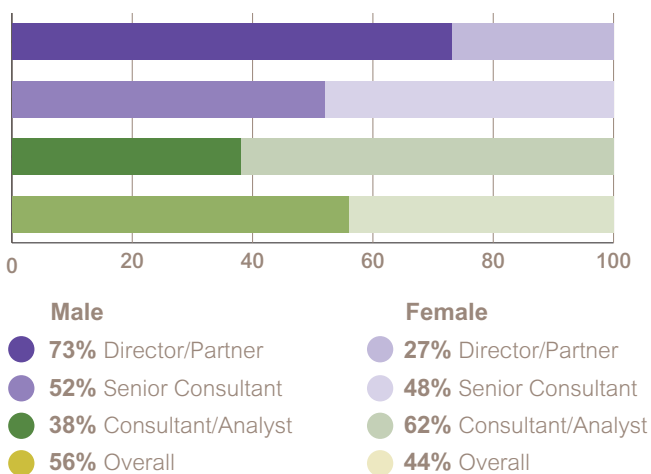
The global average salaries for men and women were £67,859 and £52,201 respectively. The figure for men is exactly the same as it was in 2012, while the average for women has dropped by almost £4.5k. This decline in the average salary for women is because of the reduced number of women earning £75k+ compared to 2012. 14% of women earned £75k–100k in 2012, compared to 9% this year. There has also been a drop at the £100k–140k category for women (8% → 5%).

Gender distribution by job title (In-house)



In-house, women are less represented in senior roles and more highly represented at junior levels, making up only 37% of Directors/Heads and about 60% of Assistants/Team members and Advisors/Analysts. The gender split at the Manager level is more equal.

Gender distribution by job title (Consultants)



The story is very similar for consultants. Less than 30% of female consultants are Directors/Partners, while women make up over 60% of Consultants/Analysts. The gender split at the Senior Consultant level is more equal.



Nicky Major
Global Corporate
Sustainability Leader
EY

“Perhaps the very early shoots of economic recovery help explain the fall in the dominance of in-house professionals. Perhaps companies are starting to up their commitment to CRS, but are not quite ready for permanent in-house appointments, or more companies are starting on their CRS journey using external consultants to kick-start strategies. Good news for consultants? More jobs possibly, but on every measure in-house win out. Possibly the most worrying factor is the higher numbers of contractors/ interim staff in consultancies. Good news if they are real jobs, real experience, on real salaries, but not otherwise. Concerning too is the continued decreasing trend of women in CRS overall but the decline in women’s representation in consultancies is more marked. Given that the top five activities for in-house and consultancies are the same, the differences aren’t explained by the work being done. Corporates should use their buying power to drive consultancies’ standards as they do in other areas of their supply chains and consultancies can sell themselves on their own self-imposed standards. Let’s hope the picture is more balanced next year.”



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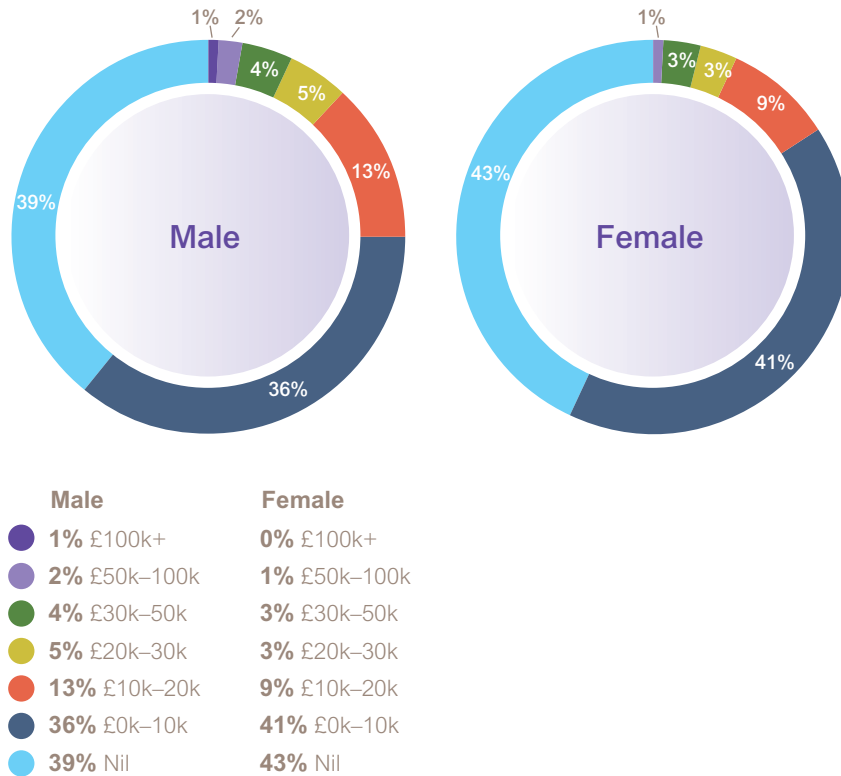
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Bonus comparison by gender



Since higher salaries are associated with high bonuses, it is unsurprising that there are more men than women at the higher end of the bonus spectrum.



Julie Hirigoyen
UK Head of Sustainability
JLL

“It is interesting to see the 2012 trend of a decreasing number of women in consultancy positions being repeated. I wonder how much this has to do with the fact that consulting is both a cyclical and a resource intensive business. Women, who are more likely to be risk averse and require some flexibility, may find such business characteristics less attractive than men.

From a total remuneration standpoint, there appears to be fewer men at the lower end of the spectrum, and less than half the women at the higher end of the spectrum (over and above £75k). This clearly reflects the fact that there are fewer women than men in managerial positions in CRS, whereas in more junior roles women seem to dominate. This reflects a common challenge across all industries – bringing women through into managerial roles, and the typical attrition rates in gender equality around the middle to senior management transition. While some will put this down to women departing on maternity leave and high childcare costs preventing their return to work, it is also true that businesses could do a lot more to accommodate flexible working requests from both sexes returning to work after parental leave. This is especially pertinent to any business that is investing time and resource into addressing its social responsibilities.”



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These surveys consistently show that CRS is an attractive sector to work in, that people get great satisfaction from their jobs, and would recommend a career in the sector.

Over 52% of respondents were satisfied with their jobs and around 28% very satisfied. This is more or less constant regardless of gender or whether people work in-house or as consultants. 93% of respondents would recommend a career in the sector.

Job security

	Less secure	The same	More secure
Overall	17%	51%	32%
UK	16%	52%	32%
Rest of Europe	20%	50%	30%
North America	13%	55%	32%
Rest of World	18%	47%	35%

Over 83% of respondents felt that their job security had improved or remained the same over the past 12 months, very slightly higher than in 2012 (80%). There are slight regional differences – over 20% of respondents in the Rest of Europe felt that their job security had declined.



Diane Reid
Head of Outreach & Corporate Responsibility
BBC

“At the BBC, one of our key values is expressed as ‘Audiences are at the heart of what we do’. It’s written on the back of the ID card, which every member of staff carries. For corporate responsibility, we have to consider the benefits for our audiences of the way we work and the broadcast and online content we produce.

It’s good to see the very high levels of job satisfaction reported in this survey; 80% of respondents are satisfied with their jobs in CR and sustainability and over 93% would recommend a career in the sector.

This is not a surprise; our experience at the BBC demonstrates just how motivating it can be to have a positive impact on society. One of the ways we align personal and organisational values most effectively is through staff volunteering, which brings us closer to our audiences. This is particularly appreciated by the volunteers, who gain great insights into their audience, especially those we find hardest to reach, through face-to-face activity, skills exchange and working alongside local communities. The volunteers gain a sense of pride in their value as individuals and in the work of the BBC. At its best, this is very much a two-way process – our volunteers feel appreciated for the work they do and our audiences know they are valued by the BBC.”



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Paul Burke

And so it grows...

When we launched the first survey back in 2007 our aspiration was to get clarity around who worked in CRS, what were the major areas of activity, and how remuneration and other benefits compared to other roles. We were delighted that 280 people took the time to participate and this level of support suggested that, perhaps, we were on to something.

That 1,200 people completed this year's survey is testimony both to the enduring interest in the survey itself and, more importantly, the growing number of people working in the sector. It also confirms the increasing self-confidence and maturity of CRS as a profession.

A few surveys back I raised a concern that one of the challenges for employers – especially in-house – would be whether they'd be able deliver the scale of change in business practice that would satisfy the aspirations of the highly engaged and committed individuals who worked on CRS issues. I also wondered whether the recession and the ensuing impact on corporate budgets would have any adverse effect on practitioners' satisfaction levels.

I'm delighted to see that these fears have proved to be ill-founded as respondents have continued to report levels of satisfaction that, if replicated in an annual employee survey, would be a source of pride for any organisation. Taken in conjunction with this year's findings about the level of executive management commitment (approaching 60% of respondents said it was high or very high) and the salaries and bonuses being paid to those charged with shaping and implementing strategy, it appears that CRS is moving more into the corporate mainstream. This accords with Carnstone's experience with our clients and has caused me to wonder whether one possible side-effect of the financial crisis has been for those working in the sector to be more focused – commercially minded? – on delivering tangible benefits.

So, if this is case, why is it that carbon and energy management – an area where improvements in performance can have a direct impact on the financial bottom line – has dropped out of the top activities list? Putting aside the possibility that this is a temporary blip, I think there are several reasons – whether in isolation or in combination – why this has occurred. The first is that carbon and energy management has become less of a priority (partly because attention has moved elsewhere due to lower levels of stakeholder – especially government – interest and because energy prices have in many countries stabilised or even reduced).



Paul Burke
Senior Partner
Carnstone



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The second is that systems and processes for collating energy data have become more developed and efficient and so the activity takes less time. The third reason is that it may be that responsibility has been devolved from CRS teams to people working in other functions, for instance in facilities management, who aren't picked up by the survey. Given that consultants' activities generally mirror the requirements of their clients, it is unsurprising that their attentions have moved to other issues.

Finally, a theme that has been common to this and previous surveys is that many practitioners are highly educated. Based on these results and the applications we receive for jobs at Carnstone it appears that a postgraduate qualification in a CRS-related topic is, increasingly, the norm rather than the exception. In part, this reflects the growth in interest in CRS and the response from academe, which offers a plethora of courses that cover both as broad a swathe of this agenda as time, resources and expertise allows, and more specialised elements. On the whole, this is a very positive development but we need to question whether a knowledge of CRS alone provides a sufficient basis to bring about the transformation we need. A thorough understanding of how business – and the economy – works combined with relevant personal skills and behaviours are as important when improving CRS performance and, at a more basic level, securing employment in the sector.

Andy Cartland

Acre grew steadily throughout the recession, sheltered to some extent by market drivers such as compliance (particularly in relation to energy and safety), as well as the need of many companies to drive efficiencies into their operations. Whilst we continued to expand, there is little doubt that a stronger economy would have benefited the CRS marketplace as a whole.

Just under a year ago, in June 2013, we experienced a remarkable change. The number of new jobs increased significantly and more positions became available at the senior-end of the spectrum. This represented a marked change that continues today.

The drivers for this improving marketplace are hard to pin down, but it's certainly the result of a broad range of market forces:

- the consultancy market is coming back on-line. As well as significant job creation, we've seen an increase in M&A activity.
- a number of major initiatives are taking place in the garment industry as supply chains come under an increasing level of scrutiny. For instance, the groundbreaking Bangladesh Accord signed by over 150 apparel corporations signifies an important step change for the industry.
- a significant realignment of values is taking place within some large financial institutions – the 'Citizenship' programme at Barclays stands out.
- sustainability is starting to determine the 'license-to-operate' for natural resources companies eg mining. Here, the CRS job market was flat two years ago, but has strengthened remarkably.
- recognition by businesses that sustainability is a key differentiator that has the ability to change the way an organisation works. It is no longer just a compliance issue or marketing device.



Andrew Cartland
Founder & Director
Acre



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There are many more reasons supporting the notion that sustainability is now a mainstream issue. We're reaching the point where if you aren't aware of environmental/social issues, you're unlikely to be effective within your job – particularly in senior positions. And this will become more apparent as we take our relationship with the environment to greater extremes.

In terms of the future, as we seek to become more resource efficient even more roles will be created in the fields of waste, water and energy. Social issues particularly linked to supply chains and the treatment of workers around the globe will come to the fore and we'll see an unparalleled level of industry collaboration to resolve them.

The transparency created by social media will continue to place companies under a much brighter spotlight, benefiting brands that have a conscience and diminishing competitive advantage for those who have not.

Vic Taylor

Flag has now been involved in the CRS Salary Survey for two years, and it is great to see how many more individuals, both in-house people and consultants, are participating. This will help us to measure our industry and provide a transparent career structure for talent entering this profession. As someone who manages several CRS professionals, the information collected in this survey is invaluable to me and our management team as we get close to the end-of-year appraisal process.

It continues to be reassuring that companies are committed to sustainability, and that such a significant proportion of the respondents, 93%, recommend a career in this area. I suspect that this level of recommendation is unusual in other professions, even in those where the average remuneration is significantly higher.

It is interesting to see that only 5% of respondents were from LLPs. This is a low profile area for corporate responsibility, but also a sector that has a significant influence over others, particularly listed companies. I hope that we see an increase in this area going forward.

It continues to be disappointing that the data shows that women remain in less senior roles compared to men, seen most dramatically in consultancies. At Flag, two thirds of our management team are female, but we are very aware that we are the exception to the rule, and that most of our peer consultancies are dominated by male directors. As CRS professionals we should practise what we preach, and diversity and equal remuneration should be the norm. One to work on...



Vic Taylor
Managing Director
Flag



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About the authors



Acre is a specialist sustainability recruitment consultancy connecting companies and people across corporate responsibility, sustainability, environment, energy and health & safety to help build the next generation of sustainable business. The company was founded in 2003 to respond to the growing need for sustainability professionals and offers bespoke solutions for recruitment, search and business intelligence.

www.acre.com



Carnstone is an independent management consultancy specialising in CR and sustainability. 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.

www.carnstone.co.uk



Flag is a creative communications agency specialising in corporate reporting and communications. We work collaboratively with national and international brands from a wide range of industry sectors, as well as public sector and not-for-profit organisations, to provide: corporate reporting, sustainability and communications consultancy, sustainability copywriting and editing, creative information design, digital and in print technical and accessibility expertise, and implementation project management and production. Our 46 employees are based in Cambridge and London and we have held the ISO 9001 quality standard for 17 years.

www.flag.co.uk



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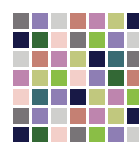
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