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**TAYLOR BENNETT HEYMAN**

*Global Executive Search in Strategic Communications and Reputation Management*
Foreword

By 2025, it is estimated that Asian multinational corporations will make up 45 per cent of the Fortune 500. The world’s economic center of gravity is shifting dramatically east; growth is no longer being driven by Europe and the U.S., but by Asia. The likes of Samsung and Mitsubishi have been household names for years, but with consistently higher levels of R&D in Asia, we are seeing more big stories on Asian-rooted businesses drawing international attention. A recent example being Alibaba and Tencent’s backing of Didi – China’s “Uber Slayer.” Organizations like these are establishing themselves among the world’s largest multinational corporations (MNCs), bringing their unique ways of thinking and operating to the global stage.

In this digital age, companies across the globe are busy capitalizing on technology and coping with the enormous availability of information. Business is in the spotlight. From a governance perspective, transparency and accountability is demanded. Consumers care about and engage with the companies they buy from. This operating environment makes the business of communications – reputation management – crucial. Naturally, the rise of the Asian MNC has led, and will continue to lead, to the expansion of the communications talent base in Asia.

And those communicators are in growing demand among Western MNCs, precisely for their Asia expertise. Gone are the days of parachuting people into Asia from the Western headquarters. Today’s Western MNC is looking to localize its employee base in Asia and, in some cases, bring in top communicators from Asia to their headquarters, in efforts to diversify the function at group level. This, coupled with the forecasted economic dominance of Asia, makes it a sensible hedge on the future to invest in communicators with knowledge and experience of this region.

The assumption still exists that communicators in Asia look to their Western counterparts for best practice communications structure and activity. There is of course context to this perception: the practices of corporate communications and public relations, along with capitalism, did spread from North America and Europe around the late 1980s, as an increasing number of national economies adopted the free-market model. However, it would be disingenuous to overlook the unique styles, perspectives and expertise that Asia-based communications professionals bring to the discipline.

Homing in on East and Southeast Asia (ESEA), this paper summarizes the main findings of a research project undertaken by Taylor Bennett Heyman in collaboration with Edinburgh Business School in 2017. Together, we looked at the communications profession and its practitioners within the context of ESEA MNCs.

An executive search firm partnering with a business school is more logical than it might first seem – for businesses everywhere, of all sizes, we know that the single common barrier to growth is talent. It is from here that the question underpinning our investigation arises: Is there the required breadth and depth of local communications talent to support businesses in these fast-growing Asian economies?

What we found is that, yes, there is an existent base of local communications talent – and we can only expect it to continue growing and developing. The next step was to look more deeply into the experiences of communicators working in ESEA MNCs, and some of the trends within their functions. If, as we anticipate, these communicators represent some of tomorrow’s industry leaders, the findings in this study may provide a glimpse into how the discipline of communications is set to evolve in years to come.

Finally, while the parameters of this study did not allow a deep dive into individual markets, we have endeavored to avoid generalizing across “the world’s most ethnically diverse region.” By way of localized anecdotes, we have sought to (i) reflect the qualities that make ESEA MNCs and their communications distinctive from their Western counterparts, and (ii) identify themes in the ways that ESEA MNCs communicate, while maintaining an appreciation for the diversity of communications practices within the region.

Professor Heather McGregor  
CBE, PhD  
Executive Dean  
Edinburgh Business School

Taylor Bennett Heyman,  
along with its parent companies Taylor Bennett and Heyman Associates, has helped develop the careers of thousands of communications professionals across the globe. By virtue of the profession’s history, most of today’s communications leaders built their careers in the West. However, we expect Asia to feature more prominently in the backgrounds of tomorrow’s leaders.

Sarah Crawshaw  
Managing Director, Asia Pacific  
Taylor Bennett Heyman
Scope of Study

The research reviewed communications functions in 162 of the largest ESEA MNCs, whose headquarters span 10 countries. Private and state-owned companies were discounted from the outset for lack of available information, as were companies with a market capitalization of less than U.S. $2 billion. Of the 162 companies explored, 81 had a visible communications function. Nine of those were discounted because the function was yet to reach a level of maturity to warrant inclusion. A further eight were discounted because detailed information on the career backgrounds of their team members was unavailable. This left a final data set of 64 communications functions.

Of the 64 ESEA MNCs reviewed, the majority were headquartered in either Hong Kong or Japan.

They came from a wide range of industries, with financial services the most well represented.
A Profile of Communications Leaders in ESEA MNCs

For each of the 64 ESEA MNCs investigated in this study, we identified the most senior operator within the communications function. Below is a snapshot of who these people are and where they’ve come from.

Gender

- Male: 41%
- Female: 59%

Of the 64 communications leaders identified, the majority were found to be female.

Previous Experience as a Journalist or in a PR Agency

- PR Agency: 24%
- Journalism: 27%
- Neither: 54%

The prior working experiences of these individuals differed somewhat to what one might expect to see in regions like North America and Western Europe. Over half had never worked in journalism or PR agencies – two of the more traditional routes into communications in the West.

International Experience

- No: 64%
- Yes: 36%

Roughly a third had international experience – that is to say, they have worked outside of their home market – which, based on Taylor Bennett Heyman’s experience of the global pool of communications talent, is higher than you would expect to see in the West.

Communications Leadership Posts Held by Local Talent

- No: 25%
- Yes: 75%

Three quarters of the leadership positions were found to be held by local professionals, that is, communicators operating in their home market. This is interesting because, in Taylor Bennett Heyman’s experience, many Western MNCs seeking to localize their employee base in Asian markets express difficulty in finding homegrown talent for their communications functions. Yet, the figures below do not indicate a shortage of local expertise.

A possible explanation for this incongruity could be that Western MNCs’ desire to localize their employee base is often married with a requirement for international experience or, particularly, previous experience working in a Western MNC. This requirement alone rules out around two thirds of potential candidates sat in ESEA MNCs, based on the data reviewed in this study.
Communications in Asian Multinational Corporations: A Rising Function with a Growing Talent Base

Professional Qualifications (MBA, PhD or Chartered Secretary)

16 per cent of the reviewed communications practitioners provided information online about holding either an MBA, PhD or Chartered Secretary qualification.

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<td>MBA, PhD, Chartered Secretary</td>
<td>16%</td>
<td>84%</td>
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Location of Tertiary Study

Of those who shared information about their academic backgrounds online, 54 per cent were shown to have undertaken all or some of their tertiary education outside of Asia, predominately in the U.S.

Where did interviewees study in Asia?

- Japan
- Singapore
- Hong Kong
- China
- Philippines
- Malaysia
- Thailand
- Korea

Almost a third of Asia-based degrees were obtained in Japan, with Singapore, Hong Kong and China also well represented.

Where did interviewees study outside Asia?

- United States
- United Kingdom
- Australia
- Canada
- Ireland
- France

Around two thirds of people who studied outside of Asia obtained their degrees in either the U.S. or the UK.
The Communications Function in ESEA MNCs

In addition to the quantitative research presented above, qualitative interviews were conducted with 20 senior-level communications practitioners who either currently work or have previously worked for an ESEA MNC. These interviews primarily focused on the following themes:

(i) how ESEA MNCs approach their communications,
(ii) key areas occupying the function’s time,
(iii) the status and standing of the function and its leaders within the company, and
(iv) career paths and leadership opportunities for communicators in ESEA MNCs.

The interviewees were sourced from companies headquartered in China, Hong Kong, Japan, Malaysia, Singapore, South Korea and Taiwan. These companies had a combined market capitalization of over U.S. $890 billion and employee bases ranging from around 4,500 to 200,000 respectively.

A Distinctly Local Approach to Communications

It became apparent through our conversations that, when faced with media interest or crisis situations, ESEA MNCs do not feel the need to use the Western ‘playbook’ of communications – which, by comparison, might be described as formulaic. One communications leader for a China-headquartered global investments group described how their function assesses each situation strategically and considers the most appropriate response, or even whether they can play it to their advantage – in an M&A situation, for example. They are highly selective about the messaging and language they use, and the timing of their communications, when undertaking large-scale financial transactions. For them, communications activity plays a critical role in the deal itself.

The commonly held idea that ESEA MNCs are hierarchical in nature was seen to have veracity. However, the notion that hierarchical structures result in a top-down approach and the amount of collaboration between the vertical and horizontal structures result in a top-down approach and the notion that hierarchical structures result in a top-down approach was echoed in several interviews, including these comments by communications leaders in the technology and consumer electronics sectors:

"In Japanese companies, although there is a strict hierarchy, they tend to be bottom-up in terms of strategy, with siloed departments making decisions on strategy and execution and reporting it to management, as opposed to the C-suite setting direction and sending the orders down."

"Each department is cross-functional and collaborative."

"These teams are not centralized. They are very collaborative. Whilst the teams are physically on different floors in the building, each mostly cannot exist without the other."

According to interviewees, ESEA MNCs are more ‘conservative’ and ‘introvert’ in their communications than Western counterparts, as described by a function lead from a Singapore-based real estate company:

"The European style was slightly more aggressive and proactive, whereas Asian comms can be more conservative and conceptual."

However, at the same time, and in line with Asian cultures more broadly, ESEA MNCs place greater emphasis on building strong and lasting relationships with different stakeholders. A communications leader from a Chinese information and communications technology business commented:

"Asian MNCs [speaking especially about Chinese companies] are very good at developing relationships, truly understanding and partnering with their stakeholders. Western companies can be more distant and aloof."

"We treat the media as respected customers. I enjoy the fact that we get to know the media as people, not just as journalists."

This aptitude for relationship building could in part be down to ESEA MNCs’ ease with embracing cultural diversity. As a communications leader from a Chinese financial services company put it, "cultural differences and nuances are far greater [in Asia] than in Europe". The notion that embracing diversity is part and parcel of operating in Asia was echoed in several interviews, including these comments by communications leaders in the technology and consumer electronics sectors:

"It is in every Asian-oriented multinational companies’ mind to communicate across diverse audiences regardless of ethnic and cultural background."

"Because the Asian market is inherently diverse and multicultural, all companies are committed to creating diverse communications plans to aim at diverse audiences."

While there is little consensus across the region on the topic of working with agencies, these discussions again served to underline the importance of relationships when communicating in Asia. In Taylor Bennett Heyman’s experience, Western MNCs often opt to appoint one lead agency. ESEA MNCs, however, were found to have a preference for using multiple agencies. One interviewee from a Chinese MNC considered that, because of the personal nature of relationships with journalists, the more agencies you appoint the more relationships you gain access to, and the greater your opportunity for press engagement.
in a vast media landscape. A communications leader from a Hong Kong-founded hospitality group said:

“We have a global network of 16 PR agencies around the world who drive PR strategy… in their respective regions.”

This tendency towards deploying multiple agencies can also be a simple case of horses for courses. Function heads from an Asian airline and a Chinese technology company remarked:

“Definitely no single agency – I find that they… have vastly different expertise in different markets and specialisms.”

“We use one for media monitoring, one for messaging and content, another for pure content, and the business divisions have agency support too.”

2. Prominence of CSR or citizenship activity

Almost every interviewee had some responsibility for CSR or citizenship, and at least two organizations had recently created new CSR or citizenship departments. Activities range from investing one per cent of profits into CSR, to embedding citizenship into company operations. A communications leader from a Taiwanese semiconductor business explained:

“Our corporate culture centers on integrity and commitment, so being a good corporate citizen and a role model is very important to the company.”

Meanwhile, a function head for a Malaysia-based multinational conglomerate alluded to the importance of communications in embedding the company’s sustainability agenda:

“The company takes their sustainability quite seriously, and has a task force which focuses on their sustainable voice.”

Trends in the Function

How communications is defined, and the function comprised, varies from company to company. It could incorporate any combination of the following key areas: media relations; internal communications; government affairs; corporate responsibility and citizenship; marketing communications; branding; investor relations; financial PR; product PR; social media; crisis and issues management.

While historical structure and industry characteristics are the biggest determinants of a function’s makeup, two current trends stick out:

1. The prioritization of internal communications and a shift in reporting line from HR to communications

Some interviewees highlighted the importance of an integrated strategy and vision internally. For example, a senior-level practitioner from a Chinese petroleum company said:

“Change and growth are, or have been in recent times, the buzzwords in Asia, referring to how rapidly the Asian economies are growing and expanding. Therefore, change management and communications, and also clear internal communications, are a must. It is not enough to change, we have to ensure our people are able to ‘catch the vision’ and grow together with the company.”

Discussing the shift in reporting line, a communications leader for a Singaporean MNC commented:

2. Internal communications used to report through HR. This doesn’t work because HR internal communications talks about things that have already happened; they are not in the business of messaging and securing buy-in in the age of changing career paths.”

Growth in Stature

Interview responses showed communications to be on the agenda of ESEA MNC boards. One communications leader for an Asian airline said:

“The CEO believes that communications is important, and this top-down approach sets the tone. Communications has to understand the strategic direction of the company, and the CEO is very engaged with this.”

However, while it may be on the agenda, communications as a discipline was not found to be well represented on the board. A function lead at a Korean technology giant commented:

“IR, governance and sustainability are all very important for the board, and no one on the board is really expert in them.”
The existence of such a skills gap means that boards must draw on the expertise sat within the communications function. In view of this, we can reasonably expect to see more individuals with backgrounds in communications to be appointed to company boards in the future. Interviews demonstrated that the elevation of the communications function within ESEA MNCs has boosted the perception among communicators that their discipline offers a viable path to leadership positions within the business. As four interviewees from an engineering business, a chemical company, a hospitality group and a conglomerate explained:

“There is a path to leadership positions, yes, and I think this will increase as the communications function is better understood and recognised by company leaders.”

“It isn’t an easy leap from a communications lead to board of director positions – but it is not impossible with the right skills, the right opportunities, the right timing.”

“Communications directors do not often attain board director positions, but in a world where good communication is vital to maintain and enhance company reputation and brand, more corporations are realising the value of this important role.”

“A communication capability is one of the most important traits as a corporate executive; even a pure career communication staffer can be valued as a sound and well-informed contributor as a part of the management team.”

With the boardroom seemingly coming within reach of communications leaders, how can they best prepare themselves to take on these elevated roles within the business?

Experience beyond the communications function is of course one way to develop a wider business understanding. Also worth considering is advanced study. As we saw earlier, 18 per cent of ESEA MNC communications leaders in this study had professional qualifications. On the other hand, an estimated 40 per cent of S&P 500 CEOs have an MBA, while 25 to 30 per cent have other types of advanced qualifications like a PhD or a law degree. Certainly, a large number of people whose careers we’ve tracked at Taylor Bennett Heyman, and seen make this transition from communications to the C-suite, possess either broader business experience or a professional qualification – or both.

Case Studies

Taylor Bennett Heyman (TBH) provided all the data analyzed in this report and helped to undertake the fieldwork. While not conclusive evidence, included here are summaries of four placements made by TBH during the last two years, which support the research findings. Namely, that Asia is home to a growing, diversely-skilled pool of communications talent.

Although these case studies pertain to hires made by Western MNCs in Asia, it is worth noting that all four of the successful candidates were native to the markets in which they were placed.

TBH partnered with a global U.S.-headquartered company to find someone to lead their public affairs and communications across Hong Kong and Taiwan. The client was looking to modernize its communications capabilities and needed someone with a strong grasp of digital and social tools, who was also adept at public affairs, traditional corporate communications and creative content development – a rare blend. Already a small pool, the requirement for Cantonese language skills narrowed the field of candidates further. The successful candidate, who came from a highly-regulated industry, had a truly unusual blend of experience spanning marketing and communications, corporate and regulatory affairs, policy and campaigning. They had also spent time in-house and in agency, as well as exposure across the public, private and non-profit sectors.

**Director, Public Affairs & Communications, Hong Kong & Taiwan**

TBH partnered with a German-headquartered industrial group to find someone to devise their internal communications strategy across Asia Pacific. The company was establishing a new regional headquarters in Singapore, after years of operating under a fragmented business model. This meant bringing businesses that had been accustomed to operating independently from the corporate center, under one roof. They needed an individual who was adept at navigating matrixed environments comprised of various business units and legal entities, and could facilitate a joined-up working environment. The role covered a wide range of markets across Asia Pacific: as well as Singapore, the company had major operations in Myanmar, Malaysia, Japan, India and Australia. This, coupled with the Germanic cultural influence within the organization, made it essential to find someone with a deep appreciation for cultural nuance. TBH was able to find an individual who had grown up in the financial services sector, initially doing broad corporate affairs before specializing in employer branding and internal communications. In their most recent role, they had been managing internal communications for six markets across Asia, and particularly enjoyed operating in a multicultural environment. A key factor in this hire was timing: the hired individual had been seeking to pivot out of the financial services sector while maintaining the same disciplinary focus – and this opportunity offered a chance to do just that.

**Internal Communications Specialist, Asia Pacific**

TBH partnered with a world-leading company in its industry to find someone to oversee corporate communications for China and Asia Pacific, from their newly established regional hub in Shanghai. The main challenge posed by this brief was the level of the role in relation to the market. The client required a regional communications leader with the gravitas to act as an advisor to the board. Corporate communications was just one of four communications divisions, which meant this individual would have three peers and a reporting line into an overarching regional communications leader. Naturally, the majority of candidates with the leadership skills for this role already held the top regional posts at their companies and were accustomed to reporting directly into the global center – something many were unwilling to relinquish. In essence, TBH was looking for a number one to perform a number two role. TBH identified an individual from a different industry who, while not actively looking for a new opportunity, was coming to realize there was little scope for progression within their current company’s corporate affairs function. This, coupled with the fact that the individual had a personal interest in the client’s products, drew the candidate to this opportunity.

**VP, China Communications & Director, APac Corporate Communications**

TBH partnered with a German-headquartered industrial company to find someone to devise their internal communications strategy across Asia Pacific. The client was establishing a new regional headquarters in Singapore, after years of operating under a fragmented business model. This meant bringing businesses that had been accustomed to operating independently from the corporate center, under one roof. They needed an individual who was adept at navigating matrixed environments comprised of various business units and legal entities, and could facilitate a joined-up working environment. The role covered a wide range of markets across Asia Pacific: as well as Singapore, the company had major operations in Myanmar, Malaysia, Japan, India and Australia. This, coupled with the Germanic cultural influence within the organization, made it essential to find someone with a deep appreciation for cultural nuance. TBH was able to find an individual who had grown up in the financial services sector, initially doing broad corporate affairs before specializing in employer branding and internal communications. In their most recent role, they had been managing internal communications for six markets across Asia, and particularly enjoyed operating in a multicultural environment. A key factor in this hire was timing: the hired individual had been seeking to pivot out of the financial services sector while maintaining the same disciplinary focus – and this opportunity offered a chance to do just that.

**Director, National Corporate Relations & Legal, China**

TBH partnered with a global brewing company to find a leader for their corporate relations and legal affairs in China. The business needed someone who, in addition to government relations and communications experience, had practiced law in China. This is not a common combination – for many businesses the corporate relations and legal functions sit separately – so it required deep research techniques. For example, looking into the public and private law practices for people with the appetite and ability to take on government relations and communications responsibilities. Rigorous and persistent research produced an individual who had studied and practiced law in China, and had gone on to work in corporate affairs with a multinational consumer goods company.
About Taylor Bennett Heyman

**Taylor Bennett Heyman** is an executive search firm that matches world-leading organizations with top-tier senior talent. Our focus sits exclusively within the fields of strategic communication and reputation management: from corporate communications to marketing communications, crisis management to CSR, all the way through to government affairs and investor relations. The depth of our knowledge and the breadth of our network is unrivaled in this field.

Based in Hong Kong and Singapore, the firm was launched in 2013 as a joint venture between Taylor Bennett and Heyman Associates, two market-leading executive search specialists based in the UK and the U.S. respectively. Together with GK Personalberatung in Frankfurt, our family of companies serves its clients wherever they need outstanding communicators, whether it's EMEA, the Americas or Asia Pacific.

Contact Us

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