



## NEWS RELEASE

FOR IMMEDIATE RELEASE

### **CTHRA Identifies Industry Trends in Human Capital Metrics Announces Highlights from 2012 Survey Results**

**NAPERVILLE, ILL., August 6, 2012**—The Cable and Telecommunications Human Resources Association (CTHRA) today released the highlights of its 2012 Human Capital Metrics Survey. In an era of continuing economic uncertainty, the survey finds that employee costs/expenses appear to be decreasing, turnover remains low, and industry employers have made increased investments in their HR departments.

“The Cable and Telecommunications Human Resources Association is on the forefront of collecting and providing useful and meaningful benchmarking information allowing organizations to both better understand their current situation and determine where their energies might best be focused as they grow and evolve,” stated Rebecca Toman, principal account manager at Pearl Meyer & Partners (PM&P), the firm that conducted the survey on CTHRA’s behalf. “Survey results confirmed that retaining top talent is a critical mission for cable and telecommunications firms. The median voluntary turnover rate dropped to 8.7 percent in 2011. This figure is well below historical levels (15.7 percent in 2008, 12.5 percent in 2009). As job options continue to open up, employers will need to pay special attention to employee retention efforts in order to keep the best and brightest within their ranks.”

#### **Survey Methodology**

CTHRA retained PM&P, an independent compensation consultancy, to conduct its 2012 metrics survey. Eighteen industry employers participated in the survey, an increase from 13 participants in 2010, the last year this survey was conducted. The 2012 participants are BendBroadband, Bright House Networks, Cablevision Systems Corporation, Charter Communications, Comcast Cable, Cox Communications, DIRECTV, Time Warner Cable, A+E Networks, AMC Networks Inc., C-SPAN, Discovery Communications, ESPN Inc., Gospel Music Channel, Scripps Networks Interactive, Starz, The Weather Channel, and Turner Broadcasting System Inc.

Earlier this year, the participating companies submitted survey responses based on 2011 data in five key areas: workforce productivity, cost management, employee engagement, diversity and human resources (HR) department productivity. Last month, each participant received a confidential 80-page analysis of the findings detailing their performance against their peers. Results were separated into two participant categories: multiple system operators (MSOs) and programmers (cable and broadcast networks).

“Every year when CTHRA releases its Human Capital Metrics Survey results, I feel like I did when I was a kid waiting for *Sports Illustrated* to arrive in the mail. I look forward to receiving the survey’s findings,” said Bill Strahan, executive vice president (EVP) of HR for Comcast Cable. “At Comcast

Cable, we use CTHRA's metrics survey as a tool to understand whether or not our efforts are effective and efficient. We can gauge our performance in the critical context of how our results compare to other MSOs that face the same operational, customer and competitive challenges that we do. Unlike a lot of HR surveys, CTHRA specifically reports on our MSO peers, thus making this survey the most credible source of these data."

Paul Richardson, senior vice president of HR for ESPN and chief diversity officer of The Walt Disney Company agrees on this survey's value. He said, "CTHRA's metric survey has been a useful resource for me and my team. It provides us with reliable, industry-specific benchmarks of relevant human capital metrics that are not readily available from other sources. We often use this data to help inform our decision-making, target areas of improvement and to validate those areas where we are on track and doing well."

### **Workforce Productivity**

The 2012 survey shows that productivity measures differ greatly between programmers and MSOs. For the Revenue Per Employee metric, programmers reported an average of \$1,149,600 with MSOs significantly lower at \$605,078. In terms of percentage change from the 2010 survey, results were mixed. Some programmers showed improved productivity and some experienced a decline. Among MSOs, more firms experienced a modest productivity gain.

The Net Income Per Employee metric also showed similar results. Programmers reported an average of \$450,610 net income per employee compared to \$170,305 for MSOs. Percentages changes from the 2010 survey again were mixed, with some companies improving and some declining.

In terms of the Salary and Bonus as a Percent of Revenue metric, year-over-year changes generally show costs declining. Programmers reported an average of 16.1 percent and MSOs 12.8 percent for this metric. This decline is not surprising given the current economic conditions; although it may be partially due to a change in survey methodology (i.e. paid time off (PTO) was included in the computation of CTHRA's 2010 Survey, but not in the 2012 results).

### **Cost Management**

Average salary and bonus cost per employee is substantially higher for programmers, reflecting the different workforce mix and lower prevalence of field service and customer service employees than at MSOs. For the Salary and Bonus Cost Per Employee metric, programmers reported an average of \$113,534, while MSOs reported an average cost of \$55,125. Other than one firm, which saw a small increase, year-over-year average costs have declined by 5 percent to more than 25 percent among those firms reporting data in both years. While the reduction is partially due to a change in survey methodology, it is likely that cost containment efforts have had an impact.

Benefit Costs Per Employee are similar across programmers and MSOs, with programmers reporting average costs of \$14,925 and MSOs \$15,348. These costs also declined from the 2010 survey, although a portion of the decrease is likely due to a change in methodology.

### **Employee Engagement**

The Average Employee Tenure metric for programmers and MSOs is nearly identical, although rates among MSOs are a bit more variable likely due to higher turnover rates in field service and customer service jobs. Programmers report average employee tenure of 6.68 years, while MSOs report an average of 6.69 years. About three quarters of 2010 participants saw increased tenure levels in this year's survey, some by nearly 20 percent. This increase is most likely due to lower turnover because of current economic conditions coupled with layoffs that often have a bigger impact on lower tenured employees.

## **HR Department Productivity**

The HR departments within MSOs support more employees than their programmer counterparts, as the Employee to HR Ratio is 59.2 for programmers and 82.4 for MSOs. Most firms that also participated in the 2010 survey reported declines in this ratio for 2012, which suggests they are investing more in their HR departments.

HR Expense Per Employee is also on the rise for survey participants. Average cost per full-time equivalent (FTE) is higher among programmers at \$3,660, while MSOs average \$1,571 per employee. Most firms that also reported data in the 2010 survey have increased their HR spending per FTE.

“CTHRA is pleased to identify trends and provide employers with industry-specific benchmarks to aid strategic planning and their assessment of critical HR functions,” said Pamela Williams, CAE, CTHRA’s executive director. “In addition to today’s announcement of highlights from CTHRA’s Human Capital Metrics Survey, CTHRA recently released findings from our 2012 Employee Benefits Survey, and we will announce results from our 2012 Annual Compensation Survey later this year.”

For more information about CTHRA’s trio of 2012 surveys, please visit <http://www.cthra.com/surveys>.

**Media Contact:** [Melissa A. Hicks](#), Mosaic Marketing, 484.888.6766

## **About CTHRA**

The Cable and Telecommunications Human Resources Association (CTHRA) is the premier human capital resource for the industry and a growing nonprofit organization with more than 1,600 members spanning 80 companies. CTHRA provides industry-specific benchmarks, information and resources, as well as networking and educational opportunities. Its groundbreaking initiatives include compensation, employee benefits, and human capital metrics surveys, an Annual HR Symposium, roundtables and webinars. For more information, visit [www.cthra.com](http://www.cthra.com).

# # #