

## [Spencer Stuart and TIA Collaborate on Study: How Communications Companies Survive the Downturn and Implications for Recovery](#)

**SILICON VALLEY and ATLANTA – (BUSINESS WIRE) – June 2, 2003** Spencer Stuart, one of the leading global executive search consulting firms specializing in chief executive and board assignments, and the Telecommunications Industry Association (TIA), the leading U.S. trade association representing manufacturers and suppliers of global communications products and services, today released at SUPERCOMM 2003 the results of a [study](#) that focuses on what industry leaders are thinking about current challenges and how communications systems and services companies are preparing for a market upturn.

Seeking to provide value-added information regarding how issues of the day are affecting long-term planning, particularly when it comes to talent, company leadership and good governance, the paper includes comments and insights from various industry thought leaders.

"In talking with the team at TIA, we quickly determined that strategic human capital planning and related board governance issues at communications companies are of great interest to the industry at large," said John Keller, managing director of Spencer Stuart's Communications Practice. "We have worked closely with TIA to identify and highlight the major challenges that communications companies are facing."

"The quality of a company's management team may be one of the most important elements of building a successful plan to prepare for the market's rebound," said Matthew J. Flanigan, president of TIA. "By working with Spencer Stuart to analyze and share our findings with the communications industry, we will give industry executives the kind of valuable information they need to best prepare their management and leadership plans for 2004 and beyond."

Key findings of the study include:

- Even though spending in these areas has been drastically cut, new product/service development and the growth of key partnerships and alliances are considered the most important factors affecting company strategy and operating plans.
- Cost reduction is central to current business decisions. Financial constraints and the obsession with stabilizing the business are impeding growth and planning for the future.

- Downsizing has left huge functional gaps in customer-facing functions, particularly sales and marketing, as well as R&D.
- Leaders are concerned with retaining their best talent. However, only 66 percent of respondents said their companies are working on a comprehensive human capital plan.
- With regard to corporate governance, companies want board members who are savvy about sales and marketing, have specific industry knowledge and who also will fulfill the new requirements for independence.

In summary, companies are struggling to balance cost reductions with a need to review constantly the balance between product and service development and the selling and marketing of those products and services. The communications industry, challenged to retain its best and brightest people lest they move to other industries such as life sciences and technology, must review carefully current and future functional gaps. Establishing the vision and supporting the leaders who can reach business goals requires a talent and human capital plan focusing on attraction, development and retention.

#### **About Spencer Stuart**

Spencer Stuart is the foremost privately held, global executive search firm, spanning over 50 offices in 25 countries. Since 1956, we have been providing select clients with a range of human capital solutions, including senior-level executive search, board director appointments, strategic leadership services and middle-management recruiting. We conduct nearly 4,000 assignments each year, partnering effectively with clients ranging from the Fortune 5000, to mid-cap, to emerging growth companies across a broad range of industries and sectors. Widely regarded as the firm of choice for CEO, board director and other top-level executive searches, our worldwide consultants have the judgment, insight and expertise to find the ideal fit for each company's unique circumstances and business goals.

#### **About the Telecommunications Industry Association**

The Telecommunications Industry Association (TIA) is the leading U.S. non-profit trade association serving the communications and information technology industry, with proven strengths in market development, trade shows, domestic and international advocacy, standards development and enabling e-business. Through its worldwide activities, the association facilitates business development opportunities and a competitive market environment. TIA provides a market-focused forum for its 1,000 member companies, which manufacture or supply the products and services used in global communications.

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