

2012

INVESTOR RELATIONS TALENT MANAGEMENT & SALARY REPORT

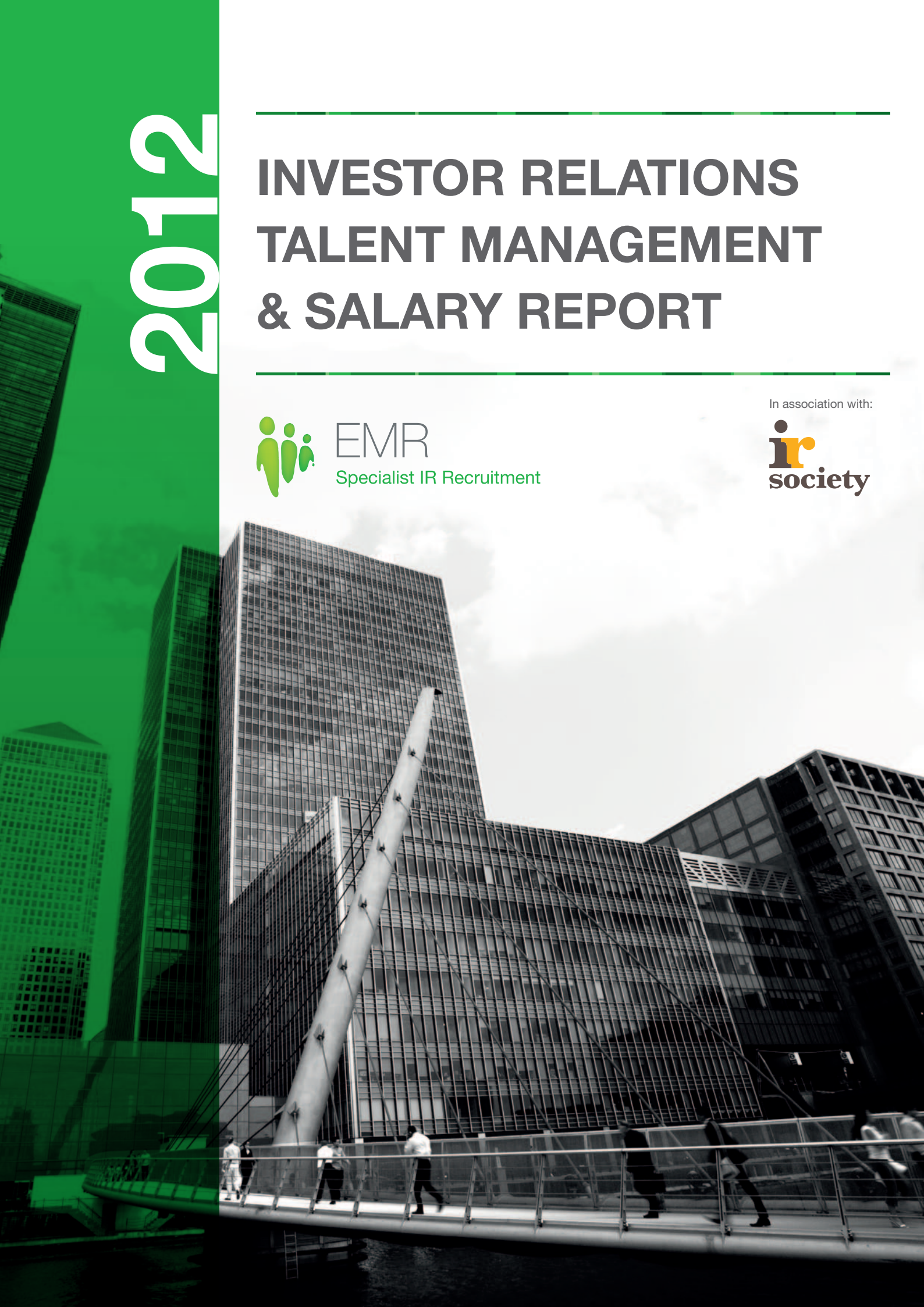


EMR

Specialist IR Recruitment

In association with:

ir
society



WELCOME

EMR is delighted to present our latest talent management and market trend report on the investor relations industry.

With responses from 480 investor relations professionals spanning agency, in-house and broking, we are pleased to say that our survey is now one of the most comprehensive in the UK.

This year the survey was conducted in association with the Investor Relations Society, the preeminent membership body for the investor relations industry. Run by IR professionals for IR professionals, the Investor Relations Society exists to promote best practice in investor relations; to support the professional development of its members; to represent their views to regulatory bodies, the investment community and government; and to act as a forum for issuers and the investment community.

Since our last report, the economy has remained fragile at worst and uncertain at best. However, investor relations as a recognised profession has continued to develop. We have seen more roles open up in the UK and across Europe, indicative that while business confidence remains in limbo, companies highly value the role that investor relations professionals play in sustaining and developing stakeholder relationships.

This report covers trends in career path development, hiring and market sentiments specific to the investor relations industry and includes market commentary from a range of businesses and senior investor relations leaders.

Whether you are looking for a new role or planning to recruit, this report offers clear insight into key compensation trends and drivers. We hope you find the information and results produced useful and we welcome any suggestions for our next issue to ir@emrrecruitment.com.



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As the competition for access to capital increases, this also increases time constraints on management. Theoretically this should support an upsurge in demand for IR professionals that can fulfil a more strategic function to successfully meet these objectives.

If this proves to be the case, there's the possibility of a scarcity factor that could drive salary movements due to the financial incentives offered. However, with oversupply of human capital from other roles, this could pick up the slack.

Yvonne Baranyai-Alexander
Investor Relations Manager at Hermes GPE

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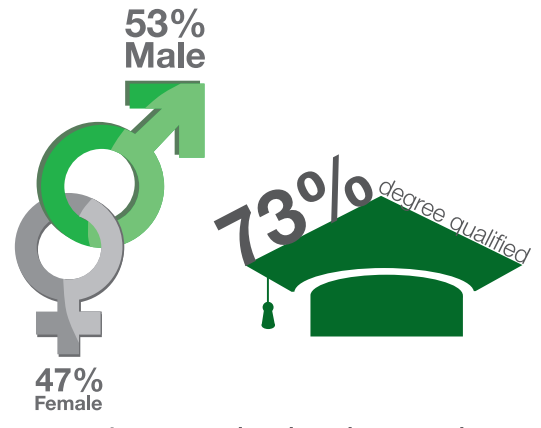
METHODOLOGY

During April and May 2012, EMR conducted an online survey focused on talent management and salary trends within the investor relations industry. The survey covered three key areas: careers in investor relations, hiring and talent management, and overall market sentiments. 480 investor relations professionals responded to the survey.

DEMOGRAPHICS



OF WHICH

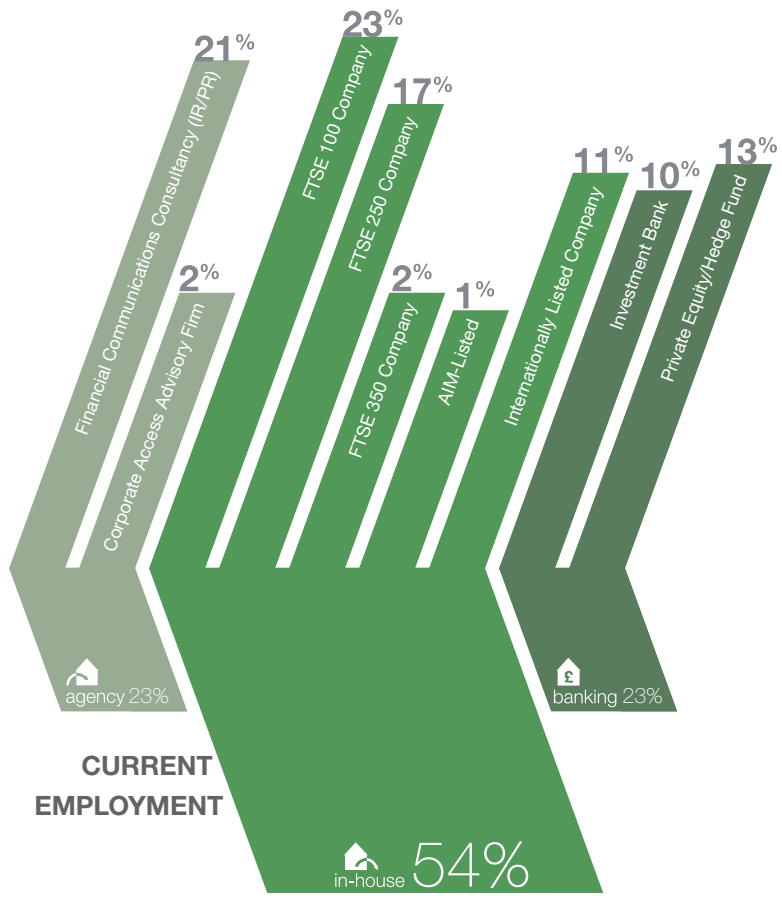


the majority have been in the **IR PROFESSION** for **4-6 years**



67% of respondents within Agency were of Account Director level or higher

86% of respondents within In-House IR were of Manager level or higher



EMPLOYMENT TYPE



*freelance, interim or temporary basis

THE CURRENT MARKET

Overall there is a high level of stability and job security within IR (76% feeling secure or very secure in their role) which is a positive comparison to other vocations and given the continued economic uncertainty.

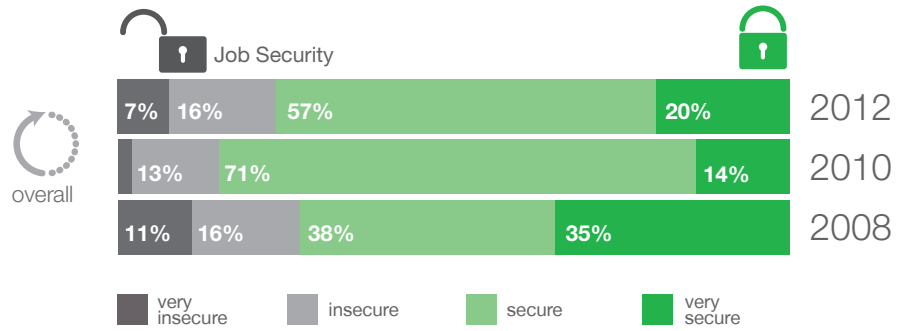
Simon
BASSETT
Managing Director | EMR

This is consistent with our own findings that many departments have reached a static point where they aren't planning further cuts, but equally not proactively planning headcount growth until the market presents more confidence. This can create a level of inertia in the job market and candidate nervousness which has slowed the hiring process; a typical hiring process which may take six weeks to two months is often now taking three months or longer.

Across the board we have also witnessed an increasing tendency for clients to source talent on a temp-to-perm basis, whereby a role is a permanent vacancy but an employer chooses to fill it with a contractor that they may later make permanent. This gives them a greater level of flexibility with their staffing and growth strategy in uncertain times.

Low IPO and M&A activity in the UK this year has negatively impacted the number of new IR opportunities arising. This in turn limits further movement in the market and may shed light on the increased number of IR professionals who would consider an international move for a similar opportunity since our last report in 2010. This is expected to grow as the UK and European economic climate remains uncertain while economies in other parts of the world, such as in South America and Asia, continue to increase IPOs.

There's no doubt that business confidence has also had a negative impact on hiring levels across the



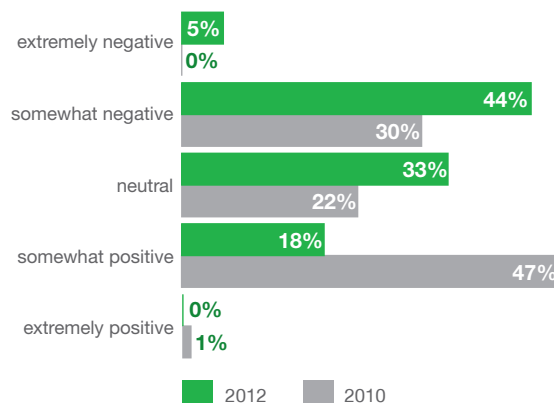
Over 3/4 feel secure or very secure in their role.

investor relations profession over the past 12 months. We've certainly seen more activity, however this has predominantly been within in-house PLCs, for middle management permanent roles. Increased hiring activity has also been prevalent within corporate access, with this area continuing to grow.

What was of particular interest when conducting this report was the low number of IR professionals who would prefer to work agency side. This is a question we're commonly asked by more junior IR professionals in particular, and an ongoing debate of the benefits of

working in-house versus agency. Overall, there is a bottleneck of hiring demand which we expect to clear somewhat when the Eurozone uncertainty has turned a corner and companies have improved long term visibility. With almost 50% of respondents citing career development as the primary reason to change positions and over 60% having been in their current role for over two years, there are seemingly many IROs passively waiting for the right time for their next career move. This may well act as a catalyst for increased market movement in the years ahead. ■■■

How do you feel about the future of the economy over the next 12 months?



Nearly half of investor relations professionals have a negative economic outlook, up 19% since 2010.



Andrea ABBATE

ON THE CURRENT MARKET

Andrea leads EMR’s Investor Relations and Corporate Communications practice. She has over 10 years of communications, marketing and recruitment experience spanning the UK and US markets, and has built a strong reputation as a quality and relationship-led consultant. She focuses on senior and mid-level IR roles within listed companies, financial PR/IR consultancies, and corporate access teams.

EMR: How are you finding the market at the moment?

Andrea Abbate: In a word, stagnant. As the financial crisis continues, it is becoming less of a ‘crisis’ and more ‘business as usual’. It seems that the market is becoming acclimatised to the current state of play; things don’t seem to be getting much worse, but they don’t seem to be getting much better, either. This is echoed by 43% of our respondents who feel that the future of the UK economy over the next 12 months will be negative, compared with only 30% in 2010. In fact, 47% of IR professionals in 2010 felt that the 12 month outlook was ‘somewhat positive’.

roles come up – either a new role is created or someone leaves an existing position. With the UK IPO market all but at a standstill, there have been very few new roles created over the past year; of the in-house IR roles EMR placed in 2012, just over one third were newly created positions. There has also been a conservative approach to PLCs further investing in IR, with budgets remaining static or subject to future cuts.

This directly reflects the trends we’re seeing in hiring, with 63% of in-house IR departments reporting no headcount growth in the past 12 months. With no new roles being created, there are fewer opportunities for incumbent IROs to move on, which is what is needed to create the domino effect that will lead to increased momentum in the market.

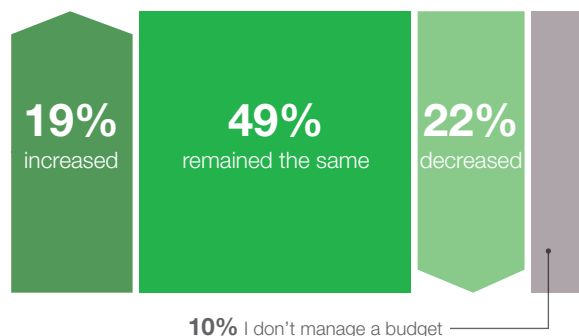
EMR: So what impact will that have on recruitment?

AA: There are only two ways IR

More departments have experienced budget decreases than increases in the past 12 months.



How has your IR and financial communication budget changed over the past 12 months?



EMR: Are there any particular skillsets currently in demand?

AA: We are seeing a high demand for financial PR and IR advisory talent within the agency space. While 50% of agency side IR professionals reported increased headcount growth over the past 12 months, there is a consistent candidate shortage within the agency space. With in-house budgets being cut or stagnant, there is an increasing reliance on support from financial PR, corporate access and IR advisory agencies. Agencies are winning new accounts and therefore needing experienced staff to service these clients.

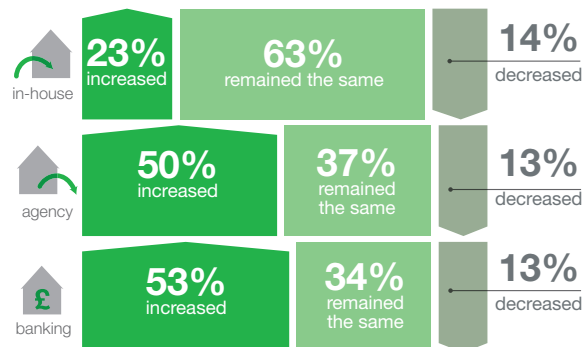
However, with the vast majority of both agency and in-house IR professionals preferring to work in-house, there is increased competition for increasingly rare in-house opportunities, and a dearth of candidates interested in the increasingly available agency side roles.

EMR: What do you anticipate over the next 6-12 months?

AA: Probably more of the same. I don't think confidence will be wholly restored to the market, but until things show signs of improvement on a macro level, I think hiring managers and candidates will continue to take a cautious approach. While 52% of our respondents feel that there is a lack of good opportunities in the market, things are ticking along slowly and almost a third have changed jobs in the past 12 months.

We need to remember that there are a lot of macroeconomic factors outside of our control that have a direct impact on the job market; the key is for hiring managers to influence positive change and momentum wherever they can by encouraging their companies to invest in IR, and for candidates to remain patient and resilient in their search. ■■■

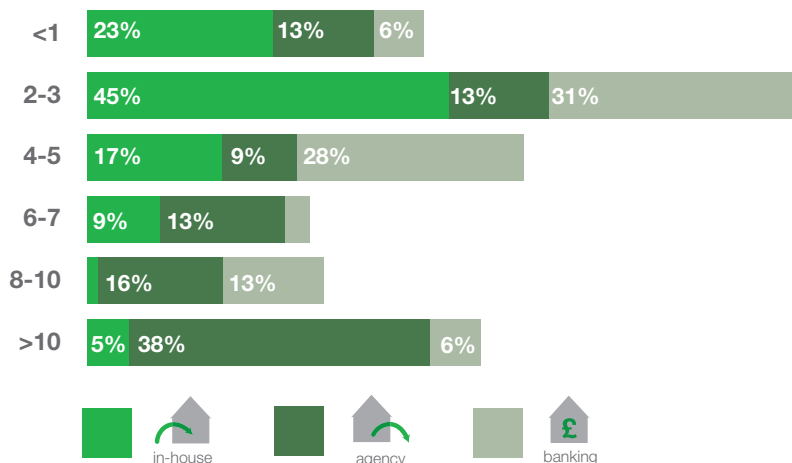
How has the number of staff in your team changed over the past 12 months?



Less than 1/4 of in-house departments have experienced headcount growth.

Overall, 42% of IR departments reported increased headcount growth over the past 12 months.

How many members of staff are on your desk?



REMUNERATION

WITH COMMENTARY FROM ANDREA ABBATE

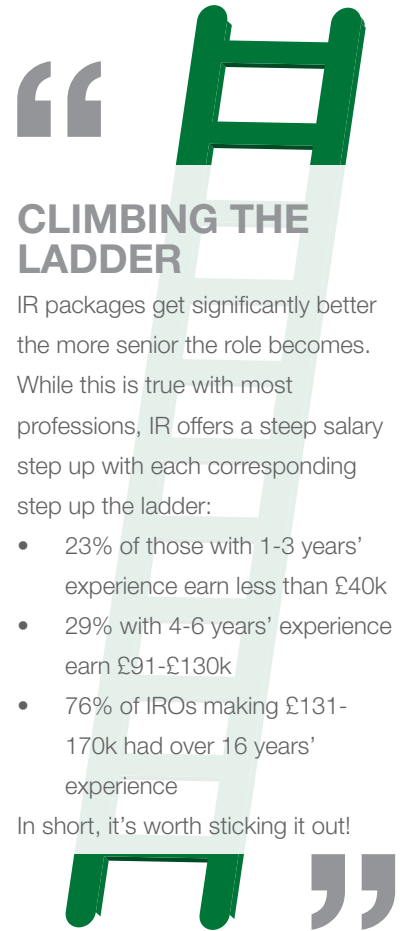
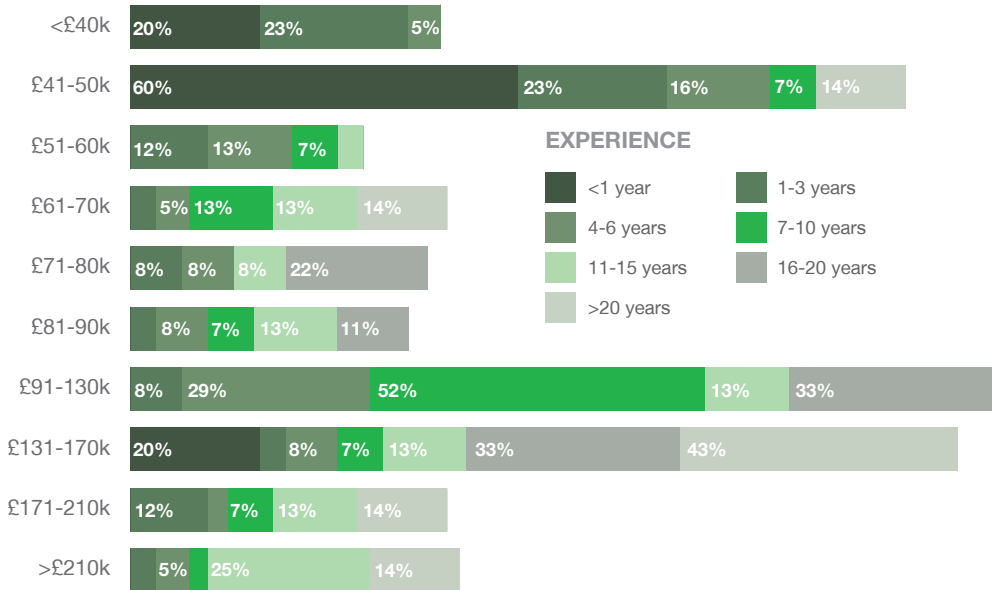
A black and white portrait of Andrea Abbate, a woman with long, curly hair, smiling warmly. She is wearing a dark blazer over a light-colored blouse and a necklace with three dark beads. The background is a bright, out-of-focus office setting.

Andrea
ABBATE

Principal Consultant | EMR

OVERVIEW

What is your experience and salary?



CLIMBING THE LADDER

IR packages get significantly better the more senior the role becomes. While this is true with most professions, IR offers a steep salary step up with each corresponding step up the ladder:

- 23% of those with 1-3 years' experience earn less than £40k
- 29% with 4-6 years' experience earn £91-£130k
- 76% of IROs making £131-170k had over 16 years' experience

In short, it's worth sticking it out!

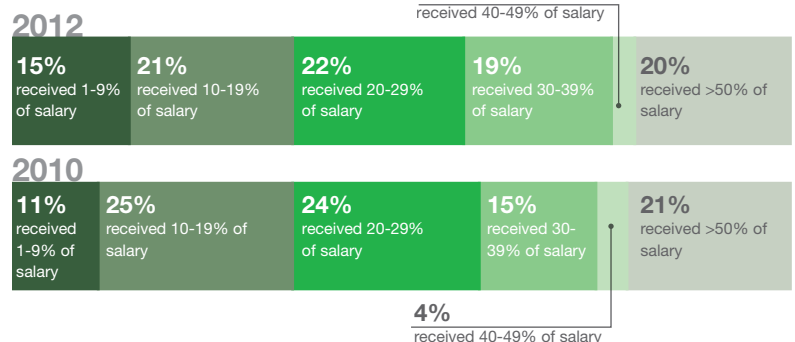
MOVING INTO IR – SOONER VS LATER?

The research showed that people tend to move into IR from other fields either very early in their careers or much later on. While 80% of respondents with less than one year's experience reported making £50k or less annually, 20% of the same demographic are making between £131-170k. This underpins the market sentiment that people either discover IR early on, or move into it later in their careers, often moving over from a City-based role. There seem to be very few mid-career professionals switching tracks into IR.

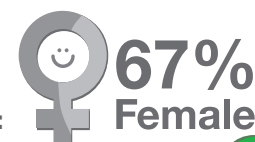
SATISFACTION IS A BONUS

We're encouraged that the majority of respondents (67%) reported receiving a higher bonus in 2012 than 2010, however the average bonus percentage remains relatively the same. Overall, 47% of respondents were satisfied with their most recent bonus, although one in three respondents reported little or no bonus increase from the previous year.

Bonus as a percentage of salary



Bonus satisfaction:



Females reported higher levels of bonus satisfaction than males, despite receiving a lower average amount.



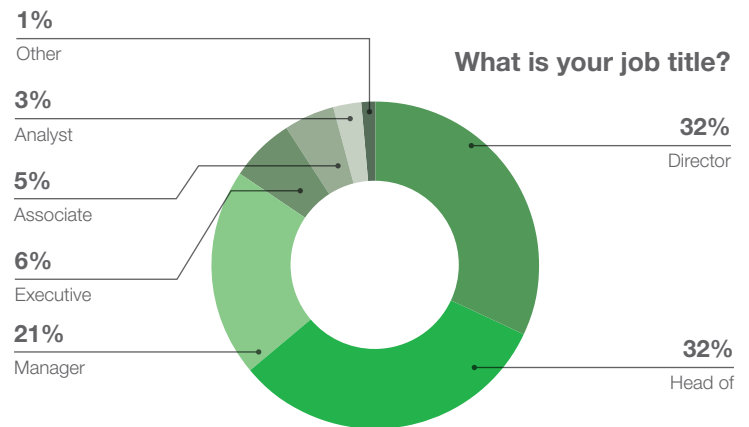


IN-HOUSE

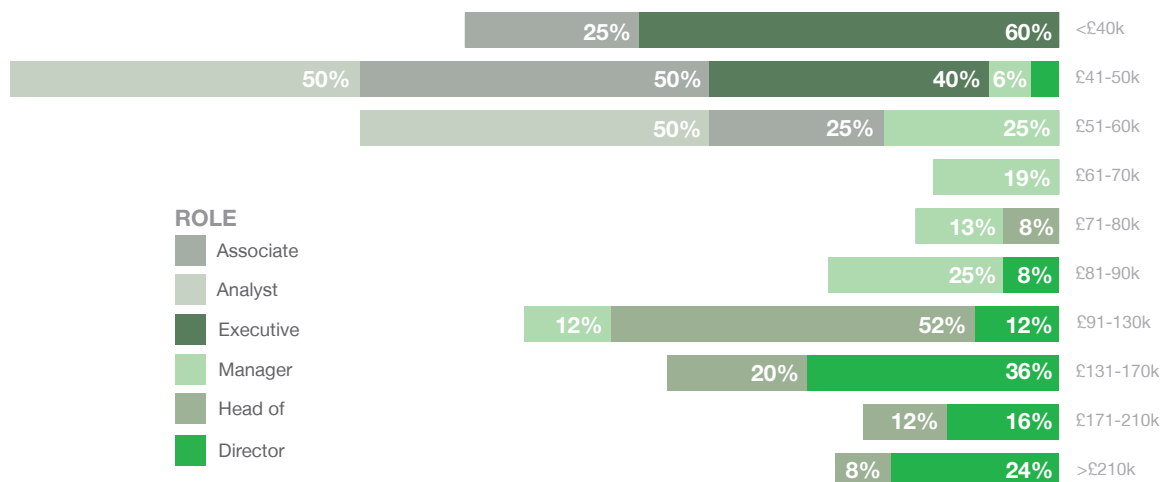


AGENCY vs IN-HOUSE

The survey uncovered a clear disparity between in-house and agency packages. Broadly speaking, in-house IROs make significantly more than their agency side counterparts.



What level is your current basic or pro rata salary?



ROLE

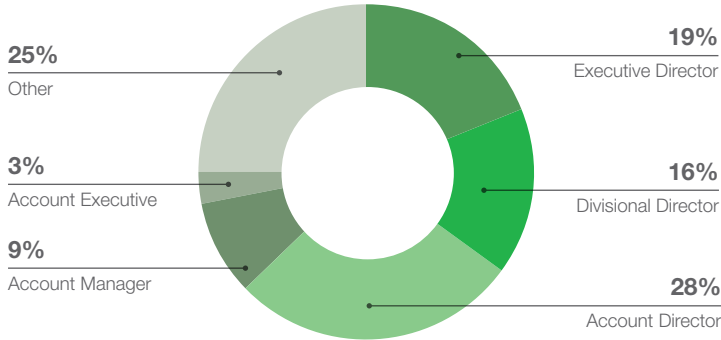
- Associate
- Analyst
- Executive
- Manager
- Head of
- Director

Current salary and bonuses levels

Career Level	Experience Range	Salary		Bonus Range
		Min.	Max.	
Associate	<3 years	<£40k	<£40k	<20%
Analyst	1-3 years	£41k	£50k	<20%
Executive	1-3 years	£41k	£50k	<20%
Manager / Senior Manager	4-6 years	£51k	£90k	20-29%
Head of	7-10 years	£91k	£130k	30-39%
Director	11+ years	£130k+	£130k+	30-39%

AGENCY

What is your job title?

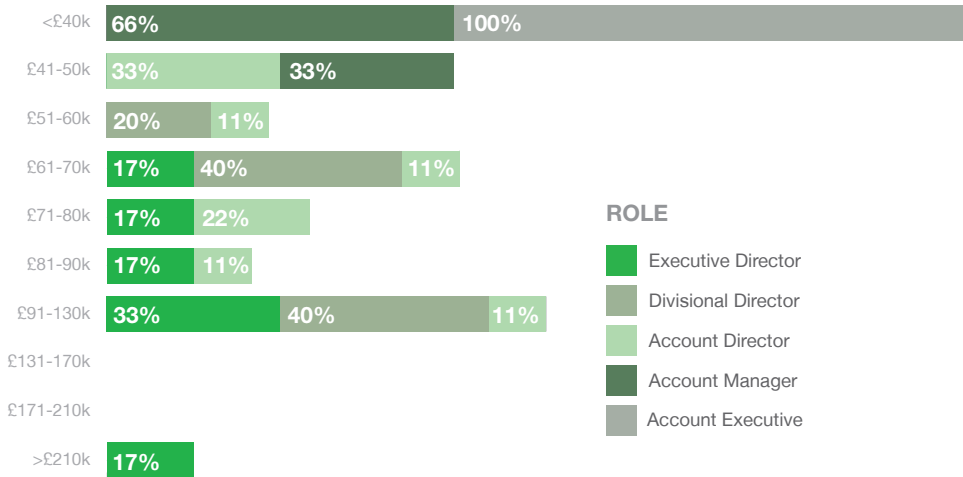


AGENCY vs IN-HOUSE

Looking at IROs with 7-10 years' experience, in-house respondents reported a base salary of £91-130k, with a 30-39% bonus, while agency candidates with the same level of experience reported a base salary of £41-50k with a 20% bonus, essentially half that of their in-house counterparts. In-house respondents also reported the highest level of satisfaction with their last bonus, while over half (59%) of agency respondents were dissatisfied with their bonus last year.



What level is your current basic or pro rata salary?



Current salary and bonuses levels

Career Level	Experience Range	Salary		Bonus Range
		Min.	Max.	
Account Executive	1-3 years	<£40k	<£40k	<10%
Account Manager	4-6 years	<£40k	<£40k	<10%
Account Director	7-10 years	£41k	£50k	<20%
Divisional Director	11-15 years	£75k	£85k	<20%
Executive Director	11+ years	£91k	£130k	25-35%

BONUS

Of those who reported receiving a bonus:

Did you receive a bonus in your last annual review?

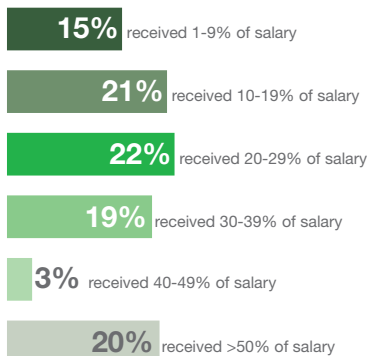
As a percentage of your basic salary, what was your annual bonus?

Were you satisfied with your bonus?



overall

YES
75%
NO 25%



58%

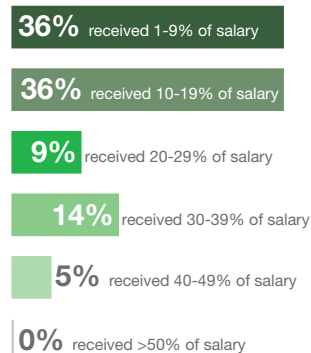


42%

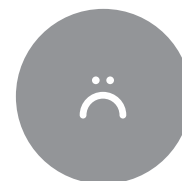


in-house

YES
69%
NO 31%



41%

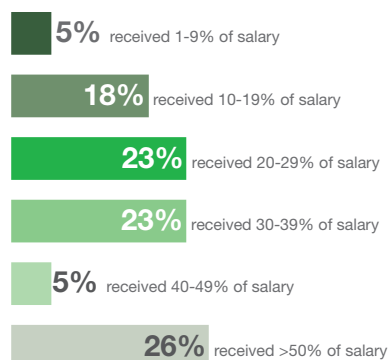


59%



agency

YES
78%
NO 22%



70%

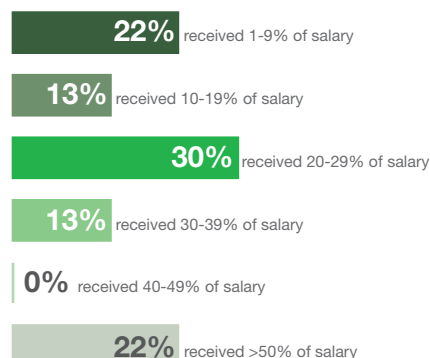


30%

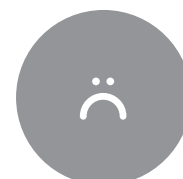


banking

YES
75%
NO 25%



43%



57%

“

IR is a lucrative career field - it always will be. The key is thinking about which aspects of a package really matter to you and negotiating on that.

”

SPEAKING TO EMR

IN-HOUSE VS AGENCY

Reg HOARE

Managing Director
MHP Communications

EMR: Only 13% of those currently working in an agency would prefer to remain in an agency when considering their next career move, while only 2.7% of all respondents would prefer to work agency side. Why do you think this is?

Reg Hoare: I think this is due to two factors; the voracious appetite of the client side to recruit well qualified agency staff to fill in-house roles (whilst offering very attractive packages to lure them over); and the fact that ultimately the client side is where it's at. The agency staffer is rarely viewed as more than an advisor, so they are never at the sharp end.

EMR: Respondents ranked the scope of a role as more important than remuneration when considering a career move. While agency professionals are seemingly paid less than in-house, one could argue agency roles do provide more scope and challenge. What are your thoughts?

RH: Compensation within agencies has historically been quite competitive, especially in terms of base salaries at senior levels, as well as in terms of the bonuses and equity that was made as the financial PR industry grew up in the nineties and noughties. That time has largely gone now and agencies can no longer compete in terms of overall benefits. This is particularly the case with bonuses, equity participation and pension contributions which lag behind those offered to in-house professionals by large companies. There is also no doubt that professional and financial services

clients are bidding up competition for mid-level staff.

EMR: How can agencies better retain top talent?

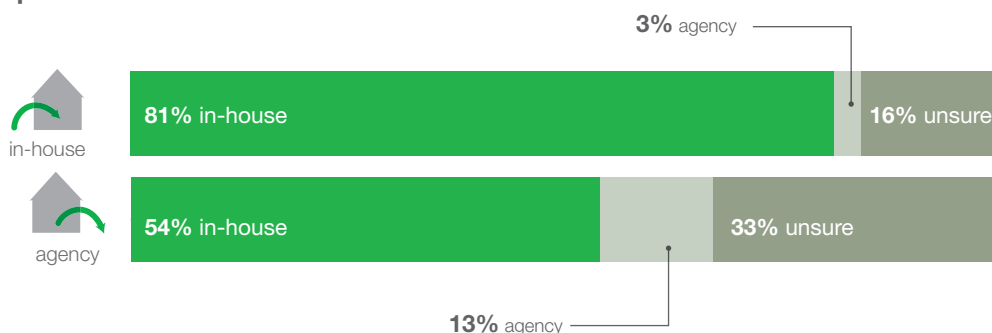
RH: Agencies need to offer a clearer career path, more flexibility for staff to move around disciplines and sectors, and to ensure everyone gets to work on the most interesting projects.

EMR: What do you think is the greatest challenge currently facing financial PR professionals?

RH: How to retain good quality staff from the lure of in-house, and how to ensure that quality work is not undervalued by clients or over serviced by the agency.

EMR: What do you think the advantages are of working in a financial PR

In considering your next career move, would you prefer to work:



3% of in-house respondents would prefer to work within an agency whilst 54% agency respondents would prefer to work in-house when considering their next career move.

agency versus in-house?

RH: The variety of work is exceptional - within a few years an agency staffer can expect to have worked on an incredible range of accounts, projects, sectors, and disciplines, which offers a learning experience second to none.

EMR: What is the long-term career path for someone working with a financial PR agency?

RH: The path is currently pretty straightforward; grow into managing accounts, then take over a team or sector, and eventually rise to management of a discipline.

EMR: When you're recruiting new talent for MHP, what do you

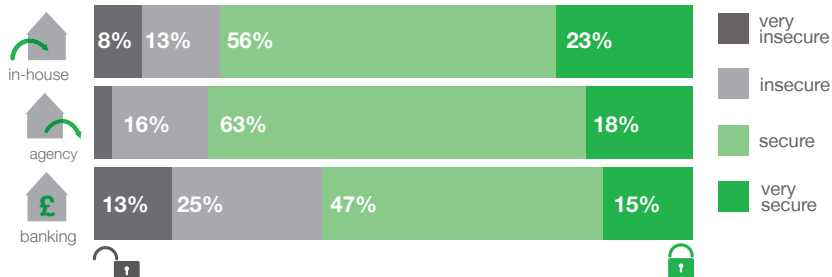
look for in candidates?

RH: We look for a combination of things. For example, it might be someone with experience in specific areas, sectors or disciplines where we are looking to build our presence. Alternatively, we pursue individuals who can execute their work to a high standard whilst being strong marketers and business developers. Ultimately however, we look for both. ■■■

In my opinion, in-house roles can be more interesting if you are included in the development of the strategic plans of the business.

Yvonne Baranyai-Alexander,
Investor Relations Manager Hermes GPE

Job security by role type



HOW MUCH TIME

9

DO YOU SPEND WORKING EACH WEEK?

>50%
of all respondents reported working 46-50 hours per week

34%
of broking respondents reported working 36-45 hours per week

VS

Those working in the broking/corporate access space reported working fewer hours than agency and in-house IROs.

I think IROs tend to prefer to work in-house at a more senior level as there is more access to board level discussions. Also, sensitive issues are raised internally first before involving advisors, which is more satisfying for an IRO to be there at the inception.

Anonymous Respondent,
Corporate Communications & Investor Relations Consultant

A black and white portrait of Kathy Boate, a woman with long dark hair, smiling. She is wearing a dark top, a necklace, and earrings. The portrait is the central focus of the page.

Kathy BOATE

Head of Investor Access
Edison Investment Research

EMR: Have you seen client demand increase or decrease in the last 12 months?

Kathy Boate: Client demand has picked up markedly over the past year. While we are providing more large cap coverage, we continue to address the ever increasing

need for small and midcaps to communicate their investment case better to help with liquidity – volatile equity markets do tend to push a finite pool of capital to larger stocks as investors look to lower risk. However, the biggest change has been the push by several large

cap stocks within the FTSE 30 for investor roadshows, as they realise that their shareholder bases of private client brokers (PCBs) are not being adequately addressed. >

EMR: How do you see growth in the next 12 months both in terms of workload and clients?

KB: Last year's conversion rate of enquiries and in particular the past few months indicates that our client roster will increase, so we continue to invest our own staff into Edison's Investor Access offering. Growth will come from both larger UK quoted capitalised companies looking to tailor offerings to address large domestic PCB shareholder bases, and both North American and Australasian quoted midcaps looking to broaden their investor base beyond their own markets. We have opened in Sydney, Berlin, Wellington and New York and are already helping UK clients on investor roadshows in the North American market. We expect to see more North American midcaps looking to European investors and vice versa from our German office.

EMR: What are the key market issues at the moment for corporate access?

KB: The same fundamental question of how to devise and deliver a marketing strategy that has a measurable ROI is still to be resolved across many sectors. Putting together an investment case is only one part of the story and investor relations executives are still grappling with evaluating which funds are the most likely sources of potential investment and then struggling to reach the right decision maker. We believe that in addition to knowing the right institutional funds, our relations with the right family offices, private client money and an increasingly cash rich

but sector specialised group of hedge funds will differentiate our offering from the crowd.

EMR: When you are hiring for your team at Edison, what do you look for in candidates?

KB: As with all our analysts and professional staff, integrity in all they do, rigorous analysis, commercial acumen and a personal attention to the individuals and companies we advise.

EMR: Do you have a hiring preference between agency or in-house candidates?

KB: A thorough grounding in agency work is normally a prerequisite for even the most experienced in-house candidate. The ability to multitask, maintain close client relationships and to quickly grasp the core issues for a number of clients are skills we find more readily in candidates who have spent time in agencies.

EMR: Are you expecting growth within your team in the next 12 months?

KB: Yes, we are always on the lookout for the best talent and we know that our existing team is looking to grow the workload.

EMR: What are your clients saying about general market confidence?

KB: There is still a lot of money parked on the sidelines away from equities but confidence is slowly

returning – at least to FTSE and US quoted companies – with much of the Eurozone troubles priced in. However, with global interest rates set to remain low for some time, the confidence in equities as an asset class has returned, but again only for those companies with a clear and transparent investment case. Investors have the luxury of being choosy.

Internationally we're seeing confidence returning first in those sectors where there are longer term pulls on global growth.

EMR: Given your recent international expansion, how do international markets compare to the UK market at the moment?

KB: We opened recently in New York and Berlin as we had already been covering a number of continental European, New York and Toronto stocks for a while. Clearly we see room for further growth given the increasingly global nature of investment funds across sectors rather than simply geographies. Confidence in Australian, US and Canadian markets is generally higher than in Europe, however internationally we're seeing confidence returning first in those sectors where there are longer term pulls on global growth. Healthcare and extractive industries such as oil, gas and mining are helping the UK market, with its international dimension, outperform its European peers. ■■■

SOURCING IR TALENT



Andrea ABBATE
Principal Consultant
EMR

chomping at the bit for any new vacancy. While it is true that there are a number of active candidates currently looking, there are also an equal number who have found a safe haven in secure positions. Either way, people are remaining cautious about committing to new roles, resulting in a “look before you leap” mentality.

ATTRACTING THE
BEST TALENT

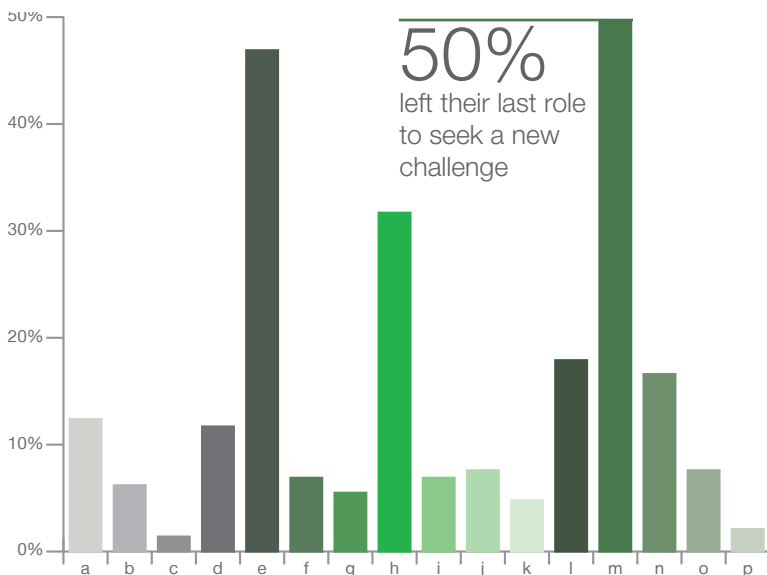
EMR: How is the market for candidates at the moment?

Andrea Abbate: With all of the current economic uncertainty, corporate downsizing and waves of redundancies occupying headline news, many employers assume that there are legions of excellent candidates on the market,

EMR: What are the primary concerns for candidates?

AA: It is a mix of security and ambition. Despite the market turmoil, the vast majority of respondents feel either secure

What are the top 3 reasons why you left your last role?



- a. Better bonus potential
- b. Better location/easier commute
- c. Better training
- d. Better work/life balance
- e. Career development
- f. End of contract
- g. For an improved relationship with my manager/colleagues
- h. Higher salary
- i. Improved benefits package
- j. Internal promotion/move
- k. Job security
- l. More responsibility
- m. New challenge/more interesting work
- n. Redundancy
- o. Relocation
- p. Travelling



(57%) or very secure (20%) in their current role. There is a risk factor involved in taking any new position, especially now as there can be a 'last one in, first one out' trend in some companies, even when people were brought in with the best intentions. While candidates remain eager to build their careers in IR they are reticent to take overly risky chances in order to do so.

EMR: What can an employer do to ensure they are attracting the best candidates on the market?

AA: Improving the Employee Value Proposition (EVP) is key to attracting the best candidates in the market to a business. Financial reward is still a major consideration for candidates (37%), however the top drivers for IR professionals considering new roles are a new challenge (49%) and career development (47%). Demonstrating to candidates what the scope of the role is now and what it will be over time, aligning your corporate goals to their own professional goals, and ensuring that you've answered all of their questions upfront will be essential in securing top talent.

EMR: What are the risk factors to losing good candidates in a selection process?

AA: The easy part is getting people in the door. Like any relationship, the key to securing a successful outcome is the courtship period. Most people forget that candidates are assessing the company, as much as the company is assessing the candidates. We are also finding that counter offers are back and companies will fight hard to keep their top talent.

EMR: What can a company do to ensure that they are doing their part to engage well with candidates throughout the process?

AA: Ensure that the interview process is engaging and two-way. We often recommend starting with a more informal chat with the line manager (to see if there is the right chemistry there), followed by a more formal interview process. It's good to give the candidates exposure to as many key stakeholders in the business as possible, however make sure that everyone knows who is the final decision maker in the hiring process; selection by committee can be counter-productive.

Bear in mind that candidates are aware that selection processes can take time. Almost 70% of respondents reported that it took up to three months for them to find their current position, with an additional 20% reporting up to six months, so ensure that there are appropriate touch points every few weeks, and don't let the line of communication go quiet; candidates may take silence as a sign of dis-interest.

EMR: Any final tips for companies interviewing or assessing candidates?

AA: There is the old adage of don't judge a book by its cover. Almost everyone in IR has come from another sector or function; other than roadshow coordinators or PR executives it is rare to find anyone in IR who has been in the field since graduation. Keep an open mind when evaluating CVs; look for relevant experience

Reconciling the salary and bonus data with the top drivers for candidates looking for new roles, it is encouraging that factors outside of remuneration are at the heart of candidates job searching. Career development (46.9%) outweighed higher salary (31.7%) or better bonus potential (12%) – an encouraging sign for employers who seem unable to substantially increase IR packages year-on-year.

but ultimately ask yourself the question, "Can this person be a value-add?" Interestingly, 19% of hiring managers reported that their most recent IR hire came from an accountancy background, followed by corporate communications (15%) – ahead of another like-for-like IR role (14%). ■■■

SEARCHING FOR TALENT

How would you rate the effectiveness of these channels in sourcing top talent?

EFFECTIVE



73% Direct approach/
Professional network



72% Recruitment
consultancy/Headhunter



67% Internal
Promotion

Top 3 sources rated as most effective at attracting top talent

Print advertising 33%

Social media 42%

NOT EFFECTIVE

Scope of role was considered more important. Very few respondents rated social media as an effective sourcing channel.

The 3 main challenges experienced when searching for candidates:

Insufficient role experience

1

Cultural fit

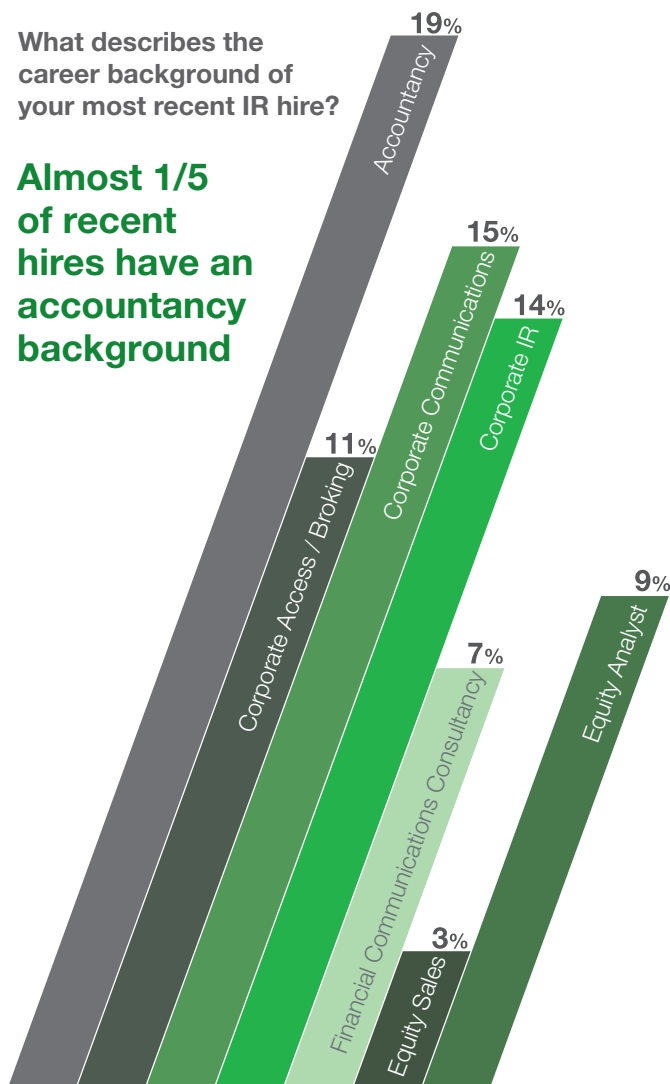
2

Lack of relevant sector knowledge

3

What describes the career background of your most recent IR hire?

Almost 1/5 of recent hires have an accountancy background



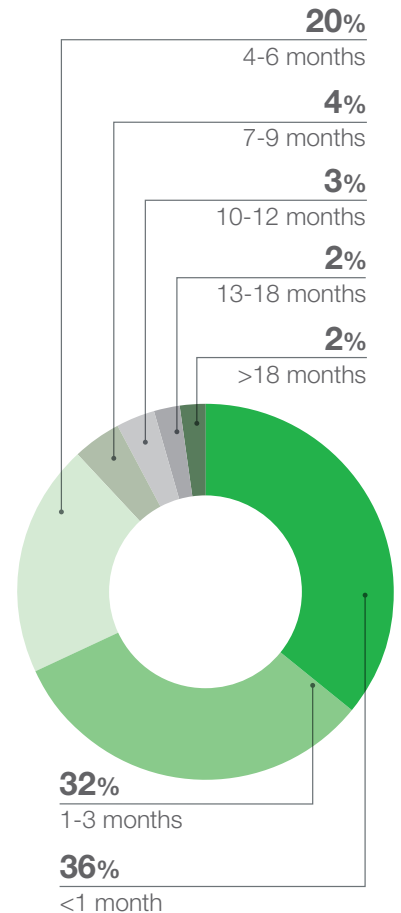
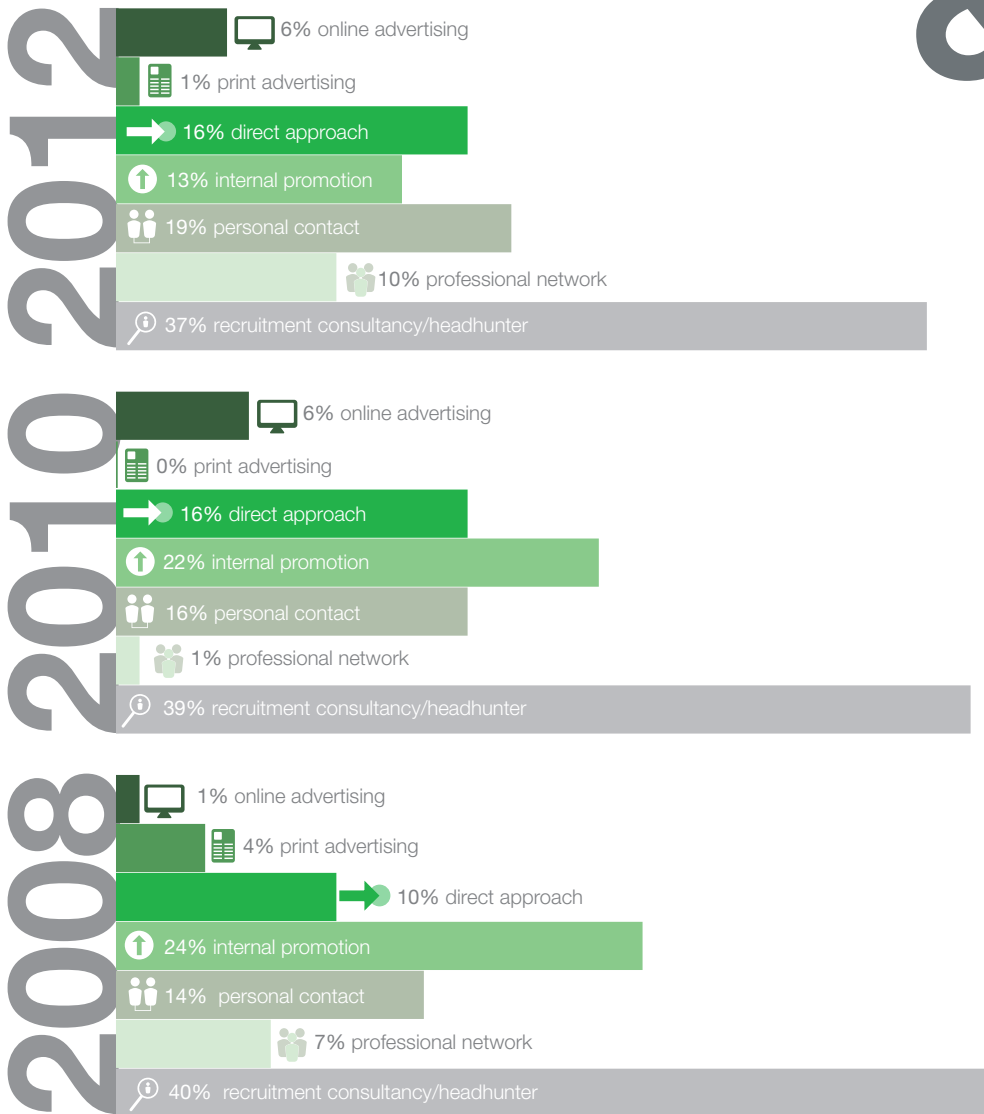
Offer talent the opportunity to perform their roles on a strategic level as well as to progress to other management roles within the organisation.

Yvonne Baranyai-Alexander,
Investor Relations Manager
Hermes GPE

SEARCHING FOR OPPORTUNITIES

How did you find your current role?

& How long did it take?



The number of respondents who found their current role through internal promotion has halved since 2008.

68% found their current role in 3 months or less.

Top 3 factors rated as important when considering a career move:



52% of respondents believe that in general, there is a lack of good career opportunities in the market.

SPEAKING TO EMR

THE IR CAREER PATH

**Alexandra
HOCKENHULL**

Head of Corporate Communications
and Investor Relations | Xchanging

**Credibility is everything,
particularly towards the
beginning of an IR career.**

EMR: What do you believe is the ideal professional background for IR professionals? Why?

Alexandra Hockenhull: Having a City background is very important within any market related function. In my opinion, you can learn the communication skills more easily than learning how the City works, as you need to understand the nuances of relationships within the City. Credibility is everything, particularly towards the beginning of an IR career; the investment and analyst audiences you're dealing with can be quite sceptical and they recognise who knows the City and who doesn't.

EMR: What's your view of the market currently?

AH: IR is now an established part of the management structure of a listed company; 20 years ago this wasn't the case. Talent is available, and even companies that can't necessarily afford to employ their own IRO still see the value IR brings and therefore seek to get expertise into the business in other ways (eg. consultants, agencies and interims).

EMR: What do you think is the best way to retain top IR talent and ensure development opportunities are available?

AH: Obviously salary is part of it – nobody wants to be underpaid – but the key is for the IRO to feel valued and comfortably challenged by what they are doing. It's vital for management to engage with the Head of IR and the IR team as a whole if there is one.

55%
CURRENTLY report into the finance division of their organisation

WHEREAS

58% believe IR should report into the Finance Department

and 18% believe IR should report into Corporate Communications

EMR: What do you find fulfilling about your career in IR?

AH: I moved from Fund Management into IR in 1988: I like the fact that it is a very privileged position within a company. You interface with the board and are seen as an advisor on some issues that are very fundamental to the business.

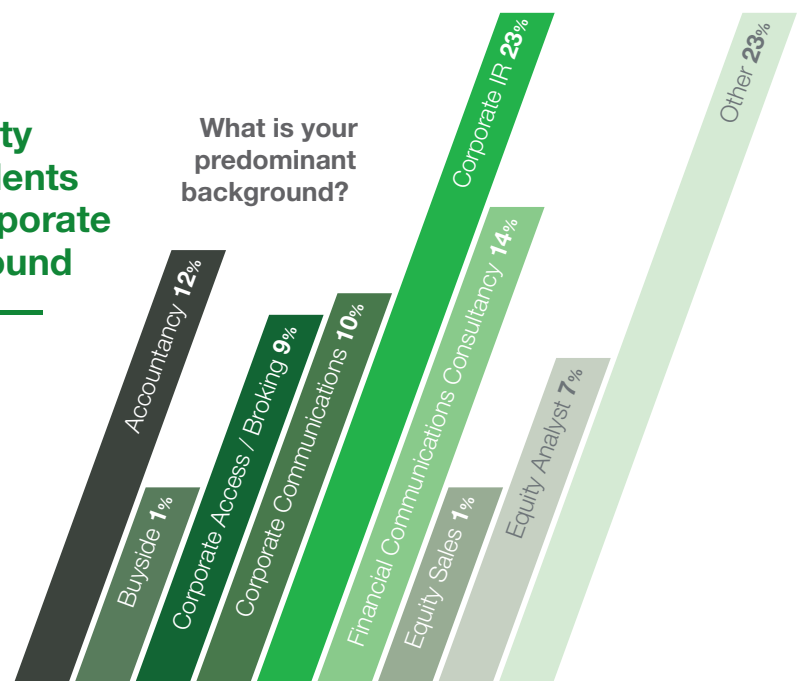
part of a career path in, for example, finance or business development. However, I also see IR as a destination in itself. There is a lot of mobility for IROs between sectors. There is also a lot of interesting transactional work that an IRO can get involved with as well as lots of ways to vary the nature of your day-to-day role. Mergers and acquisitions, IPOs, moving companies, getting more involved with strategy – there is always a way to generate new opportunities within IR. ■■■

EMR: What's the end destination for IROs? Is there one?

AH: A period in IR can be used as

The majority of respondents have a corporate IR background

What is your predominant background?



SPEAKING TO EMR

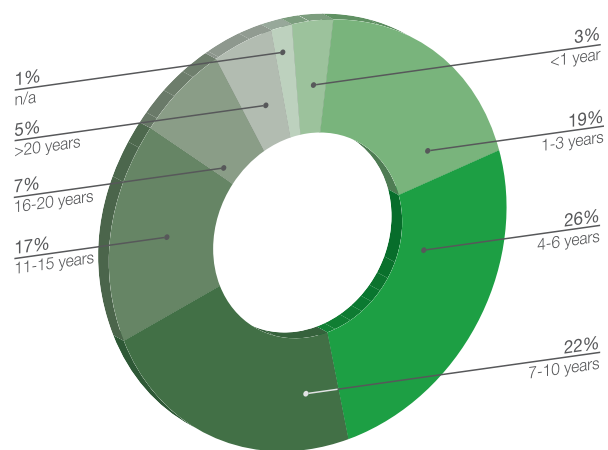
EMR: If you were to give a piece of advice to a hiring manager for IROs, what would it be?

AH: Hire somebody who has very good first-hand experience of working in the City.

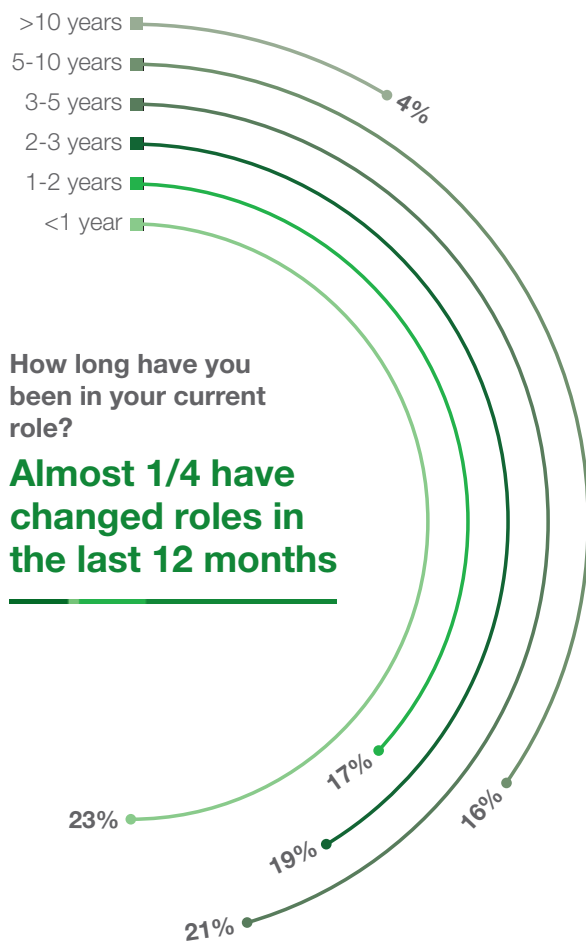
EMR: How about to a job seeker?

AH: Talk to people in different parts of the market, such as analysts, fund managers and corporate brokers. Take the chance to learn as much as possible at every opportunity. ■■■

How long have you been in the IR-related profession?



50% of respondents have been in the IR profession for more than 7 years



How long have you been in your current role?

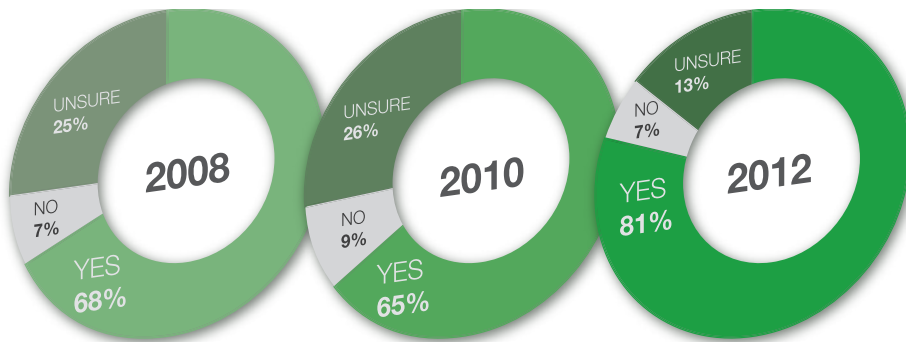
Almost 1/4 have changed roles in the last 12 months

“ There is a demand for more IR professionals and hence the background and training requirements are also increasing, however in practice there is still a chasm between expectation and reality - many senior teams cannot take the leap of faith to consider IR a strategic role or involve the practitioner in enough business strategy insights to help them perform their role effectively. Ultimately the role still defaults to a support function in many cases and rocking the boat is considered unhelpful. ”

Anonymous Respondent

BEYOND THE IRO

Do you plan a long term career in IR or a related area?



Over 80% of respondents plan a long term career in investor relations or a related area, up from 65% in 2010.

What does this mean for the future of senior level IROs? Is IR a fixed term career?



I agree that there should be an enhanced focus on developing IROs for board level roles. An IRO's role is to understand and represent both the market and investors' views, which would be very helpful to reflect upon during board level decision making.

Yvonne Baranyai-Alexander, Investor Relations Manager
Hermes GPE

There should absolutely be an enhanced focus on developing IROs for board level roles. Again, many IROs don't get this chance as CFOs see the IRO as the messenger not having a real role outside the CFO's scope.

Anonymous Respondent, Corporate Communications & Investor Relations Consultant

NEXT GENERATION



**Andrew
WATSON**

Consultant | EMR

Andrew joined EMR in 2011 as an MA Graduate from the University of St Andrews. Hailing from Glasgow, he specialises in investor relations and communications placements across all sectors, with a track record of placing highly talented junior to mid-level candidates.

**HOW DO YOU
SECURE THAT
FIRST IN-HOUSE
IR ROLE?**

Investor relations as a profession continues to accelerate from strength to strength and is becoming a key function within an increasing number of businesses.

Whether corporate, fund or financial agency side we have certainly noticed steady increases in both roles and candidates of late and in my work with candidates relatively new to IR, two questions crop up time and time again:

- Agency or in-house?
- Just how do I secure that coveted first in-house role?

AGENCY VS IN-HOUSE

Let's start with the first one, as both have their pros and cons and it's a very personal decision to make. As with all disciplines of communications, many graduates choose to embark on their career agency side. The diversity of clients and busy environment gives fantastic exposure to the discipline, allowing them to build strong experience of the bigger picture of how to 'do' IR, as well as the more micro level knowledge of how to arrange a roadshow or results briefing. In this report, Reg Hoare says working within a financial PR agency "offers a learning experience second to none," and I couldn't agree more.

However, going directly into an in-house role within a corporate also has its benefits. You become more involved in the inner workings and strategy of the company, learn what works well for them and can

Top things to consider when deciding:

1. **Variety** – would you like to concentrate on one company or work with many?
2. **Specialism** – do you prefer acting as an advisor or do you prefer doing the reporting?
3. **Salary** – Are you willing to accept a potentially lower salary for increased experience and exposure?
4. **Role** – Are you interested in roadshows, analysis, communications or a mixture?

implement activities that you can see through to the end and beyond. Typically salary is higher, benefits are more plentiful and depending on the size of the company, progression opportunities can come faster.

SECURING AN IN-HOUSE ROLE

What makes the investor relations profession particularly interesting is the wealth of highly academically qualified and experienced candidates who have succeeded in a different role within finance but are eager to move into IR. Many are willing to take a salary cut of up to 50% to achieve it, and the number of candidates willing to do this is only increasing.

Experienced agency-side candidates compete with analysts and equities sales executives for coveted in-house positions, creating a vast melting pot of skills and experiences that generates a fiercely competitive candidate marketplace. The perfect storm is further fed from those already working in-house due to the limited number of potential destinations for these candidates,

and understandably so. Think of the number of listed companies in the UK, add on some firms approaching IPO and you'll get to a number that struggles to get much above 500.

In reality many companies are too small to justify their own in-house function, while others perform their IR duties as an extension of the CFO's office and many more still outsource to agencies and consultancies. This reduces the number of in-house opportunities even further. >

To make the move to an in-house IR role you need to establish what your skills are, how they compare to the market, and how they would be useful in an application for a position. The key here is your CV.



To make the move in-house you need to establish what your skills are, how they compare to the market, and how they would be useful in an application for a position. The key here is your CV.

Yes it is a list of what you've done in your previous roles, but to set yourself apart from the competition it needs to become the ultimate sales document – sell your experience and your profile. It should include your responsibilities, but what is most important is making clear what the return on investment has been for each employer in relation to your salary.

Numbers are key. Any percentage increases, quantifiable efficiencies developed or definitive results gained should be included to make the case for your talent and for bringing you on board over and above someone else.

Many people say they want to move to an in-house role regardless of what it takes. The issue is there is no set job description for a first position; it depends entirely on the IR Officer recruiting and what their team's requirements are.

I have worked on IR Coordinator positions that have ranged from 80% administrative work to being mainly analytical and roadshow related. Whilst this can make it difficult to select the right role for your skillset, it can be helpful as there is more likely to be a position that fits your existing skills perfectly.

However there are likely to be fewer of them.

The key background skills are analysis, communications, financial calendar knowledge and strong experience within the investment world, especially in the buy side community or being agency side. You will know when a job is the right one for you; when you read the job description your mind will be running away thinking about all the

The key skills are analysis, communications, financial calendar knowledge and strong experience within the investment world.

examples of situations where you have done exactly what the hiring manager is looking for.

The biggest challenge you will face by far will be the competition. You are part of a cohort of candidates with similar CVs, many of whom are highly qualified. The key is showing how you are different, how you are better, and the only way to do this is by showing what you have done before that sets you above the rest.

In-house IR roles are the most subscribed of all the roles we work with at EMR, but they are by no means impossible to attain. If you understand your strengths you will find it straightforward to sell yourself.



top 5 CV tips

to help you stand out from the crowd

1

As the (metaphoric) saying goes, dress for the job you want, not the job you have now; tailor your CV for the role you're applying for rather than submitting a laundry list of your prior experience.

Your CV is your first writing sample. Typos, spelling errors, grammatical errors and poor formatting will make a negative first impression.

2

3

Use your personal profile or initial statement to highlight your USPs and something insightful about you. Don't be generic; if you're going to take room at the top of your CV to tell an employer a little about yourself, make it count!

Play to your most conservative audience. Your experience and accomplishments should make your CV stand out, not creative formatting, graphics or colours.

4

5

CV Methodology: Statement, then fact, fact, fact. For every responsibility you list under your current or previous roles, ensure you note 1-3 supporting facts (including figures, results and key achievements) to demonstrate why you've been successful and what your accomplishments have been. Remember, your CV is not a job description.

SPEAKING TO EMR

INTERNATIONAL

John GOLLIFER

Former Senior Vice President & Head of Investor Relations - Singapore Exchange (SGX)

EMR: What is the IR market like in Asia at the moment?

John Gollifer: I think it's still a fledgling market in Asia in that the number of listed companies with a dedicated IR function is a relatively low percentage of the total number of listed companies. In Singapore for example, which is generally considered a more developed market in Asia, out of approximately 800 listed companies on the Singapore Exchange, I estimate that less than a quarter have an IR Officer. That's considerably more than 10 years ago, but there's still plenty of room for more IROs across the region, particularly in the small to medium sized companies that really need to get their investment stories out to a broader international audience. When the appetite for IPOs in Asia returns, the need for a dedicated IR function will be greater.

EMR: Is IR needed more for Asian listed companies, or European or US companies

looking to fundraise or dual-list in Asia?

JG: Generally, I think all companies need more IR professionals. However, if a company is new to the Asian region, the need for IR is essential, otherwise the opportunity to tap considerable Asian based funds would be missed. In any case, without an IR function that targets the regional Asian markets, it would be difficult to get on the radar.

EMR: Do you think there is an appetite for foreign IR talent?

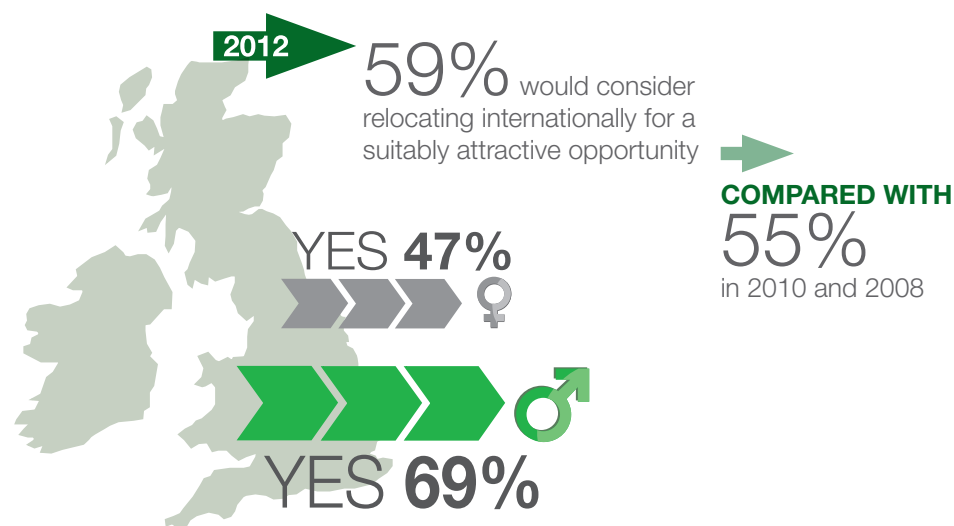
JG: Yes, particularly in international markets and those that are more open to competition. Skilled and experienced employees are more mobile and if you can immediately bring something of value from other markets, there's no reason why you

can't venture to new markets that are trying to tap into international funds.

EMR: Why do you feel there is a lack of local IR talent?

JG: Firstly, IR is a relatively new field in Asia. Secondly, given these are generally developing markets that come from a lower base in terms of numbers and size of companies for an international audience, this means that there are less dedicated IROs to start with. Thirdly, a common perception is that IR is a cost centre that applies more readily to larger, well resourced companies. Finally, what it means to be a listed company with public shareholders still needs to be better understood across regional Asian markets. It has to be remembered that often

Would you consider relocating internationally for a suitably attractive opportunity?



listed companies in Asia have a dominant majority shareholder. This can result in smaller freefloats being available to the public investor and ultimately, the minority shareholders may be at a disadvantage. Sometimes, it may suit the largest shareholder to have less IRI!

EMR: What specifically would an employer based in Asia look for from a Western IRO?

JG: Other market experience and new skills that make an immediate difference to the company and its stakeholders in reaching a broader international audience. Having worked with Asian companies, I think it also helps to be culturally aware and sensitive to local and regional customs.

EMR: What challenges would a Western IRO face when working in Asia?

JG: There can be many differences in the working environment and it helps if you can adjust to your new surroundings, colleagues and the operating and regulatory norms. This doesn't necessarily mean changing what you ultimately do and what you think is right or best for the job. Rather, it can mean being more flexible and certainly more sensitive to who you are working with. Often what you are thinking is not what the other person is thinking, so patience and ensuring that everyone understands what needs to be done will make a difference, albeit it usually means

that things take longer to do.

EMR: What are the career prospects in Asia for IR moving forward?

JG: As more companies take the listing route in Asia seeking international capital, I think the realisation of the need for IR professionals will become more evident. A still relatively low base in Asia with a dearth of dedicated IROs, coupled with strong economic growth prospects driving Asian markets, suggests that IR is an increasingly attractive career prospect in Asia.

EMR: Are there any networking or professional membership groups in the region?

JG: Yes, Singapore has the IR Professionals Association (Singapore) or IRPAS and its membership is approaching 200. Hong Kong and Malaysia have similar recently established associations for IROs.

EMR: Having recently moved back to the UK, how are you finding the two job markets differ?

JG: On the face of it, they're similar in terms of how to go about a search. One immediate observation is that after 13 years in Singapore, it's naturally a question of re-establishing oneself in London after a long absence. We'll see. ■■■



Financial services in Switzerland remains a tight knit boys club and even well positioned women in large Swiss banks are routinely underpaid and underrepresented at higher levels within the company.

Anonymous Respondent

IR is a very small market in the UK, so it's not surprising that a high number of IR professionals are willing to consider an international move. There is a big barrier to moving into related fields like corporate communications or strategic analysis, as IROs are erroneously unrecognised as having any experience in these areas.

Corporate Communications & Investor Relations Consultant

ABOUT EMR

Specialising in marketing, communications and digital recruitment, EMR offers a dedicated practice to support clients and candidates within the investor relations field.

Led by Andrea Abbate, Principal Consultant, this team has grown to cover the full spectrum of investor relations roles, including in-house IR (FTSE 100/250, small cap, and pre-IPO companies), bank-side corporate access, and IR advisory/financial communications agencies.

With over 18 years' experience, our success is centred on delivering a bespoke offering, and a commitment to providing the highest standards of service in the industry. This ensures we remain the confident partner of choice for agency and in-house partners alike, with many of our clients working with us exclusively.

In 2008, EMR joined FiveTen Group - a strategic move to ensure that we are able to offer access to a growing international talent pool which our clients and candidates have come to expect. As well as providing expertise across the UK, EMR regularly works with clients across Europe and has offices in Dublin, Moscow, São Paulo and Singapore.



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ABOUT THE INVESTOR RELATIONS SOCIETY

The Investor Relations Society exists to promote investor relations in the UK and beyond. It is run by IR professionals for IR professionals. Established in 1980, the IR Society's mission is to promote best practice in investor relations; to support the professional development of its members; to represent their views to regulatory bodies, the investment community and government; and to act as a forum for issuers and the investment community.

We have over 640 members from the UK, Europe and beyond, including representatives from most of the FTSE 100, a growing number of FTSE 250, AIM and international companies as well as IR advisors and service providers. For more information about the IR Society's activities, please visit www.irs.org.uk.



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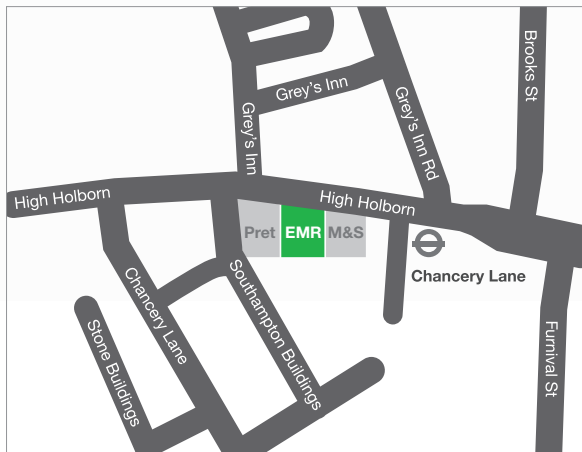
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