

INTERVIEW THE INDEPENDENT ADVISER

The importance of building diversity in the IR profession

Over the last two decades, **Anthony Hamilton** has created a successful IR career. In this interview, he talks about some challenges he has faced and gives advice on the best ways to achieve diversity in teams.

How did you get into IR and what attracted you most about the profession?

After graduating from Leeds University in 1990, where I studied economics, I joined British Steel (which became Corus and then Tata Steel Europe) as an economist. In due course I progressed into strategy and business development opportunities. My work was used as key decision-making input for management and various departments, which provided me with a lot of exposure within the company, so I quickly learnt how to build and develop relationships. This exposure led to me being invited to join the investor relations team.

The key attraction of IR was the opportunity for daily interaction with an important set of stakeholders. I had the ability to use my economic and strategic background to explain to financial audiences how current and future macroeconomic trends would impact the steel industry. It also gave me greater exposure to the board and executive committee and helped me develop and

hone my financial and communication skills.

How long have you been in IR and what roles have you held during your career?

I began my IR journey in 1997 as IR manager for British Steel. In 2005 I became acting IR director, at a time when the business was embarking on a major capital raising programme. In 2007 I moved to join the IR team at Vodafone, where I had the opportunity to work with a larger team of IR professionals on a number of global M&A transactions including the sale of Verizon Wireless in a deal worth \$130 billion. In 2014, I became head of investor relations for Vodafone – a position I held until 2019. I'm now an independent IR adviser and business consultant (open to embracing a permanent role with the right organisation).

Do you think the career has changed from when you first started?

A lot! I started my IR career in 1997. The focus at the time was on a few key

A DIVERSIFIED PATH

- From an economics background, Anthony found that IR gave him exposure to the board and executives.
- With few BAME IROs in the industry, he has worked extra hard to overcome 'assumptions' about him.
- BAME employees should be supported and mentored to aid their career progression.

ABOUT THIS INTERVIEW:

This interview was conducted by Zafar Aziz, director – head of strategic sales and DR investor relations advisory group at Deutsche Bank.

individuals in the largest investment firms. The vast majority of investors and analysts were British or American white males. Today, we can see much more international and gender diversity, with audiences from every continent of the globe. Back then, most contact was either face-to-face or over the landline phone. Today as we know, webinars, video conferencing and the internet are critical communication channels (although I and most investors still prefer in-person meetings). The status of IR has evolved from being a simple messenger for management to recognition as a strategically important function in its own right.

What were the biggest career challenges that you faced?

I was working in India for four months in 2018 to raise capital against the background of an extremely competitive telecom market environment. Due to the five and a half hour time difference with London, I had to work on capital-raising



Anthony Hamilton is an independent IR adviser and business consultant, and the former head of IR at Vodafone.

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activities during the early part of the day and then continue with my 'normal' IR job during the latter part, which did not allow much time for sleep. It was a high-pressure environment, with extremely tight deadlines. Fortunately, we achieved our goals, and I learnt a lot more about delegating, time management and building collaborative teams.

What advice would you give to anyone about to embark on a career in IR and what qualities are needed to succeed?

I've interviewed many people for IR roles and I have found that four things are important. First, possess a good understanding of financial markets. A strong grasp of the workings of the equity and debt markets, and how financial audiences think and act is critical. Second, be financially astute. Having an accounting or CFA qualification are pluses, but not essential (I'm an economist), however, you must have a financial background, as the language of finance is the language of investors. Third, candidates should know or be able to quickly get up-to-speed about the company they intend to represent. Investors and analysts are time constrained and therefore want to speak to someone who can expediently and authoritatively discuss the company, its markets and its performance. The fourth, and most critical skill is mentioned in the job title ('relations!'). IR managers must be able to create, develop and sustain effective relationships in order to manage the flow of information both inside and outside the company.

What are your experiences on diversity and inclusion in the industry?

In relation to diversity and inclusion, I have experienced some highs but unfortunately mostly lows. Just before I accepted my first IR role in British Steel, I sought the opinion of a number of colleagues about the wisdom of moving to investor relations. One notable piece of advice, from an elder statesman, was "I wouldn't bother if I were you because investors will not want to take advice from a person that looks like you". That was painful to hear at the time and the echo of those words still resounds today. I believe that every challenge brings opportunity, so I turned this piece of 'advice' on its head, persevered and because of this I've learnt to adapt and enjoy being extremely comfortable with anyone, regardless of their origins.

‘ Reach out to your black employees directly – provide them with mentors (inside or outside the organisation) to aid their progression and retention ’

It also pains me to say that after a nearly 20-year career in the IR industry, I can count on one hand the number of senior IROs that I have met that come from a BAME background, with the colour of my skin. Similarly, despite attending several thousand (rough estimate) meetings with financial institutions across the globe, I have only met a handful of senior black investors and analysts. Fortunately there are 'a few more' promising talented younger people entering the IR industry, but a lot more needs to be done to let their talent shine. Initiatives around mentoring, coaching, networking and counselling are key in my view.

The uncomfortable truth is that while many companies have made some progress in addressing diversity in both the boardroom and wider workforce, for example with increased focus on gender equality, real and effective progress on racial equality has been woeful and is long overdue.

As human beings we create a narrative or set of assumptions about an individual we are planning to meet for the first time. For example, if you were going to meet an architect, I'm sure you would build a story in your mind about what 'he' looked like. In this context, as a person of colour, I am aware that I am unique in the world of IR. Therefore, I am not what most people expect to see, so I have to work extra hard at building that initial rapport or

connection. Fortunately, I'm very good at it and I enjoy overcoming 'assumptions'.

What more could be done to help people of BAME origins in their careers?

There are many talented BAME individuals in the workplace or trying to find work. It's time for companies to focus on diversity efforts to ensure all underrepresented groups have the opportunity for success.

Against the background of the Black Lives Matter campaign there are some companies that are beginning the journey towards real actions that can make a difference for people of colour. Google for example, has committed to a goal to improve leadership representation of underrepresented groups by 30% by 2025. Career progression in many companies is driven by successfully adapting from 'what you do' to 'how you do it'.

In this context, individuals trying to climb the career ladder require greater help with soft leadership skills, but how do you gain those skills without the influence and support of those like you? Many of my female colleagues over the years have sought female mentors for this reason. My simple message to companies is reach out to your black employees directly – provide them with mentors (inside or outside the organisation) to aid their progression and retention. Listen to your black colleagues; hear their stories and they will show you how to help them.

Where does the future lie for IR?

First, I'd say that I remain positive and excited about the role of IR in the future. I believe the function will continue to professionalise with even greater emphasis on formal related qualifications. Key organisations like the IR Society will continue to play an important role to ensure IR maintains its status by providing critical platforms for networking, learning and development for all interested groups.

I believe that companies will increase their efforts to be good corporate citizens and therefore the careful alignment of IR, sustainability, media and other communication functions will need to increase. IROs will therefore need to gather a wider skillset to be better corporate communicators, in turn enabling effective dialogue with a wider group of stakeholders, such as ESG investors, financial journalists, government departments and NGOs. ■