BROOME YASAR PARTNERSHIP

Global Executive Recruitment in Investor Relations and Corporate Affairs

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Investor relations is changing and this is bringing new possibilities for career progression that were out of the question only a generation ago. Until recently it was rare for an investor relations head to have a seat on a corporate executive committee. Now many have successfully made the transition into business leadership roles with some former high profile IROs having made the ultimate move to chief executive. Many others have transitioned into other senior roles including heads of strategy, company secretariat, corporate development, corporate affairs, chief of staff as well as non-executive directorships.

Entrants have come from differing and more sophisticated backgrounds and those arriving from outside the equity capital markets have strengthened their position by acquiring qualifications such as the IR Society’s Certificate in Investor Relations (CIR), CFAs and MBAs. This diverse, confident and experienced range of new IROs is needed for several reasons. CEOs and CFOs are under more pressure in the climate of market uncertainty with many realising that their careers are dependent on how they communicate with their financial stakeholders. Regulation and shareholder activism are taking up more of their time and research analysts and fund managers are far more demanding and more discerning about which companies they invest in. CFOs don’t have the time to speak with all stakeholders. Consequently, they need people who are comfortable facing investors and acting as their proxy professionals who can answer detailed and analytical questions without needing to pass them on to higher-ranking company officers.

This has resulted in a stronger IRO; a more adaptable, ambitious and respected member of the team, rewarded by a significant increase in base salaries, bonuses and other remuneration options. Investor relations budgets, team sizes and their degree of external support have all grown. So, it’s no surprise that IROs are now moving into ever more senior roles.

At Broome Yasar Partnership, we have long predicted these trends. As the leading specialist executive search firm in investor relations and corporate affairs, we regularly advise and counsel IR leaders seeking career advancement. However, we are also well-positioned to see the challenges. Our latest research, conducted among 150 senior investor relations directors, shows that more than a third are keen to transition into a senior leadership role outside of IR over the next 10 years – a significant proportion which we believe now reflects the seniority and ambition of today’s IRO.

There will always be strong demand for those who are passionate about the profession and its future and wish to remain as career IROs. But what needs to happen for investor relations to take another major leap forward over the next decade?

This report, in association with the UK IR Society, provides role models for future career journeys by profiling 13 former investor relations professionals who have used their experience in IR as a vital stepping stone on the way to the C-Suite.

By raising the profile of investor relations as a potential source of senior and valued company executives, we hope and expect this route will become even more well-trodden in the future.
TONY QUINLAN
CHIEF EXECUTIVE - LAIRD

TONY QUINLAN USED A FOUR-YEAR SPELL IN INVESTOR RELATIONS TO SET HIS CAREER TRAJECTORY FOR THE GOAL OF BECOMING CHIEF EXECUTIVE OF A PUBLICLY-LISTED COMPANY. HIS SUCCESS IN NAVIGATING THE ROUTE SHOULD SERVE AS A BEACON TO DIRECT OTHER AMBITIOUS IR PROFESSIONALS.

After a brief period as a research chemist and qualifying with a BSc (Hons) in the subject, Quinlan had undertaken chartered accountancy training to give him the traditional finance tools needed to begin a journey in finance. On joining Marks & Spencer, he initially stayed on this path, taking a role in operations review and progressing from there to corporate finance and strategy roles. Eight years down the line, the department store chain was going through a turbulent time with a succession crisis in the boardroom, following the retirement of longstanding chief executive Sir Richard Greenbury and his unsuccessful replacement by insider Peter Salsbury.

The retailer's response was to ask Quinlan to set up its first ever investor relations function in an attempt to keep investors onside. This was pivotal in equipping him with the external perspective that positions the investor relations function in an attempt to keep investors onside. The retailer's response was to ask Quinlan to set up its first ever investor relations function in an attempt to keep investors onside.

Moving on after seven years, he took a similar role at electronics and power generation company Drax Group, Britain's largest single-site power generator. In his current chief executive role, he remains a firm believer that a spell in a senior position in investor relations which helps an aspiring executive to genuinely understand how the external world views the organisation is massively important. That changes one's perspective, making executives outward, rather than internally-focused. It also honed individuals critical decision-making skills and is a training ground for sharp analytical minds. “If you’ve never done an external-facing job, the danger is that you become too accepting of the corporate norms,” Quinlan states. “But when your job has been to explain your company to the outside world and also to get feedback on what perhaps needs changing, that challenge is a great preparation for senior executive positions.”

Tony Quinlan used a four-year spell in investor relations to set his career trajectory for the goal of becoming chief executive of a publicly-listed company. His success in navigating the route should serve as a beacon to direct other ambitious IR professionals.

The other route, he says, is to become a “professional IR person” who spends periods in the role at a number of companies, bringing expertise about the role and learning quickly about the specific businesses. “I feel that the route I took is probably the easier one,” he says, “because to really understand a complex organisation and sector takes quite a lot of time.

“Investor relations, although it does have its complexities, is actually a simpler thing to learn.

“If I had known investor relations like the back of my hand but had to learn about M&S and the retail sector, I think it would have been a slightly more complex thing to do. But both models are completely workable.”

After his four years in IR at M&S, Quinlan became finance director of M&S’s general merchandise and then on to director of finance, reporting to the group finance director, whose role included retail and the company’s international supply chain and IT operations. He then got the boardroom post that he desired as group finance director of Drax Group, Britain's largest single-site power generator.

Quinlan believes strongly that people with ambitious IR career histories should spend a few years in the function. A spell in a senior position in investor relations which helps an aspiring executive to genuinely understand how the external world views the organisation is massively important. That changes one’s perspective, making executives outward, rather than internally-focused. It also honed individuals critical decision-making skills and is a training ground for sharp analytical minds. "If you've never done an external-facing job, the danger is that you become too accepting of the corporate norms," Quinlan states. "But when your job has been to explain your company to the outside world and also to get feedback on what perhaps needs changing, that challenge is a great preparation for senior executive positions."
“In investor relations, there’s a disproportionate amount of time exposed to senior management and external shareholders and that won’t necessarily be the case if you move to become a divisional finance director.”

Griffith also believes that investor relations professionals moving on from their roles to other financial and general line management posts have to be ready to accept that they will not continue to enjoy the close and privileged access to senior management that IR affords. “In investor relations, there’s a disproportionate amount of time exposed to senior management and external shareholders and that won’t necessarily be the case if you move to become a divisional finance director,” he says.

The path will also vary hugely, he warns, depending on individual characteristics and on the energy, passion and commitment that people devote to their time in IR. “A lot of it depends upon what you put in,” he says. “It’s a great role. I think it’s a very exciting role that tends to be external-facing and often quite reactive to events. Clearly you are at the apex of a lot of the big changes that flow through a company to the capital markets and also flow in the opposite direction.”

The context is important. I think investor relations is a really useful string to your bow but it is not going to be your only string. As a finance director you will need a skill set that audit committee chairs and chief executives are going to look for. Investor relations can provide some of that but it’s not going to obviate the need for a good basic set of financial skills in the round.

“It’s a truism but I think that people look for a portfolio of skills. Business today is so multi-faceted, so fast-moving and often so international that any one skill set even though it is a good skill set and an important one for the role, is not going to be enough on its own.”
NICK VON SCHIRNDING
CHAIRMAN - FODERE

This gave him a deep understanding of how to communicate effectively and engage with a range of stakeholders, helping him keep control of the situation and it is a skill that he feels is now a vital part of every CEO’s job description.

“I think that nowadays the ability to communicate well is vital for a CEO,” he says. “There must be a cohesive message for all stakeholders – internal and external – which ultimately links through to the common strategy of the group.

“It’s not just what you communicate, the way people communicate has become more sophisticated over the past few years. Thanks to technology, stakeholders read much more broadly about what is going on and have a better understanding of each company. That puts pressure on CEOs. As a company leader, you need to be able to anticipate that and to respond in the right way.”

At Asia Resource Minerals, he began as head of investor relations before being elevated to chief executive in 2012 at the height of the company’s crisis, which led to his job being referred to as the most difficult role in the mining industry. He left the London-listed group towards the end of 2014. Having overseen a substantial overhaul he then moved to become chief executive of Carajas Copper Company, a Brazilian mining business and also a director at Garrison Capital, which has successfully founded and listed 22 resource companies.

Von Schirnding’s calm disposition helped him cope in the spotlight but he says he also received invaluable support from his board of non-executive directors, which included heavyweights such as Sir Julian Horn-Smith, Sir Graham Hearne and Lord Renwick of Clifton.

“I found that senior people acted as a great counsel,” he recalls. “It can be lonely at the top, but I could expose my inner concerns to certain members of the board and have a constructive and supportive discussion.”

It is this willingness to learn from others that von Schirnding believes is vital for investor relations professionals who aspire to move into the C-suite. He is passionate in believing that the role of IR isn’t just about “being a mouthpiece” but requires in-depth knowledge of an organisation. Indeed, this was something he spent a lot of time on prior to joining Anglo American when it floated in 1999.

“‘You need to understand the business,’ he explains. “‘You need to know what the key drivers are in your business, its facts and financials, the capital structure and the elements that make it up. People will give you a certain timeframe to work out if you know what you are talking about. If you pass, it is an empowered role. If not, you won’t get a second chance.’

Von Schirnding also believes that investor, public and media relations, reputation management and corporate affairs can all be a great stepping stone to learn about a business, thanks to their “birds eye view” of everything that goes on in an organisation. “In these roles you see everything that is going on,” he states. “From that perspective, it provides a great opportunity to immerse yourself in the business. Don’t stay on the periphery. Roll up your sleeves.”

When he joined Anglo American, he actively asked to be involved with other operating committees to gain a better understanding of the business. “I said I’m here to learn, not to interfere,” he says. He believes Anglo America’s culture helped him to work towards his goals and that the company’s supporting management team was invaluable.

Von Schirnding was part of an initial small and close-knit group of people at Anglo American, and he worked closely with the management team of six. He says this gave him a taste for what it takes to run a large organisation, to understand the challenges of being a newcomer to the market and to appreciate the roles and responsibilities of the senior management.

Encouragingly, he sees an increasing trend of people moving from IR functions into general management. “The roles are increasingly seen as stepping stones,” he states. “The importance of understanding the role that IR plays in the overall structure of a business is growing. Let’s not forget IR issues are serious when you get them wrong.

‘In my various roles I’ve always said to managers if you don’t understand the strategy, rest assured no-one else will either. What you understand, you value. That is key. I have held on for this years. We need to understand what we are trying to say and project it in a cohesive way.”

Von Schirnding’s career is comparatively unusual in that he has moved in and out of a key communications role with ease. However, he feels that this experience equips him well to cope with the rigours of being a CEO and that his future lies in management roles.

“I’ve moved from one CEO role to another,” he says. “But I will always value my background in investor relations and corporate affairs. They are vital skills to include in today’s boardroom.”

“I will always value my background in investor relations and corporate affairs. They are vital skills to include in today’s boardroom.”

“willingness to learn from others and an in-depth knowledge of an organisation are vital for investor relations professionals who aspire to move into the C-Suite.”
AMANDA MELLOR

GROUP SECRETARY AND HEAD OF CORPORATE GOVERNANCE - MARKS & SPENCER

AMANDA MELLOR’S EXPERIENCE IN INVESTOR RELATIONS INCLUDED DEFENDING MARKS & SPENCER FROM SIR PHILIP GREEN’S TAKEOVER AMBITIONS.

Now she sits at the main board of the company, playing an active role as company secretary, head of its corporate governance agenda and the leader of a 60-strong team that encompasses company secretariat, legal, internal audit, pensions, insurance and the corporate archive.

Here’s a highly varied career starting off by working in investment banking for ten years, much of it based in France, specialising in retail strategy and mergers and acquisitions. That acquainted her closely with the retail sector but on her return to the UK from France she was keen to do something different and took an unexpected turn when a connection put her in touch with The Burton Group, which was looking for a director of corporate relations and investor relations.

“I think in IR there is only so much time that you can carry on doing the same things at one organisation. You either either need to move to another role in the same company or to another IR role. You have to decide whether you are going to be a career IR professional or whether there’s something else that you want to do with the amazing breadth of skills you have.”

Mellor’s claims to have been “deeply unstructured” in her career progression and advises current IR professionals to take more “ownership” of their career plans earlier on and remaining open-minded and flexible as to how they might apply their skills into other roles. “To be good in IR you need strong commercial and financial acumen, great communications and interpersonal skills, and an ability to handle ambiguity to see the multiple shades of grey in any given situation. The organisation. You need to be adept at managing your business relationships and navigating your way to get what you need to answer the myriad of questions you will be asked about the company – I always say it is like being on Mastermind 24/7! You need to be a bit like a chess player and think several steps ahead to anticipate where any question or situation is going and how you can best support the people you are dealing with. You need to be calm and organised, know your numbers and facts, a self-starter to get the information you need and happy working in a small team.

“Many of these skills and attributes are essential for a good company secretary. Yes, there is a strong technical requirement to the role, but a large part of my job is supporting the Board and the business, thinking strategically about the long-term impact of the decisions being taken, ensuring the Board has the information to support these, and offering technical and pragmatic advice. Like IR, you need to be good at managing ambiguity, many of the issues I deal with do not have clear-cut answers and require a range of considerations in order to reach a workable solution. I still meet with investors but these days it is to discuss remuneration, succession or governance matters. It is truly a fascinating role and one that challenges me and the team constantly.”

Mellor remains a huge fan of the value of investor relations. “It’s a very exciting role, and I sometimes miss that” she says. “You are constantly interacting with clever, challenging people who will ask varied and complex questions about your organisation and you always have to be one step ahead of them. It’s a very intense, fast environment and a full-on experience. You pretty much know everything that is going on in a company and you are interacting with the CEO and CFO and senior management all the time. I think being well informed and close to the epicentre is what makes it hard to move on to something else.

“I do think that you can’t do the IR role for very long in the same organisation. You either need to move to another role in the same company or to another IR role. You have to decide whether you are going to be a career IR professional or whether there’s something else that you want to do with the amazing breadth of skills you have.”

CAREER HISTORY

GROUP SECRETARY AND HEAD OF CORPORATE GOVERNANCE
MARKS & SPENCER 2009 - PRESENT
HEAD OF INVESTOR RELATIONS
MARKS & SPENCER 2004 - 2009
INVESTOR RELATIONS AND CORPORATE COMMUNICATIONS ADVISER
HOLLOWAY & ASSOCIATES
HEAD OF INVESTOR RELATIONS
INFONET SERVICE CORPORATION

AMANDA MELLOR

HEAD OF INVESTOR RELATIONS
MARKS & SPENCER 2009 - PRESENT
HEAD OF CORPORATE GOVERNANCE
MARKS & SPENCER 2004 - 2009
INVESTOR RELATIONS AND CORPORATE COMMUNICATIONS ADVISER
HOLLOWAY & ASSOCIATES
HEAD OF INVESTOR RELATIONS
INFONET SERVICE CORPORATION

Broome Yasar Partnership

TRUSTED PARTNERSHIP IN ACTION

FROM INVESTOR RELATIONS TO BUSINESS LEADER

JAMES CAPEL

DIRECTOR, CORPORATE RELATIONS AND INVESTOR RELATIONS
THE BURTON GROUP AND ARCADIA GROUP
INVESTMENT BANKING
ROBERT FLEMING
DIRECTOR, CORPORATE FINANCE TEAM
JAMES CAPEL
INVESTMENT MANAGEMENT
JAMES CAPEL

INVESTMENT MANAGEMENT
JAMES CAPEL

INVESTMENT MANAGEMENT
JAMES CAPEL

INVESTMENT MANAGEMENT
JAMES CAPEL
Realisation that I wanted to go and do things that would get me back to conscious recognition that you're moving from a position where you are the CFO or CEO saying those things. But ultimately in IR you end up being the number two in different businesses.

I found that investor relations was quite a fulfilling thing to do in itself, and different businesses. The people who can help in those situations are people who are trusted and very valuable. Also, if you've done the IR job well, you have a sense of what the shareholders want and that's a valuable commodity that you can leverage into a more strategic role. IR is definitely a good springboard into those bigger strategic roles.

While he did not have a specific mentor at any of his employers, Hotson says he tried to observe how the CEO or CFO at each company operated and to take good practice learnings from that, as well as ponder how he could do better if he was given the chance at the role.

“I think you have that opportunity partly because you have a chance to build relationships with senior people in the firm and therefore they trust you if you put up your hand and say you can help when crisis strikes,” he says.

“You see all sorts of things that probably very few other people see when you’re in the IR seat.”

“If you don’t invest the time to understand the business you’re operating in, I think you’re a less valuable professional but also you’re missing a big opportunity to position yourself for bigger roles.”

“I think I’ve picked up something from all the executive teams I’ve worked with and that’s made me the CFO I am today,” he says. As for advice for people currently working in IR roles who want to progress further, Hotson believes it is important to balance the external and internal-facing sides of the job.

“I think you have to be prepared to spend an equal amount of time in the outward-facing world talking to analysts and investors as you do in the internal world of understanding the business,” he says. “But I think you are also in the luxurious position to be able to not just be the mouth of the company in terms of talking to shareholders and telling them what’s going on but also be the ears of the organisation, listening to the feedback, taking the time to feed it through to the board and CFO and also the wider management team so that they have awareness of shareholder feeling and some context for their roles.

“It’s an incredibly valuable thing for you to do for those people and it also means that you get a chance to build a network internally which is what leads ultimately to your next job. Heads of IR who sit in a corner of a head office and spend all their time on the phone to the outside world rarely get offered major jobs internally because nobody knows who they are.”

“If you don’t invest the time to understand the business you’re operating in, I think you’re a less valuable professional but also you’re missing a big opportunity to position yourself for bigger roles.”
SALLY JONES Began in Business on the Other Side of the Fence to Investor Relations as a Food Analyst Writing Reports and Tipping Stocks for Institutional Clients. After 12 Years at Two Different Firms, She Moved Over to the Corporate Sector, Joining Cadbury to Head Its Investor Relations Team. “I had been looking to leave the City for a while and it was entirely serendipitous,” she says. “I knew Cadbury well because I followed the company as an analyst and it had a very well-oiled IR machine.”

Jones spent ten years at the confectionery group, adding head of corporate communications to her IR role for a spell and also acting as head of finance for global sales and marketing. “There were lots of things going on in the group at the time and IR was always at the heart of everything,” she says. “I was involved in strategy and took part in discussions and we did some really interesting deals including the acquisition of Adams in the US, a major refinancing and attempted disposal of our beverages businesses to Coca-Cola which culminated in a demerger in 2008.

“It was an incredible time because of the impact of these moves on the businesses.” The IR task was made all the more critical by the fact that the company was being targeted by US activist investor Nelson Peltz for a year before the demerger. Dealing with such a public activist investor entailed the development of a new skill set in itself and more excitement was to come as Jones’s next role was a six-month stint as strategic communications adviser at Lloyds Banking Group in 2009, just after the onset of the global financial crisis.

The challenge was to communicate the bank’s £20bn recapitalisation, working alongside its investor relations department and the organisation overseeing the Government’s financial investments. After a brief stint with Unilever, Jones returned to investor relations at British Land. "I was only supposed to be here for a short period of time and I didn’t know much about property.” Now in her seventh year at the group, she has progressed to be head of strategy and investments and believes that her background in IR provided a perfect training ground for the role she now has.

“Investor relations puts you at the heart of everything,” she says. “I always say to people that it really does depend on the type of CEO and CFO you have got as to whether IR is really viewed as essential. If they are not serious about it then I don’t think it is a very interesting role. But if they see its role as very strategic and view its relationship with the City as very important, you then have to be allowed into all areas of the business as otherwise you cannot do your job.

“Investor relations puts you at the heart of everything”

That makes it a lot more interesting and secondly, if you are able to be that person that can bring in the outside voice to a company then you can really make a difference. “You have to be able to put your external hat on and tell people inside your company how people outside it actually think.”

Jones sees her current role as a natural extension from her time in IR and believes the skills she learned there are being applied at a different level now. “After a while in IR I was agitating to do something else,” she says. “In property there’s always the next big deal but I did find it quite difficult to plan a route. It didn’t happen immediately.”

Jones sits on British Land’s executive committee and believes investor relations has an increasing role to play in corporate strategy. She also advises IR professionals who are ambitious to move to general management roles to plan their careers carefully. “I never had a great plan,” she says, “but I do think that you’ve got to take charge of your career and have a plan. It’s too easy when you’re in IR just to settle in because you’re not naturally moved about. If you’re in finance, every two years you’ll be moved on to do something else. “There’s often a nice career path there. But in IR, even if you climb up through the finance function, there’s no career path so I think you’ve got to take much more active charge of your career.”

She advises IR professionals to make a specific effort early in their careers to gain a breadth of different business experiences, including charitable work at a senior level. “The problem is that the longer you stay in IR, the narrower you can become,” she says, “I think you need to work hard at finding your route. “But there’s no reason why a good IR person cannot progress to the top of business because they’re strategic, numerate and have the energy to do all the things that you need to do. You just need somebody to give you a break.”

CAREER HISTORY

HEAD OF STRATEGY AND INVESTMENTS  
BRITISH LAND  
2016 - PRESENT
HEAD OF STRATEGY AND INVESTOR RELATIONS  
BRITISH LAND  
2015 - 2016
HEAD OF INVESTOR RELATIONS  
BRITISH LAND  
2010-2015

STRATEGIC COMMUNICATIONS ADVISER  
LLOYDS BANKING GROUP  
2009
DIRECTOR OF INVESTOR RELATIONS AND  
DIRECTOR OF CORPORATE COMMUNICATIONS  
CADBURY  
1998 - 2008
INVESTMENT ANALYST  
CREDIT LYONNAIS LANDING  
1994 - 1998
INVESTMENT ANALYST  
PANMURE GORDON  
1986 - 1994

"you’ve got to take charge of your career and have a plan. It’s too easy when you’re in IR just to settle in because you’re not naturally moved about."

FROM INVESTOR RELATIONS TO BUSINESS LEADER  
TRUSTED PARTNERSHIP IN ACTION
ANDREW SMITH

Chief Financial Officer - Playtech

ANDREW SMITH CHOSE A DELIBERATE CAREER ROUTE OF STARTING OFF IN INVESTOR RELATIONS AFTER DECIDING TO SWITCH FROM HIS ORIGINAL DISCIPLINES OF LAW AND CORPORATE BROKING AND BELIEVES IT PROVIDES A PERFECT GROUNDING IN THE SKILLS NEEDED TO BE A CHIEF FINANCIAL OFFICER, “I HAD THOUGHT FOR A LONG TIME ABOUT GOING INTO INVESTOR RELATIONS AS A ROUTE INTO A COMPANY,” HE SAYS. “WITH MY CITY BACKGROUND, IT WAS A VERY, VERY GOOD ROUTE TO GET INTO A COMPANY.”

His career change came after leaving Deutsche Bank, having progressed through roles as a solicitor and corporate broker. He joined software group Temenos and after three years there as head of investor relations and strategic projects moved to become head of IR at gaming software and services provider Playtech. “I think IR is very much company-specific in terms of the role,” he says. “It can be an amazing job if you are inside the tent. You have to be incredibly close to the chief executive, chief financial officer and ideally also the chairman and really have your finger on the pulse of the business and be a valued person within that business.

“If the role itself and you as an individual are not valued, it’s a very bad job because you’re then on the outside and it just doesn’t work. You’re permanently exposed as a person; that’s IR at its worst.”

Smith says he was attracted to Temenos as he thought it was the sort of company where he could really make a difference. “It was a very entrepreneurial company where you could get your hands dirty,” he recalls, “and when I was approached by Playtech, which had been one of my clients at Deutsche Bank, I knew the gaming and leisure sectors and thought that it would be the same there. I definitely would not have joined a company where I thought investor relations was not valued.

“I would not say that I had mapped out my career path to becoming chief financial officer but I certainly knew that once I had got in there I would be able to add value, given that I knew the company very well and had a background in the sector. I knew that I would be able to add value right from the start and it just progressed from there.

“The access that you get in investor relations to the senior management team is unbelievable. You can also turn up to any overseas office and be seen as an important person in the business. Any C-suite executive, by their very nature, is interested in the share price so when you’re in IR and you have direct access to investors, you want to know what you have to say. It’s not so much that you have that access as the fact that you can use it to add value instantly.”

Smith chose to take on the entire IR function at Temenos and Playtech himself. “I could have had people working under me,” he says, “but actually I don’t really believe in big IR teams. Of course, very large companies have to have them but I think a company of a size to be in the FTSE 250 index or at the bottom end of the FTSE 100, should ideally only have one person in IR.

“At the times that you are really, really busy in the job, I would not want to delegate anything. And particularly around results, I think it is important that you drive it yourself rather than palm it off onto somebody else. And then in the quieter times, you probably don’t need anyone else anyway.

“Some companies have one IR person to speak to analysts and others to do other things. But ultimately unless you can see the complete picture and bring it all together, I’m not sure how you can do your job effectively. So I am normally very suspicious of any investor relations team that has got more than one or two people in it.”

“The very best investor relations people speak as if they are the chief executive. They give people confidence. I would recommend IR without a doubt to anyone looking for experience of quoted company life with a view to progressing to the C-suite.”

Smith, whose wife is head of investor relations at housebuilder Barratt Developments, also believes that there is an increasing recognition among C-suite executives of the strategic importance of an effective investor relations function. He sees the role as distinct and separate from that of corporate communications and believes it is best filled by people from financial and City backgrounds, as opposed to pure communications backgrounds. “The role has been professionalised,” he says, “There used to be more IR M&As but I think the profession has been improved by lots of former investment bankers and people from other roles in the City going into IR. The overall quality of people in IR has definitely improved. I am not a fan of people without any City experience going into IR. It’s not so much the numbers as about understanding how the culture of the City of London really works. Talking to analysts and shareholders requires a particular skill set. You have to understand how they think and if you have never seen it at first hand I struggle to think that it can be learned over time.”
"Your career is really about what you do. Are you a problem-solver? If something unusual is given to you, can you tackle it, learn about it, analyse it and manage it? And do you do that in a way that means that a senior person has it taken off their desk and sorted out?"
STEVE TROWBRIDGE
CHIEF FINANCIAL OFFICER - EVANS CYCLES

STEVE TROWBRIDGE CHOSE INVESTOR RELATIONS AS A TRANSITIONAL POST TO FORM A BRIDGE BETWEEN THE CITY AND A RETURN TO ROLES IN COMMERCIAL BUSINESS.

That’s exactly how things turned out for the chief financial officer of privately-owned retail chain Evans Cycles and, although he spent less than two years in the IR function at news organisation Reuters, Trowbridge sees it as a key link between the various parts of his career. “Even though I am in a private-equity backed role today, a lot of the things I learned and developed in the IR role around stakeholder management are still highly relevant,” he says. “Back then, it was about dealing with public shareholders; today I am dealing with private equity shareholders, but you go through the same way of thinking it through and scoping it out. ‘Investor relations is not necessarily a direct route to a private equity-backed role but there are lots of common elements. IR gives you very high level access to management in an organisation at a very early point in your career. You do spend a greater proportion of your time with senior management than you otherwise would and you are exposed to issues that they are debating, discussing and worrying about.”

Trowbridge believes investor relations can be a valuable training ground for life in the C-Suite, providing professionals with a high level of exposure to senior management and a breadth of understanding of how their businesses operate at an early stage in their careers. He believes a spell in IR accelerates peoples’ understanding and learning and gives them a chance to grapple with issues they may not otherwise come into contact with until reaching a more senior level. “It also gives you a very early experience of how to frame your story and your message: what you do say and also what you don’t,” he says. “It helps with structuring and delivering presentations and it’s very good at helping you get clarity of thought. It forces you to consider how other people will see and interpret what you are saying. That’s a great skill to have inside any business.”

When coaching young professionals now, Trowbridge uses the way his career developed to help them plan their own. He recalls that, although he always had the ambition of ending up in a C-suite role, he never mapped out the route in detail and says he has still not decided whether he wants to stay as a finance director or one day move to become a chief executive. “At present, he is highly fulfilled in the CFO role. “I have had opportunities that have come my way that at each step have helped me on with the journey towards whatever that eventual goal might be,” he discloses. “And at each stage, I have either been acquiring some new skills or consolidating what I have and building some more. But I never sat down and consciously planned the next step and thought about what skill might be needed for it. Things just came across my desk at the point where I felt it was a good time to move.” Trowbridge also advises IR professionals with ambitions of entering senior management to ensure that they do not get stuck in one function in the early parts of their careers. In particular, he warns that people who aspire to have positions in the C-Suite need to take care that they do not spend too long in IR. “If your next role will not typically replicate the exposure, high level involvement and travel that you get in IR,” he says. “So if you have been used to that for a long period of time, it can be harder to step away from it. I would encourage someone who is using IR as a stepping stone or is still at a stage in their career when they think they might step away from it to think carefully about what to do once you have gone through a couple of annual reporting cycles.”

Working out how long to stay in such a role is key, Trowbridge believes, since the centrality and power of IR means that it can be much harder to step away after five to seven years than after just two. “It does depend on where in your career your spell in IR comes,” he adds. “But if it is early on, think carefully about how long you spend there because there are other skills you need to acquire. If you aspire to being a CEO, CFO or COO down the track, I think you have to be very careful to identify how long you do the IR role for.”

“Investor relations can be a valuable training ground for life in the C-Suite, providing professionals with a high level of exposure to senior management and a breadth of understanding of how their businesses operate at an early stage in their careers.”

CAREER HISTORY

CHIEF FINANCIAL OFFICER - EVANS CYCLES 2016 - PRESENT
CHIEF FINANCIAL OFFICER - HSS HIRE 2014 - 2016
FINANCE DIRECTOR - HSS HIRE SERVICE GROUP 2011 - 2014
GROUP FINANCIAL CONTROLLER - HSS HIRE SERVICE GROUP 2008 - 2011
ACTING FINANCE DIRECTOR - HSS HIRE SERVICE GROUP 2008 - 2009
SENIOR HEAD OF FINANCE - THOMPSON REUTERS 2006 - 2008

HEAD OF US INVESTOR RELATIONS - THOMPSON REUTERS 2004 - 2006
SENIOR EQUITY ANALYST - SG SECURITIES 2000 - 2004
EQUITY ANALYST - TEATHER & GREENWOOD 1999 - 2000
MANAGER, FINANCIAL PLANNING AND ANALYSIS - CABLE & WIRELESS 1998 - 1999
AUDIT TRAINEE TO SENIOR ACCOUNTANT - ERMST & YOUNG 1994 - 1998

“IF YOU ASPIRE TO BEING A CEO, CFO OR COO DOWN THE TRACK, I THINK YOU HAVE TO BE VERY CAREFUL TO IDENTIFY HOW LONG YOU DO THE IR ROLE FOR.”
CLAIRE JENKINS
NON-EXECUTIVE DIRECTOR

CLAIRE JENKINS HAS MADE THE UNUSUAL TRANSITION FROM INVESTOR RELATIONS TO A SERIAL NON-EXECUTIVE DIRECTOR AND BELIEVES IT IS A CREDIBLE AND HIGHLY VIVABLE CAREER ROUTE FOR AMBITIOUS INVESTOR RELATIONS PROFESSIONALS.

By its very nature, however, a NED role requires flexibility, versatility and an ability not to be constrained by narrow boundaries. Jenkins is therefore a strong advocate of gaining as wide an experience as possible in a career and believes it is never too early to begin that journey. And she is no stranger to standing up for what she believes and asking for what she wants.

A non-executive director at the Media for Development organisation and until recently also at sports retailer Sports Direct International, Jenkins’ portfolio has long included being a trustee at Amicus, the UK-based charity that helps provide legal representation to people on death row in the US. However, she began her career in the City as a stockbroker, joining Laing and Cruikshank straight from the University of St Andrews as one of only two female professionals at the firm.

Jenkins views investor relations and corporate affairs as perfect springboards to other executive and non-executive roles as part of an excellent strategy for ambitious professionals to reach the top.

Her corporate breaking experience provided an obvious platform to move into IR, initially as a consultant. Then, after seven years advising other corporates, she was given an opportunity to join UK tobacco company Gallaher Group, which was being spun off from American Brands. “I was lucky to set off in-house IR ahead of an IPO,” she recalls. “Straightaway I said I wanted to get more involved, for example in AGMs. Most IR professionals didn’t at the time.” Jenkins’ job developed into that of Gallaher’s director of IR and group planning and she believes Gallaher’s culture of allowing professionals to move across the company’s different disciplines was a key contributor to her career development. “You need to stick up your hand and force yourself into new opportunities,” she advises. “I grabbed everything with both hands. But I was kicking against an open door!”

Jenkins joined the transaction team as well as becoming involved in broader corporate communications messaging. She also ended up running strategic away-days for Gallaher’s board, coming up with the idea to ask managers to give presentations as though they were chief executives of the company’s competitors explaining how they were going to beat its rival. “For any cross-functional project I’d volunteer my time,” she recalls. At Gallaher, she would go through brokers’ notes on the group’s competitors and drop the relevant managers a one-liner highlighting their thoughts. “Investor relations and corporate communications is unfortunately a classic non-revenue generating function that 95% of commercial people think is a waste of space,” she says. “But if you can develop good relationships throughout the business and help people do their job, it’s a win-win.”

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At Rexam, Jenkins found herself in a similar position as the firm reshaped corporate affairs. “I realised I needed a head of all communications’ type role,” she says. “Rexam reshaped corporate affairs under Jenkins, removing investor relations from the role but adding the rapidly developing area of corporate sustainability. “I could demonstrate that I wasn’t just a one-trick pony and could get involved with a new area,” she says. “You have to deliver. You have to be prepared to make yourself visible. But it’s also important that you have faith that you can learn from everything you do, including your mistakes. No one gets to the top without making mistakes.”

Sports Direct was Jenkins’ first NED role, joining Mike Ashley’s retailer in 2011. “I moved into plural roles sooner than I expected,” she admits. “Getting your first NED role is the hardest. Almost everyone wants someone with previous board experience. It’s doubly hard now because the pool of executive directors has shrunk so much. There is a very different dynamic between the executive committee and the board. Board level discussions think bigger picture. That’s what you need to move into a CEO or executive role – the vision to think about the company as a whole and what is best for it.”

Jenkins views investor relations and corporate affairs as perfect springboards to other executive and non-executive roles as part of an excellent strategy for ambitious professionals to reach the top. However, she warns: “You won’t move from head of any function to CEO straightaway. You need a true understanding of the issues of a board faces, such as financing and balance sheet requirements, and the nuts and bolts of what is involved.”

It is not a conventional career path or one that is clearly signposted. Jenkins advises those wishing to follow it to focus on demonstrating a sound understanding of business as well as the ability and eagerness to participate in cross-functional and strategic teams. “A positive attitude in this regard can enable professionals to win the trust and support of colleagues and seniors. But it also requires individuals to be assertive self-starters. “Whatever the job description is, tear it up. ‘Make it your own,’” Jenkins advises. Nobody can accuse her of not having done that in her own career.

CAREER HISTORY

NON-EXECUTIVE DIRECTOR
2011 - PRESENT
TRUSTEE
AMICUS 1993 - PRESENT
GROUP DIRECTOR OF CORPORATE AFFAIRS
REXAM 2010 - 2012
DIRECTOR, INVESTOR RELATIONS AND GROUP PLANNING
GALLAHER GROUP 1997 - 2007
CONSULTANT IN INVESTOR RELATIONS
1992 - 1997
STOCKBROKER
LAING AND CRUIKSHANK 1985 - 1992

“You need to stick up your hand and force yourself into new opportunities. I grabbed everything with both hands. But I was kicking against an open door.”

After ten years at Gallaher, Jenkins joined cans manufacturer Rexam as group director of corporate affairs in 2010, partly attracted by opportunities to get involved with other areas of the business. “Many of the IR roles on offer bored me to tears,” she admits. “I did so much and been so heavily involved on the corporate communications side. I realised I needed a head of all communications’ type role." Rexam reshaped corporate affairs under Jenkins, removing investor relations from the role but adding the rapidly developing area of corporate sustainability. “I could demonstrate that I wasn’t just a one-trick pony and could get involved with a new area,” she says. “You have to deliver. You have to be prepared to make yourself visible. But it’s also important that you have faith that you can learn from everything you do, including your mistakes. No one gets to the top without making mistakes.”

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“Ambitious investor relations individuals need to do their own PR and make themselves useful throughout their organisation.”
Erica Lockhart started her career as a finance graduate, working in strategy for two years before moving into investor relations. Now she is chief of staff to Vittorio Colao, chief executive of Vodafone, where she also heads the mobile telecoms group’s internal communications and events operations.

“I had no idea of where I wanted to get to when I started out,” says Australian Lockhart. “I was offered a job at Qantas and thought it would be fun. I was supposed to become a qualified accountant as part of the company’s graduate programme but I spent six months working in group reporting and I knew I would never want to work as an accountant so I ended up working at the group’s strategy unit. It was an exciting time as Qantas was launching a low-cost airline and dealing with £100-a-barrel oil.”

The move into investor relations came after a strategy team colleague moved to head up the function. “It seemed interesting and a nice mix of skills,” says Lockhart. After a career break to travel the world, she moved to London, arriving in the midst of the financial crisis one week after the collapse of Lehman Brothers. She worked in investor relations in private equity and then at FTSE 250 outsourcing specialist Mitie Group, where she progressed to be head of corporate affairs and then director of executive affairs. “I arrived as an investor relations manager but on day one they said I was going to do public relations as well,” she recalls.

Working closely with Mitie chief executive Baroness Ruby McGregor-Smith, her remit stretched from internal communications to managing the group’s website and handling government affairs, events and branding. For the last two of her seven years at the company she also took on a chief of staff role, spending 90% of her time with the CEO: “It was an incredible learning experience,” she says. “I had already spent a lot of time with her in an IR and communications capacity but expanding that to be involved in basically everything she was doing really rounded out my knowledge on the company as I was seeing the whole picture. I sat on the executive committee and sat in on plc board meetings. I was also in most of Ruby’s meetings. It was quite an ad-hoc role picking up some very different projects. It helped me develop a very distinct skill set because I just had to be able to find solutions to anything. Things were different every day.”

Lockhart left Mitie when McGregor-Smith signalled she was stepping down. She was then approached by Vodafone to take on the chief of staff role to chief executive Vitto Colao and also be head of internal communications and events. Her route to her current position has given her a vantage point to observe the role of IR and the benefits it confers in terms of access to the C-Suite.

In addition, it informs her belief that investor relations is becoming more strategic in nature in the way that companies are directed and run. “The thing I enjoyed the most about IR was that you get a really good perspective of the business from the shareholder’s point of view,” she says. “And as I developed a really good relationship with the CEO and her senior team, I got increasingly involved in a lot of serious and really big discussions about where the group was going. I knew the business inside out and was involved in all the internal discussions about the business strategy and I represented the shareholders’ perspective on what the company was doing. I think when you have the right relationships within a company, IR is an amazing role in its ability to help shape and influence strategy and some of the big long-term decisions.

I think you can become a key adviser to the management team as opposed to someone who simply delivers IR services. The challenge is when it will be formally seen as that. I don’t know the answer. To me, it feels like something that is very personality-dependent. If over time you build a level of trust and have a good rapport with the CEO and CFO, I think it will naturally happen but I don’t know if it would always happen. It will depend on the mix of personalities you have.”

That kind of role can clearly become intense. Lockhart says that by the end of her time at Mitie, she was included in discussions on pretty much every aspect of the company: “I felt consulted on almost everything that went on in the company that the CEO touched or influenced, although that was never in the job description,” she says.

“I would be at meetings with her and with our advisers, talking about major strategic decisions. I was brought in on everything and felt like a very trusted part of the team.”

As for advice to current IR professionals with ambitions to progress further, she believes the most important thing is to invest in forging close relationships with executive committee and board members. “You need to see your central position and access to develop relationships beyond the CEO and CFO,” she says, “because ultimately you will have to take a step down in terms of access if you want to go and do different broader roles in the business.

“If you have the backing of one of the managing directors, that’s the best route to do that.”

Erica Lockhart
Chief of Staff to the CEO - Vodafone

Career History

Chief of Staff to the CEO and Head of Internal Communications and Events
Vodafone - 2016 - Present

Director of Executive Affairs
Mitie Group - 2014 - 2016

Head of Corporate Affairs
Mitie Group - 2013 - 2014

Head of Investor Relations and External Affairs
Mitie Group - 2009 - 2013

Investor Relations and External Communications Manager
MML Capital Partners - 2009 - 2009

Investor Relations Manager
Qantas - 2004 - 2008

From Investor Relations to Business Leader

TRUSTED PARTNERSHIP IN ACTION
Given his strong City background, Snow moved immediately to a career in investment banking and later moving on to an understanding of finance before embarking on a career at Arthur Andersen to gain a solid groundwork in the business. He had a leisure industry experience, helping buy hotels and direct Coral for Hilton plc in London, while also managing their previous owner and, once again, found the IR role as an effective way to get to know the business, redesigning its external reporting, planning and IR strategy and bringing heavy weight insight to the Board.

After Ladbrokes announced its merger with Coral, he was made interim CFO from December 2015 to April 2017, when he left the company. “IR gives you a really good understanding of how businesses work and how finance and reporting works,” he says. “At Vodafone I sat on the group finance committee which helped me build relationships across the entire finance function. It gets you focused on what you need to do and it helps you when you're representing 80,000 people at Vodafone or 25,000 people at Ladbrokes to know what makes a business work.

“Being effective in IR definitely provides you with some of the skills to be a future chief financial officer candidate,” he says. “And most future CFO candidates don’t have those skills. If you come up through the financial controller route, for instance, it’s very rare that you also have the broad strategic, treasury, corporate finance, city and merger and acquisition skills that investor relations experience can bring. But it also depends on what kind of IR professional you are and whether your CEO has you in their inner circle.”

Because of this problem, Snow advises investor relations professionals who see their careers as being in general management to consider taking a sideways step out of IR before getting on the upward trajectory again. “Being effective in IR definitely provides you with some of the skills to be a future chief financial officer candidate,” he says. “And most future CFO candidates don’t have those skills. If you come up through the financial controller route, for instance, it’s very rare that you also have the broad strategic, treasury, corporate finance, City and merger and acquisition skills that investor relations experience can bring. But it also depends on what kind of IR professional you are and whether your CEO has you in their inner circle.”

Such skills give huge potential for IR professionals to become highly valued strategic players within organisations and Snow sees a movement towards that. “I think it is happening in places,” he says. “But the classic UK CFO is still very protective of his or her patch. If you’re a business in total flux, like Ladbrokes was when I joined, it can be incredibly helpful but you have to have a CEO and CFO who are open to listening to the City even when the views were negative. That’s where the IR function works well and something that made the Ladbrokes role particularly enjoyable. Where it doesn’t work is where a CEO is closed to the fact that he or she is failing and doesn’t want to know what anyone thinks and you are usually the bearer of bad news. In that sort of situation, I shouldn’t think that the CEO imagines for one minute that you could step up. And your big challenge is also that if you are really good at IR, he or she may not really want you to move. But where a CEO wants to know what people are saying, why they are saying it and what other businesses are doing, you become a huge source of information and enormous value.”
ANDREW FARMER
FINANCE DIRECTOR - SOUTH EAST WATER

As a corporate broker, Andrew Farmer saw himself as the eyes and ears of clients in the marketplace. He took that approach to the investor relations role after joining IT Group Mysis and believes that the deep involvement that the function provides in the external perceptions of a company makes it a perfect profession in which to prepare for a finance director’s role.

“My ambition was always to be chief financial officer of a significant entity,” he says. “I didn’t know what sector it was going to be in or whether it was going to be publicly-listed or owned by a private equity group but I had my sights firmly set on eventually being a CFO.

“When you make the transition from the City to a corporate job, you think you surely must have all the qualifications to be at least a divisional CFO within a fairly substantial enterprise. “But once you start meeting people, you realise that they’re looking for a slightly different skill set and although investment banking equips you with some great skills for me it was not necessarily perfect for making that immediate transition to being a CFO. So the logical next move in my career was to move into investor relations.”

At Mysis, Farmer became the first ever IR director of a FTSE 250 company undergoing a major upheaval amid investor scrutiny of both its corporate governance and acquisitions history as well as demands for greater transparency. After the Mysis IR role, which also included interim responsibility for corporate communications, Farmer was offered a move into line management but decided to leave for CSR, another FTSE 250 IT company. “It was another IR director role but always on the day one premise that I would move into a divisional finance role and that’s exactly what I did,” he says.

At both Mysis and CSR, Farmer reported directly to the company’s chief financial officer and he advises aspiring IR professionals to seek the same structure: “It means you can go in and prove yourself to that CFO but it’s also important to select an organisation that’s willing to move people around, give people a chance and not be risk-averse,” he says.

“I wouldn’t have gone to an organisation where IR reported into corporate communications. I wanted to get closer to the CFO and I wanted the CFO to appreciate that I had broader skills than just doing IR so that someone would give me an opportunity to do a wider finance role.

“I had made the decision before starting in IR that it was not where I wanted to end my career. It’s a perfectly legitimate career path for people to follow and I understand that. But I guess I just wanted to get to the boardroom table. Having done a chartered accountancy qualification, there’s always a natural desire to be a finance director.”

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“Things like how to build spreadsheets and how to build financial models had not been required in IR or corporate broking, so to understand that was important for me,” he adds.

“But there’s a real risk that if you just go up the finance route, you can become very specialised and lack appreciation of how all the different matters to other financial intermediaries, such as banks and rating agencies. If you come through a pure finance route, I think it’s harder.”

He does, however, advise IR professionals with ambitions of taking finance director roles to gain experience in divisional posts.

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He believes IR is becoming more strategic to the overall management and direction of companies and will increasingly require a rounded set of skills. “If I was looking to appoint an IR director, it would be extremely important to me to find somebody with excellent relationship skills,” he says.

“It would also have to be someone who could read a balance sheet, understand the capital markets, and have the capability to understand and challenge the strategic direction of the organisation. Our investor relations director has a very good view of the strategic direction of our industry and knows what investors are looking for. We tailor our message and offering to that.”

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“Things like how to build spreadsheets and how to build financial models had not been required in IR or corporate broking, so to understand that was important for me,” he adds.

“But there’s a real risk that if you just go up the finance route, you can become very specialised and lack appreciation of how all the different matters to other financial intermediaries, such as banks and rating agencies. If you come through a pure finance route, I think it’s harder.”

He believes IR is becoming more strategic to the overall management and direction of companies and will increasingly require a rounded set of skills. “If I was looking to appoint an IR director, it would be extremely important to me to find somebody with excellent relationship skills,” he says.

“It would also have to be someone who could read a balance sheet, understand the capital markets, and have the capability to understand and challenge the strategic direction of the organisation. Our investor relations director has a very good view of the strategic direction of our industry and knows what investors are looking for. We tailor our message and offering to that.”
ONCE UPON A TIME, TO BE A BANKER, YOU WERE EXPECTED TO DO BANKING EXAMS UNDER THE VENERABLE CHARTERED INSTITUTE OF BANKERS, APPROPRIATELY LOCATED IN LOMBARD STREET, THE HOME OF BRITISH BANKING FOR SOME 400 YEARS. WHILE LOMBARD STREET IS STILL THERE WITH ITS BANKING SIGNAGE STILL IN PLACE, THE INSTITUTE IS NOT AND I’M NOT SURE WHAT HAPPENED TO THOSE TRIED AND TESTED BANKING EXAMS.

Today perhaps more than ever you need to own your career and take charge of your professional development rather than expect a given rite of passage. For the IR Society, the UK’s professional body for Investor Relations (IR), we too take professional development very seriously.

First, will the perfect IRO stand up please? I think it’s fair to say that we are all under increasing pressure to respond to a heady mix of changes in our marketplace, be it structural, economic, geopolitical, regulatory, technological or just more competition for capital. The world is indeed changing and we must change too.

What is also increasingly clear is that IR is a career in its own right and some of the best known IROs have indeed carved out a long career in this specialist field. At the same time, what IR offers a competent practitioner is more than just the often taken-for-granted market knowledge and technical skills, as important as these are in a regulated environment, it is also the wherewithal or gravitas to lead. And we are seeing this, as this industry report, ‘From Investor Relations to Business Leader’, shows. The invaluable and sometimes unique experience that IR can bring together in a person or in a team does lend itself to positions of leadership, whether in IR or elsewhere.

The IR Society expects to remain at the forefront of our industry by acting as a focal point for the IR profession. We will ensure that we have a voice where it matters with listed companies, the broader investment community, government, regulators, the media and even your bosses. In this way we can stay as relevant as we can possibly be and not lose sight of who we are and what we can offer no matter what the prevailing trends. A key part of this must be to further develop our profession in a way that works for our members and industry.

THE IMPORTANCE OF OWNING YOUR CAREER: FROM INVESTOR RELATIONS TO BUSINESS LEADERSHIP

We recognise that IR should offer a clear path to further career development and this is what the Society’s new Diploma in IR and the DELIVER (Developing future leaders through IR) programme aim to do. The Diploma will build on the success of the CIR, with more advanced options to be available in the very near future. In considering the ethical element, given the Society’s recent introduction of a Code of Conduct for members, we expect senior IR practitioners to be fully tested. We believe that this should include the softer aspects, such as defining qualities of the best IROs, presentation skills and leadership. Coupled with activity-based learning of the DELIVER programme, the Society firmly believes that high potential IROs can take the next step up in their careers through timely exposure to captains of industry, the C-suite and collaborative peers in a highly participative, risk-free training environment.

In continuing to develop our professional development offering, the Society aims to raise the profile of the best people we have to offer the profession and industry more broadly. In doing so, the Society can play our part in leading the development of best practice in IR. In turn, we would expect the likes of those individuals featured in this exciting report on successful career progression to champion our industry as they move into more senior roles. We wish them all the best in their endeavours.

Let us conclude by celebrating this very important industry report, ‘From Investor Relations to Business Leader’. All careers are personal journeys. When we think of professional development, we often think of continuous improvement (or a Continuous Professional Development process that we support) and a willingness to test yourself and stay at the top of your game for as long as possible. It does require time, commitment and staying power. It also requires belief in yourself to manage your own career and get the right support. It is, therefore, most timely to work in association with Broome Yasar Partnership on this report into how some of our IROs have succeeded in leadership. The world needs leaders and IROs are in as good a position as any to assume those elevated positions. Onwards and upwards, all of you, we look forward to sharing your ascent to the top of IR and beyond!

Best wishes,

JOHN GOLLIFER
GENERAL MANAGER, THE INVESTOR RELATIONS SOCIETY

For further information please go to www.irs.org.uk
EXECUTIVE SUMMARY

Even five years ago, it was not common to envisage investor relations professionals as future business leaders. Though it has long been regarded as a useful way of keeping the external stakeholder base engaged and, in some cases, pacified, IR was, and in many cases, is still often regarded as lacking a direct link to revenue generation. Perhaps for that reason, it has been denied a place at the strategy table and is seen as incapable of contributing to broader business decisions. In the search for leaders with the depth and diversity of skills needed to run our largest, most important companies, investor relations departments had not been considered fruitful places to explore. But things are changing.

There are some valid reasons for this historical oversight. Investor relations departments have typically been small and isolated from the engine rooms of the companies they represent. And though they have envied access to the chief executive and chief financial officer, they rarely sat on boards. Other functions such as finance were viewed as a more natural route, due to their ability to dissect operations, apply financial acumen and manage resources. Lacking direct attribution to corporate successes and commercial benefit, investor relations was overlooked as a source of talent by executives considering succession planning.

A rapidly changing market for senior roles is challenging this status quo. A new generation of leaders have developed their skills and outlooks in a digitally-connected, always-on world. Dramatic increases have taken place in the speed at which information is exchanged and in the networks and platforms where this takes place. In addition, a welter of post-financial crisis regulation and the rise of the activist shareholder means that corporate life involves many more potential pitfalls. All this means that investor relations is no longer a minor but necessary aspect of corporate life. With an ever-greater complexity of audiences and stakeholder groups, CEOs have no choice but to be closely connected with how their investors think and how they and their company are perceived in the external world.

This is the job of the modern investor relations professional. The role has developed to the extent that its practitioners are in effect proxies for the chief financial officer and the CEO in the external stakeholder environment. This brings both opportunities and risks. With role models who have progressed from IR roles to lead major organisations, the path is becoming better laid-out, signposted and supported. With this comes a higher profile, an increasingly pressured role and high levels of personal exposure and isolation, with IROs experiencing some of the loneliness at the top.

In our large-scale survey of investor relations leaders, in which more than 150 IROs participated, nearly a third of those questioned strongly believed their company was supportive of the transition into a wider business leadership role and that they were on the right path to achieve this within the next five to 10 years. Encouragingly nearly two thirds of post-financial crisis regulation and the rise of the activist shareholder means that corporate life involves many more potential pitfalls. All this means that investor relations is no longer a minor but necessary aspect of corporate life. With an ever-greater complexity of audiences and stakeholder groups, CEOs have no choice but to be closely connected with how their investors think and how they and their company are perceived in the external world.

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In our large-scale survey of investor relations leaders, in which more than 150 IROs participated, nearly a third of those questioned strongly believed that investor relations can be a stepping stone into a broader business leadership role and that they were on the right path to achieve this within the next five to 10 years. Encouragingly nearly two thirds believed their company was supportive of the transition into a wider leadership role from investor relations. Nevertheless, more than half said a greater awareness of the importance of IR within the wider company was needed, particularly a greater understanding from HR as to the merits of today’s IR leaders.

Translate investor relations skills into management talent

While the path from IR roles to general management and leadership positions has been pioneered by the individuals we have profiled, it remains virgin territory at many organisations.

The good news is that for professionals who are keen to reach the top, their wide-angle view of an organisation, core skills of engaging and making people believe and their ability to articulate and deliver a message are increasingly in demand. There is huge potential for such individuals to succeed.

As a result, we are witnessing more investor relations figureheads developing into business leaders. Many investor relations directors now sit on executive committees. IR is emerging as a business-critical function and at a valid and respected management discipline. Furthermore, it is increasingly common for potential business leaders to be expected to spend some time in the investor relations function.

It is unsurprising that the range of skills required in an IR role can translate effectively into management talent. Through their everyday tasks, investor relations professionals are honing core CEO skills such as the ability to build a narrative, remain calm in a crisis, multi-task, think fast, communicate succinctly listen to the external stakeholder environment, deal with challenges and be ready to fix weaknesses and adapt corporate strategy.

Develop broader skills in commerce, finance and operations

Investor relations skills alone are not sufficient to progress professionals into senior executive roles. While IR is increasingly attracting people with broad skill-sets from diverse backgrounds, a need remains for professionals starting in the industry to proactively widen their portfolios. Without commercial acumen and financial management knowledge, an ambitious IR professional may find it difficult to progress across departmental barriers.

Broaden your business portfolio

Interviewees for our report stressed the importance of volunteering for new opportunities and wider involvement throughout an organisation. Managerial training at institutions such as business schools and MBAs can help fill financial ‘gaps’, while there are many opportunities to gain experience through volunteer board roles.

By gaining cross-functional and broader experience, and becoming involved in wider strategy deliberations, many IR professionals have found their profiles raised and efforts being rewarded by increased interest externally.
IDENTIFY A MENTOR

Being vocal about one’s ambitions is of paramount importance. Most of our current crop of leaders admit to having had close senior support, including mentors who were prepared to guide and to challenge them into trying new roles. Consider a move to another organisation if that support culture does not exist within an existing employer. An open-minded environment is needed to facilitate and effect a career transition.

BUILD PERSONAL NETWORKS

The journey to executive leadership is not straightforward and it may be necessary or expedient to move sideways into a role that may not be high-profile or report directly to a chief executive or chief financial officer. Such moves can equip individuals with new skills, vastly improve their operational knowledge and help them make connections that may fuel future progress. This can build personal networks and add direct experience of different functions, geographies and business areas to an executive’s communications prowess. Valuable experience can also be gained from NED positions, though there remains concern that investor relations professionals are not often considered for such roles.

MAKE A PLAN

The individuals profiled show what is possible for talented investor relations professionals who work hard to fulfil boardroom ambitions. At Broome Yasar Partnership, we are sure that the market will see more IRs making the transition to general line management and senior executive positions. But careful planning and ambition are prerequisites to tread the path to leadership. For those who wish to travel in this direction, however, the good news is that the route is becoming well-established, there are signposts along the way and support now exists for the journey. Bon voyage.

From Investor Relations to Business Leader: The Pathway to CEO?

- ENSURE YOUR ORGANISATION IS SUPPORTIVE OF YOUR AMBITIONS – IF IT ISN’T, MOVE
- LOOK TO GAIN COMMERCIAL AND FINANCIAL SKILLS AND EXPERIENCE
- BUILD YOUR NETWORK OUTSIDE YOUR ORGANISATION
- DO YOUR OWN PR WITHIN YOUR BUSINESS AND GET TO KNOW AS MUCH AS YOU CAN ABOUT HOW IT WORKS
- FIND A SUPPORTIVE SENIOR MENTOR
- CONSIDER EXTERNAL MANAGEMENT TRAINING E.G. AN MBA, NOT-FOR-PROFIT SECTOR TO ADD SKILLS
- DON’T UNDERRATE YOUR EXISTING SKILLS
- VOLUNTEER FOR STRATEGIC AND OTHER MANAGERIAL OPPORTUNITIES AND KEEP YOURSELF VISIBLE
- CONSIDER A MOVE SIDEWAYS IF IT HELPS BUILD EXPERIENCE
- UNDERSTAND THE TRUE NATURE OF A LEADERSHIP ROLE AND ENSURE YOU REALLY WANT IT
- STRENGTHEN YOUR OWN “BRAND” AND KNOW HOW TO PROMOTE IT TO THE MARKET AND DURING THE NEXT JOB INTERVIEW
- PLAN YOUR NEXT STEP, HAVE A ROUTE FOR HOW TO GET TO THE TOP BUT BE PREPARED TO BE FLEXIBLE AND TAKE ADVANTAGE OF OPPORTUNITIES THAT ARISE
- DO NOT STAY IN INVESTOR RELATIONS FOR TOO LONG IF YOUR ULTIMATE PLANNED DESTINATION IS THE C-SUITE. YOU WILL NEED TO LEARN NEW SKILLS AND CARRY OUT OTHER ROLES
- AS JACK WELCH, FORMER CHIEF EXECUTIVE OF GENERAL ELECTRIC, ONCE SAID: “CONTROL YOUR OWN DESTINY OR SOMEONE ELSE WILL”
**ABOUT BROOME YASAR PARTNERSHIP**

We are specialists - we focus exclusively on senior executive recruitment in investor relations and corporate affairs.

Our Partners have been instrumental in the appointment of over 500 senior investor relations and communications leadership roles across multiple global markets for both corporate clients and consultancies.

We are proud to be boutique and niche, combined with a truly global reach – it reflects our collaborative and personalised approach.

For more information on Broome Yasar Partnership, please visit [www.broomeyasar.com](http://www.broomeyasar.com)

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**WHY THE PARTNERSHIP?**

**TRUSTED PARTNERSHIP**

We listen and we challenge, ensuring an honest and transparent search process.

We work hard to continually maintain and grow our network of loyal candidate relationships and genuine client partnerships.

**GLOBAL NETWORK**

Our clients operate globally and so do we. Reflecting today’s global workforce, we attract the best talent worldwide regardless of territory.

Part of BAY Partnership, the global corporate affairs executive recruiter, our partners have successfully helped appoint corporate affairs and investor relations leadership roles across Europe, Asia Pacific and North America.

**INDUSTRY INSIGHT**

We like to share our vast industry knowledge and experience.

We remain at the forefront of the latest thinking in this fast evolving function, an established authority with a unique insight into the profession.

We regularly bring together our investor relations and communications communities through thought-provoking networking forums and industry leading content.

**SPECIALIST KNOWLEDGE**

There is no substitute for knowing an industry inside and out – each of our partners has at least 20 years’ corporate affairs or investor relations industry experience.

The result? Trusted, personal relationships with the industry’s top performing professionals.

**BESPOKE SERVICE**

Every search is unique and we believe in a bespoke solution to each and every assignment we undertake.

This has ensured a 100% success rate since our business was established – an achievement we are determined to continue.