

The changing dynamics of careers in IR – 10 years on, where next?



Looking ahead at the growth trajectory of careers in investor relations, **Oskar Yasar** believes there are exciting future career prospects for today's IROs.

The past 10 years have seen a momentous transformation in the positioning, perception and credibility of today's investor relations professional. We should all be proud of this achievement and it is humbling to see what has been achieved. But where next for the Investor Relations profession?

The remarkable paradigm shift in the appraisal of today's investor relations professional and the important role it is now seen to play at the board table has been one of the most significant changes in today's management and listed corporate environs. Entrants have come from differing and more sophisticated backgrounds than previously, and those who have not come from the equity capital markets have strengthened their position by acquiring other qualifications such as the IR Society's Certificate in Investor Relations, CFAs and MBAs plus a number of other important financial qualifications.

Changing climate

This dramatic rise of today's IROs and their sophistication has been the result of several notable features; CFOs and CEOs are under much more pressure in the climate of

market uncertainty with huge swathes now realising that their careers are dependent on how they communicate with their financial stakeholders; regulation and shareholder activism taking up more of their time; research analysts and fund managers being far more demanding than they ever were and more discerning about which companies they invest in; CFOs don't have the time to speak with all stakeholders and consequently they need people who can 'talk the talk', are comfortable answering detailed and analytical questions and who don't need to pass on questions to the CFO.

This has resulted in a stronger IRO; a more adaptable, ambitious and respected member of the team, and in some cases, a member of the board or the executive committee. In addition, it has resulted in a significant increase in base salaries, bonuses and other option rewards for the more sophisticated IRO. Another result has been a significant increase in IR budgets, team sizes and external support. It is hardly surprising that the growth in the credibility and the importance of the role means that IROs are now moving into even more senior roles including heads of strategy,

CHANGING DYNAMICS

- CFOs and CEOs are realising that effective communication is important in an age of relative uncertainty.
- IROs looking to enhance their CVs should focus on strengthening relationships with core stakeholders, and improving confidence.
- Investor relations is a valuable profession and possibilities are endless.

corporate development, corporate affairs, and in a number of high-profile cases a number have moved into CEO, CFO and listed non-executive director roles. Those examples, to name but a few include:

- Steve Trowbridge, former head of investor relations for Thomson Reuters, now CFO of HSS Hire;
- Andrew Farmer, former head of IR at Misys, now group financial controller of Manchester Airport Group;
- Nick von Schirnding, former head of investor and corporate affairs of Anglo American and until recently the CEO of Asia Resource Minerals; and
- the remarkable Claire Jenkins, formerly overseeing senior IR and communications roles for Rexam PLC and Gallaher Group Plc, who is now, amongst other things, non-executive director at Sports Direct plc.

Looking ahead

This is a brilliant achievement and we must all congratulate our profession for this. We as an industry should sit up and all take note of the career progression possibilities of today's IROs.

I for one have been evangelical about moving the sophistication counter up a number of notches, ever since moving into IR executive recruitment more than 10 years ago from a career in investor relations



Oskar Yasar is founding managing partner of Oskar Yasar Partnership, executive recruiters within the IR arena. oskar@oskaryasarpartnership.com

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and financial communications advisory. I predicted then that we would indeed see a number of our profession moving into senior management roles. We can now show these examples to those who have ambition and drive but need role models to enable them to visualise their future and have the confidence to move ahead. It always surprises me that there is, more often than not, an embarrassed silence when I ask an IRO whether they have considered a senior management role in either their current organisation or a different one. This silence is more to do with the fact that they are not sure of what the opportunities are and how to attract them rather than not having the confidence to be able to take up a senior management role.

Conversely, for those who wish to remain as career IROs and who are passionate about the profession and its future really need not worry. We are regularly asked by exceptionally good IROs about what they need to do to strengthen their CVs and their career prospects in a highly competitive environment. These candidates need to focus on their relationships with core

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stakeholders, both internally as well as externally, and they need to have the confidence to be seen as an important and pivotal player in the corporate mix.

In addition, they also need to strengthen their own ‘brand’ and know what this brand is to then be able to promote it to the market and also during the next job interview! The market is continuing to grow and the ‘musical chairs scenario’, as we call it, has started once again and long may it continue. So the opportunities will no doubt increase.

Shared passion

We must continue to come together as a community – be proud of this incredibly

important and valuable profession and all believe that we can, if we wanted, achieve greater career heights. Career advancement is limitless and there are countless examples to prove this.

Therefore, we must all blow our own proverbial trumpet, share our passion for our profession and genuinely believe investor relations is one of the most important roles in any listed organisation and one of the best platforms from which to launch into another spectacular career. We are confident that in another 10 years the numbers of IROs moving into senior management and corporate affairs roles will grow dramatically. As the indomitable Jack Welch, former CEO of GE, once said: “Control your own destiny or someone else will.” ■

Oskar Yasar Partnership will be hosting a panel event in the New Year to showcase IROs who have moved into senior management roles. If you would like further information on this or would like to know more about careers in IR then email ir@oskaryasarpartnership.com

PREVIOUS ISSUES OF INFORMED



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