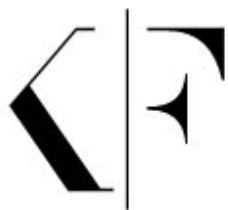




NIRI WEBINARS



Compensation Trends for Corporate IR Practitioners in 2020

Key Takeaways from the NIRI-Korn Ferry Study

February 20, 2020



Speakers



Richard Marshall
Global Managing Director, Corporate
Affairs
Korn Ferry



Gary LaBranche, FASAE, CAE
President & CEO
NIRI



2019/2020 Survey Overview



Opened: September 30, 2019
Closed : November 25, 2019



In House Only
Response: 381/2100
(~18+%)



Those surveyed included:

- IROs
- Deputy IROs
- Staff roles



237



141



IROs - 236

Deputy IROs - 99

Staff - 46

What's New In This Survey...?

- Compensation Overview
 - 2016 Flashback Overview
 - Breakout by 3 Levels
 - Sector breakouts
 - Geographic breakouts
- IR Credentials
- “Issues Pulse”

2016 Compensation Analysis Results

2016

Total Compensation:
Base, Cash Bonus & Stock

Average : \$326,245

Median : \$300,000



\$214,076
vs \$194,128

Fortune 500 IR professionals make 10% more in base salary than their non-Fortune 500 counterparts

Key drivers affecting the compensation of IR professionals continue to be:

- Market cap size, F500 vs. non F500 company,
- Industry sector, and region of the country,
- Years of experience & type of degree/certifications earned
- Job title and gender

Average Base Salary



\$213,368



\$186,509



Data from the last 20 years shows a 78 percent decrease in the pay gap between male and female IR professionals

Salary Breakouts

National Overview
Sector
Geography
Pay Equity

National Compensation Overview

IRO Compensation

Average Base : \$293,696

Deputy Compensation

Average Base : \$201,531

Staff Compensation

Average Base : \$140,218



Sector Overview

Highest Paid Sector

Consumer : \$284,375

Lowest Paid Sector

Life Sciences : \$226,974

Pay Gap

\$57,401

20.185%

IRO/ Deputy/ Staff Average Base Salary Ranges

Consumer \$284,375

Technology \$261,111

Healthcare \$256,250

Financial \$239,919

Industrial \$227,840

Life Sciences \$226,974

Geography Overview

Highest Paid Region

Northeast : \$267,824

Lowest Paid Region

South : \$242,130

Pay Gap

\$25,694

9.594%

IRO/ Deputy/ Staff Average Base Salary Ranges

Northeast	\$267,824
Midwest	\$248,026
West	\$244,408
South	\$242,130

Pay Equity Overview



Male Top IRO Average Base Compensation

\$298,260



Female Top IRO Average Base Compensation

\$283,571

Average Base Pay Gap

\$14,689

4.925%

2019/2020 Education and Credentials



78% hold MBA Degree

25% hold MS/MA Degree



26% hold CFA Credentials

34% hold CPA Credentials

28% hold IRC Credentials

These percentages reflect the responses of all participants.

“Issues Pulse”

**Most important thing the C-suite
needs to understand about IR?**

IROs (Head of; SVP, VP, CFO)

Verbatim Comments

- *Goal is to educate (vs. promote or defend). Their credibility with stakeholders is paramount. They are educators, not salespeople.*
- *Their investor base is more diverse than they think - including many conflicting opinions on what the company should do to maximize value.*
- *We represent the C-Suite to investors, and represent investors to management, but increasingly that relationship is with a smaller and smaller body of actual people as passive trading increases.*
- *Effective IR doesn't necessarily increase the stock price - results against expectations move the stock price. Effective IR increases the understanding of the company's strategy so investors can appropriately value the company.*
- *Good IR requires a substantial commitment/investment in time and resources by the C-suite, as well as clear and consistent messaging to The Street.*

“Issues Pulse”

Single most important skill required today to be a successful IRO?

IROs (Head of; SVP, VP, CFO)

- Responsiveness
- Financial analysis & forecasting
- Ability to speak with the same level of credibility as the CEO & CFO
- Industry knowledge
- Executive Leadership
- Internal and External Communication
- Financial background
- Ability to influence CEO and CFO thinking
- Knowledge of business strategy, capabilities and expectations
- Intellectual curiosity
- Detail-orientation
- Business Strategy
- Strategic Thinking
- Deep knowledge of the company
- Psychology
- Finance/accounting expertise
- Patience
- Analytical
- Grit
- Organization
- Market Intelligence
- Quick Thinking

Key Takeaways

Key Takeaways

- 6th NIRI/KF Compensation Study (since 2008)
- Membership has positive view; IR function continued elevation within C-Suite
- Compensation
 - Almost 20% Base Salary increase since 2016
 - Compensation variables are greater between Industry sectors vs. Geographies
 - Gender pay gap continues to decrease
- Career Highlights
 - Lack of succession planning
 - Next career moves: 42% stay in IR; 17% aspire to CFO



Q & A

Submit your questions in the Q&A chat window

