

NIRI - Korn/Ferry International IRO Compensation Survey



Published April 2008

Results Summary of NIRI Corporate
Members



1. What is your current title?		
Chief Financial Officer	3	0%
Senior Vice President	45	7%
Vice President	249	36%
Senior Director	37	5%
Director	188	27%
Manager	80	12%
Other, please specify	82	12%
Total	684	100%

2. Do you have responsibilities in addition to Investor Relations (IR)?		
Yes	427	62%
No	258	38%
Total	685	100%

3. Please indicate your additional responsibilities. (Check all that apply)		
Financial Media Relations	225	53%
Corporate Communications	275	65%
Financial Analysis	114	27%
Strategic Planning	117	28%
Treasury	50	12%
Corporate Secretary	18	4%
Other, please specify	156	37%

4. To whom do you report?

President/CEO	129	19%
Chief Financial Officer	352	51%
Chief Operating Officer	13	2%
Treasurer	24	4%
Corporate Controller	0	0%
General Counsel	5	1%
Chief Communications Officer	24	4%
Other, please specify	137	20%
Total	684	100%

5. Please indicate the percent of their time the following positions spend communicating with the Street.

670 Responses. Averages of all respondents as follows:
CEO: 15%, CFO: 17%, IRO: 61%

6. How many professional Investor Relations direct reports do you have? (Not including administrative staff)

1 to 2	255	37%
2 to 4	35	5%
4 to 6	4	1%
6 to 8	0	0%
8 to 10	0	0%
More than 10	0	0%
None - I hold a management position, but have no direct reports	350	51%
None - I do not hold a management position	39	6%
Total	683	100%

7. How many total Investor Relations reports do you have? (Including administrative staff)

1 to 2	320	47%
2 to 4	79	12%
4 to 6	8	1%
6 to 8	5	1%
8 to 10	1	0%
More than 10	1	0%
None - I hold a management position, but have no direct reports	239	35%
None - I do not hold a management position	31	5%
Total	684	100%

8. If you have other responsibilities in addition to Investor Relations, what is the total department headcount reporting in to you?

1 to 2	143	21%
2 to 4	64	10%
4 to 6	34	5%
6 to 8	15	2%
8 to 10	17	3%
More than 10	337	50%
Other, please specify	62	9%
Total	672	100%

9. In the past year, has your IR organization staff increased or decreased in size?

Increased	155	23%
Decreased	49	7%
No change	480	70%
Total	684	100%

10. Is the head of Investor Relations function of your company considered rotational?

Yes	45	7%
No	638	93%
Total	683	100%

11. Are the staff level Investor Relations positions of your company considered rotational?

Yes	90	13%
No	588	87%
Total	678	100%

12. What is the size of the IR budget that you are responsible for? (*Excluding* annual report costs, stock market listing fees and allocated overhead, but *including* salaries and benefits)

Less than \$100,000	37	5%
\$100,000 - \$499,999	317	47%
\$500,000 - \$999,999	193	28%
\$1 million - \$2,499,999	111	16%
\$2.5 million - \$5 million	20	3%
Total	678	100%

13. What is the size of the IR budget that you are responsible for? (*Including* annual report costs, stock market listing fees, allocated overhead, salaries and benefits)

Less than \$100,000	29	4%
\$100,000 - \$499,999	220	33%
\$500,000 - \$999,999	214	32%
\$1 million - \$2,499,999	171	25%
\$2.5 million - \$5 million	40	6%
Total	674	100%

14. How many sell-side analysts cover your company currently?

None	24	4%
1 to 4	95	14%
5 to 9	209	31%
10 to 14	151	22%
15 to 19	96	14%
20 or More	106	16%
Total	681	100%

15. What is your current base salary? (This information will be held in strictest confidence and cannot be linked to you or your company in any way)

Less than \$100K	104	15%
\$100K - \$125K	107	16%
\$126K - \$150K	130	19%
\$151K - \$175K	110	16%
\$176K - \$200K	94	14%
\$201K - \$225K	56	8%
\$226K - \$250K	32	5%
\$251K - \$275K	21	3%
\$276K - \$300K	10	1%
\$301K - \$325K	6	1%
\$326K - \$350K	5	1%
\$351K - \$375K	6	1%
\$376K - \$400K	0	0%
\$401K - \$425K	0	0%
\$426K - \$450K	0	0%
\$451K - \$475K	0	0%
\$476K - \$500K	0	0%
\$501K - \$700K	0	0%
More than \$700K	0	0%
Total	681	100%

16. In which of the following ranges did your 2006 cash bonus fall, excluding any long-term incentive plan payouts? (This information will be held in strictest confidence and cannot be linked to you or your company in any way)

Less than \$10,000	97	14%
\$10,000 - \$19,999	97	14%
\$20,000 - \$29,999	95	14%
\$30,000 - \$39,999	66	10%
\$40,000 - \$49,999	79	12%
\$50,000 - \$74,999	73	11%
\$75,000 - \$99,999	46	7%
\$100,000 - \$124,999	34	5%
\$125,000 - \$149,999	19	3%
\$150,000 - \$174,999	8	1%
\$175,000 - \$199,999	3	0%
\$200,000 or more	21	3%
Did not receive bonus	35	5%
Total	673	100%

17. What is your target cash bonus on an annual basis?

0% - 25%	291	43%
26% - 50%	277	41%
51% - 75%	43	6%
76% - 100%	17	3%
101% - 150%	10	1%
151% - 200%	2	0%
Greater than 200%	2	0%
Compensation does not include cash bonus program	35	5%
Total	677	100%

18. Which of the following do you receive as the equity portion of your compensation?

Do not receive equity compensation	106	15%
Stock Options	399	58%
Restricted Stock/Units	343	50%
Long-Term Incentive Plan	104	15%
Other, please specify	13	2%

19. What is the approximate target amount of each type of annual equity grant in terms of dollar value or percentage of base salary?

387 Responses: Median value was \$50,000

20. What benefits do you receive in addition to cash compensation?

Automobile	71	11%
Club membership	50	8%
Deferred compensation plan	172	28%
Financial/tax planning	56	9%
Long-term incentive plan	122	20%
Medical examinations	128	21%
Special officer pension plan	32	5%
Split-value life insurance plan	56	9%
Receive no benefits in addition to cash compensation	253	41%
Other, please specify	62	10%

21. Do you have a "change of control" agreement? If so, for how long?

3 months	14	2%
6 months	26	4%
12 months	84	12%
18 months	11	2%
More than 18 months	44	7%
Do not have "change of control" agreement	493	73%
Total	672	100%

22. Do you have a non-compete agreement?		
Yes	182	27%
No	498	73%
Total	680	100%

23. Please indicate your gender.		
Male	343	50%
Female	339	50%
Total	682	100%

24. Please indicate your age.		
Under 30	26	4%
30 – 39	226	33%
40 – 49	271	40%
50 – 59	131	19%
60 – 69	28	4%
70 or more	0	0%
Total	682	100%

25. How many years have you been employed in Investor Relations?

0 - 2 years	101	15%
2 - 4 years	103	15%
4 - 6 years	90	13%
6 - 8 years	77	11%
8 - 10 years	82	12%
10 - 12 years	80	12%
More than 12 years	150	22%
Total	683	100%

26. How long have you been in your current position?

1 - 2 years	261	38%
2 - 4 years	177	26%
4 - 6 years	93	14%
6 - 10 years	95	14%
10 - 15 years	38	6%
15 - 20 years	16	2%
More than 20 years	2	0%
Total	682	100%

27. Do you see yourself as a career IR officer or is this a transitional role for you?

Career	382	56%
Transitional	119	17%
Undecided	181	27%
Total	682	100%

28. Including your current role, how many total industries have you worked in?

1	110	16%
2 to 3	393	58%
3 to 4	103	15%
4 or more	76	11%
Total	682	100%

29. Please check all college degrees and credentials that apply.

BA	341	51%
BS	275	41%

MBA	323	48%
MA	38	6%
MS	45	7%
PhD	5	1%
JD	9	1%
CPA	91	13%
CFA	28	4%
Other, please specify	70	10%

30. Prior to IR, in which field did you gain the most professional experience?		
Corporate administration	43	6%
Corporate communications/PR	148	22%
Corporate finance	252	37%
Corporate marketing/sales	71	10%
Corporate operations/line function	33	5%
Corporate strategic planning/corporate development	71	10%
Securities industry - Buy-side	36	5%
Securities industry - Sell-side	64	9%
Securities industry - Retail brokerage	21	3%
Securities industry - IR counselor	11	2%
Service provider	11	2%
Other, please specify	121	18%

31. Have you ever served as a sell-side or buy-side analyst in your career?		
Yes	65	10%
No	618	90%
Total	683	100%

32. Where is your company headquartered?

Alabama	3	0%
Alaska	0	0%
Arizona	8	1%
Arkansas	4	1%
California	111	16%
Colorado	22	3%
Connecticut	17	3%
Delaware	2	0%
District of Columbia	2	0%
Florida	25	4%
Georgia	17	3%
Hawaii	0	0%
Idaho	2	0%
Illinois	31	5%
Indiana	1	0%
Iowa	2	0%
Kansas	4	1%
Kentucky	1	0%
Louisiana	2	0%
Maine	1	0%
Maryland	16	2%
Massachusetts	50	7%
Michigan	7	1%
Minnesota	14	2%
Mississippi	1	0%
Missouri	14	2%
Montana	0	0%
Nebraska	1	0%
Nevada	5	1%
New Hampshire	1	0%
New Jersey	23	3%
New Mexico	2	0%
New York	45	7%
North Carolina	13	2%
North Dakota	0	0%
Ohio	24	4%
Oklahoma	4	1%
Oregon	6	1%
Pennsylvania	28	4%
Rhode Island	3	0%
South Carolina	4	1%
South Dakota	1	0%
Tennessee	12	2%
Texas	54	8%
Utah	3	0%
Vermont	0	0%
Virginia	19	3%
Washington	14	2%
West Virginia	0	0%
Wisconsin	8	1%
Wyoming	0	0%
Non-U.S. headquarters. Please specify	50	7%
Total	677	100%

33. What is your company's market cap size?

Under \$100 million	30	4%
\$100 - \$499 million	110	16%
\$500 million - \$1.4 billion	159	23%
\$1.5 - \$4.9 billion	185	27%
\$5 - \$9.9 billion	73	11%
\$10 - \$99 billion	108	16%
Over \$100 billion	18	3%
Total	683	100%

34. On what exchange is your company listed?

NYSE Euronext	365	54%
NASDAQ	268	39%
AMEX	13	2%
London	9	1%
Tokyo	1	0%
Toronto	18	3%
Other, please specify	42	6%

35. Which of the following best describes your company's industry?

Aerospace	6	1%
Automotive	2	0%
Banking	27	4%
Biotechnology, Biomedicine, Bioscience	66	10%
Building materials / Construction	8	1%
Chemicals	13	2%
Conglomerates	6	1%
Consumer products	38	6%
Containers	2	0%
Consultant	4	1%
Discount & Fashion Retailing	10	1%
Drugs & Research / Drug Distribution	14	2%
Electrical Instruments	1	0%
Electrical Products & Electronics	7	1%
Financial Services	45	7%
Food	16	2%
Fuel	29	4%
Health Care Services	17	3%
Insurance	21	3%
Leisure Time Products	7	1%
Manufacturing	37	5%
Medical Products	13	2%
Metals & Mining	18	3%
Paper & Forest Products	5	1%
Publishing & Broadcasting	6	1%
Real Estate	30	4%
Savings & Loans	1	0%
Service Industries	17	3%
Service Provider	22	3%
Technology: Hardware, Peripherals	36	5%
Technology: Internet	17	3%
Technology: Software	45	7%
Telecommunications	31	5%
Transportation	12	2%
Utilities & Power	34	5%
N/A (Not applicable)	12	2%
Total	675	100%