

# IR Officers See Healthy Salary Increases, New NIRI/Korn Ferry Survey Finds

## *Role of IR Has Been Elevated in Their Companies, Corporate Practitioners Say*

LOS ANGELES & ALEXANDRIA, Va.--(BUSINESS WIRE)-- A new survey by Korn Ferry (NYSE:KFY) and the National Investor Relations Institute (NIRI) brings good news for the investor relations function, and particularly for senior Investor Relations Officers (IROs), as the role is seeing an increase in compensation and stature.

The latest survey data, compiled from NIRI's corporate practitioner members, shows continued increases in the average salaries of senior IR professionals in each study year since 2010. The average base salary rose to \$250,532 in 2019, up from \$202,000 in 2016, nearly a 20 percent increase.

A vast majority (97 percent) of respondents reported having an annual bonus target percentage, with the median percentage in the range of 26-35 percent of their annual salary. Additionally, 86 percent of respondents reported receiving equity as part of their compensation packages, with the median annual equity range (as a percentage of base salary) being 26-50 percent.

Respondents reported restricted stock units (45 percent) as the top component of equity followed by stock options (19 percent), performance/phantom stock (16 percent), and employee stock purchase plan (14 percent).

The survey, which segregated compensation by three levels, showed the average base salary for senior IROs, deputy/mid-level IR roles, and analyst/manager positions at \$293,696, \$201,531, and \$140,218, respectively. With changes made in the most recent survey format, however, providing percentage increases from previous studies, by level, is not possible to ascertain.

The survey provides industry sector data for compensation.

Highlights include:

- Highest paying sector: Consumer (average base of \$284,375)
- Lowest paying sector: Life Sciences (average base of \$226,974)
- Highest paying region: Northeast (average base salary of \$267,824)
- Lowest paying region: South (average base salary of \$242,130)

The gender pay gap in the field has been decreasing by 80 percent over the last two decades.

"It is encouraging to see the gender pay gap drop to less than 5 percent for top-level IROs," said NIRI president & CEO Gary A. LaBranche, FASAE, CAE. "We hope that this trend will

accelerate and completely eliminate the gender pay gap in the investor relations profession.”

Beyond compensation data, the 2019/2020 NIRI/Korn Ferry survey polled participants on several key issues facing the profession.

When asked if the investor relations function is being viewed more strategically and elevated in their company, more than half (58 percent) of respondents agreed. Additionally, the majority (86 percent) are “very or somewhat optimistic” about the profession.

One surprise finding was that despite the role being elevated and viewed with greater optimism, only 23 percent of respondents reported having a succession candidate for their role. One reason may be that only a quarter (26 percent) of respondents have a clear next career move for themselves. When asked about their desired next role, 42 percent say they would stay in IR in the same sector. And 17 percent aspire to a CFO position as their next role.

“IROs increasingly view their roles not just as a career destination, but as a pathway up the corporate ladder to other positions with greater responsibility,” said Richard Marshall, global managing director of Korn Ferry’s Corporate Affairs and IR practice. “IR functions are lean to begin with, and with broader business and leadership skills required to elevate to the C-suite, both incumbent IROs and their teams will need to step up to meet the challenges.”

The survey also took a look at education and credentials. Respondents reported that 78 percent hold an MBA degree, while 25 percent hold an MS or MA degree. More than a quarter (26 percent) hold CFA credentials, 34 percent hold CPA credentials, and 28 percent hold the Investor Relations Charter (IRC®) certification.

More key details and takeaways from the survey were discussed in a February 20 webinar. The recording of the webinar is available through this link:  
<https://www.niri.org/compensationwebinar2020>.

NIRI plans to post a detailed survey report on the NIRI website that will be available exclusively to members.

### **About the study**

The 2019/2020 NIRI/Korn Ferry Investor Relations Officers Survey collected data from NIRI’s corporate practitioner members (i.e., non-agency/consultant) from October through November 2019. Among its more than 2,000 corporate members, a total of 381 IR professionals participated in the study. While titles varied, the participating members were grouped and recorded into the following categories: 236 senior IROs, 99 deputy IROs (No. 2 role), and 46 analyst/manager professionals. This is the sixth joint survey NIRI and Korn Ferry have partnered on since 2008.

### **About the National Investor Relations Institute (NIRI)**

Founded in 1969, NIRI is the professional association of corporate officers and investor relations consultants responsible for communication among corporate management, shareholders, securities analysts, and other financial community constituents. NIRI is the largest professional investor relations association in the world with more than 3,000 members representing over 1,600 publicly held companies and \$9 trillion in stock market

capitalization. Through its collaborative community, NIRI advances engagement in the capital markets and drives best practices in corporate disclosures, governance, and informed investing.

### **About Korn Ferry's Corporate Affairs and Investor Relations Center of Expertise**

The firm's Corporate Affairs and Investor Relations Center of Expertise is a global practice area that specializes in recruiting and onboarding talent in the communications, investor relations, and government affairs functions across industry sectors.

### **About Korn Ferry**

Korn Ferry is a global organizational consulting firm. We work with clients to design their organizational structures, roles and responsibilities. We help them hire the right people and advise them on how to reward, develop and motivate their workforce. And, we help professionals navigate and advance their careers.

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