



Proof of Knowledge or Proving Your Knowledge?

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Being an Investor Relations Professional requires a lot of traits and talents. Over the years, globally speaking, investor relations has become institutionalized as a profession as well as a management practice. It is hard to imagine any “bigger” company with an international shareholder base without such a department or such a professional. In the past, I have pointed out how measuring the IR function needs to be driven by value creation and not from a cost center point of view. ([“Can We Really Measure Investor Relations Performance?”](#), TUYID Bulletin, March 2020)

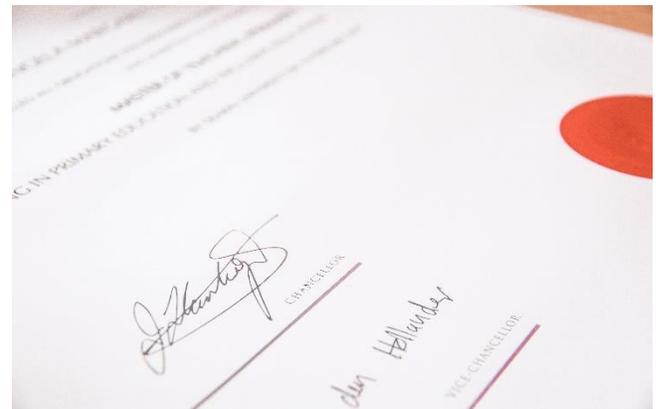
While financial communication seems to be an integral part of our profession, we are not limited to our experienced knowledge in finance, marketing and communication. Our function requires us to fulfill a regulatory duty to provide information, represent upper management and satisfy further integrated activities, such as being well versed in strategy, risk, corporate governance, sustainability and corporate development, maybe even M&A. And there are examples of IROs who are not only financial communicators but are also sort of a strategic or financial advisor to upper management.

Keeping all this in mind, how can we then speak of a standardized investor relations profession? This is where it gets interesting. The dynamic evolution of this profession has led IROs to position themselves as necessary in organizations. With the wide array of functions the IROs are involved in, the strategic role and the importance to the C-Level has become stronger in standing. Yet, a lot of companies still have pursued assigning employees internally to take on the responsibilities of the department, just because of their involvement in strategy, risk, compliance or M&A. Some companies have gone about making sure to look for sell-side analyst who would like to convert

into an IRO. While it may be understandable that the cost-benefit aspect may not be reasonable for all companies to employ an investor relations professional right away, employees with little to no knowledge of this profession as well as little adaptation skills will most likely not succeed in this profession.

Working as an investor relations professional in Turkey, you need to be licensed by the Capital Markets Board. This sounds extraordinary. But while it is a regulatory requirement, it does not show the knowledge necessary for an IR professional. The same licensure is required in other areas that deal with the capital markets. Hence, it is not specific to the IR profession. That said, it has been in the interest of the Turkish IR Society for some time now to place the importance of standardization into our profession. As the functions are so diverse in our profession, it is essential to show the experience as an IR Professional.

Why the need for certification?



Now, of course, this approach does not eliminate the requirement for licensure, as the Capital Markets Board License is still going to be required to work in

this profession. Basically, it is a legal designation. But the true motivation behind seeking such a certification is simply to gain credibility, a proof of what you know and what you are doing and of course the validation that you have the skills to succeed. That said, seeking such certification can also help with your marketability. Professionals with such a certification have proven their knowledge and hence can easily stand out in a competitive environment, especially when considering a job change or in any form of the hiring process. This is not only true locally, but when considering a global certification, it basically is proof of your knowledge across borders. Some employers list such credentials as a preferred qualification. In some instances, this may even help with promotions or advancements in your career. On the personal and professional development aspect, it also shows areas where you can gain extra skills and knowledge and maybe even a new niche for yourself. Think of it this way, the certification will not only keep you current, but it will also ensure your management trusting you and your skills more.

What certifications are out there?

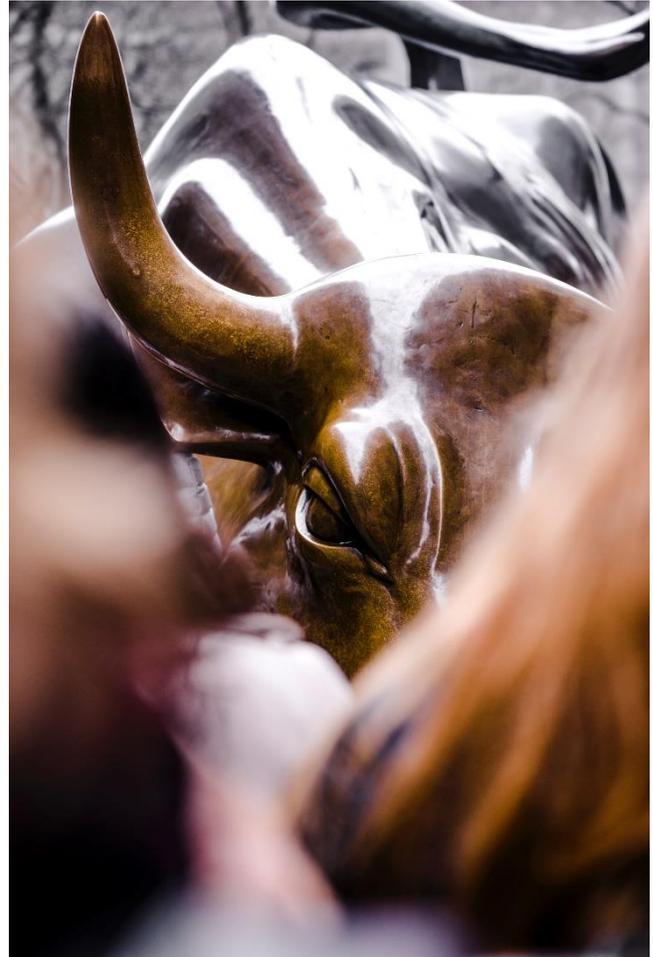
Globally speaking there are two highly recognized certification programs. One is with the UK Investor Relations Society and one is with the US National Investor Relations Institute.

The UK IR Society offers the Certificate in Investor Relations (CIR®) as well as an international version called International Certificate in IR (ICIR). So far, 1,730 candidates in more than 26 countries have passed the CIR/ICIR exam.

NIRI offers the Investor Relations Charter (IRC) credential. NIRI is one of the oldest and largest IR associations, with more than 3,300 representing over 1,600 publicly held companies worldwide.

Major differences are basically in the approach to the IR profession itself. While the UK version provides a study guide, so exam takers can sit for a one hour hand written/online exam comprising of 60 multiple choice questions; NIRI tests your IR knowledge gained throughout time and experience in a four hour long 200 multiple-choice question exam. NIRI does offer a body of knowledge to present the scope of the

credential, yet candidates are asked a series of questions to make judgements based on investor relations principles.



Conclusively, the Turkish IR Society is currently looking into these certifications for a possible collaboration or adoption. The interesting part obviously always is, that globally renowned certifications can support the IR function cross-borders. Not only does it state the obvious, such as gaining professional credibility and showcasing your competitiveness, but it is also valuable to learn and grow in your profession as well as increase the trust of all stakeholders in your competency.