2020 COVID-19: Buy-Side Pulse on Investor & Issuer Engagement
EXECUTIVE SUMMARY

1. Leverage technology to engage – investors and likely you are not traveling, but conference calls and video conferences are great opportunities to stay connected

2. Be proactive – investment work is continuing, it’s important for IR departments to maintain relationships

3. Understand the impact – despite the uncertainty, investors are looking for IR teams and executives to quantify potential business implications and actions

Has the nature of your interactions with companies changed in the current environment (i.e., COVID-19)?

“In the past two weeks, we haven’t gone anywhere for business trips. No one is planning any at the moment. Instead, we use Zoom to meet the management teams or clients. Now, we don’t need to stand in long airport queues – in a matter of seconds, we can communicate with the people from another side of the planet, face-to-face, using Zoom.” Buy-Side Analyst (UK)

“Everything is closed. We’re working from home. There’s definitely been a lot of change. We’re doing shifting rotations at our firm; part of the employee base works from home one week, and the other part works from home another week. We are doing conference calls in place of in-person meetings.” Buy-Side Analyst (US)

“It is more remote contact; calls are encouraged, rather than face-to-face meetings. We are not traveling. So, we are not going to any conferences or any big group events at all. And, as much as possible, it is encouraged to have meetings via telepresence or via phone calls versus face-to-face.” Buy-Side Analyst (UK)

“Our engagement with companies has not changed that quickly, in response to Corona. Although, if it persists, I think we are trying to wrap our hands around if this is something that we need to be engaging on in a more reactive way. But, it’s been operating so quickly, we haven’t been that reactive to it. We are starting to enact some policies that restricts our travel and non-required travel. We are starting to feel the impact of that.” Head of ESG Strategy (US)

“We just have less travel now.” Portfolio Manager (US)

“During the last month, we cancelled meetings and had to arrange conference calls instead.” Buy-Side Analyst (Russia)

Given the current environment, where do you feel companies should place focus on the investor engagement front?

“We are generally asking people to help us understand where they see demand pockets of weakness and what actions they can take from a cost perspective to just preserve profits and cash during this period.” Buy-Side Analyst (US)

“I’m not sure if I have a good answer to that. Our investment work and due diligence continues, no matter what’s happening in the marketplace. Outreach and conversations in any manner are probably still encouraged. I would say certainly engagements on the phone and videoconference calls are certainly encouraged. A natural response to this is less traveling and that seems potentially like what we’ll have to do.” Head of ESG Strategy (US)

“It’s a really tough one, because obviously, nobody really knows how all of this is going to play out. But, obviously, I think companies will continue to do the sensible thing, which is, if there is a material change, to underlying company dynamics or any kind of distress situations, then you have to be, sooner rather than later, communicating that.” Buy-Side Analyst (UK)

“Companies should be doing phone calls, just a little bit of handholding, and being able to answer questions can help investors feel a little bit better.” Portfolio Manager (US)

“Investor relations departments have to maintain relationships with investors. But, we have, for example, conference calls and video calls and so on. We have to maintain relationships remotely.” Buy-Side Analyst (Russia)