

Meet the Morrow Sodali Team

Q&A with Sandra Novakov,
Managing Director, Investor Relations EMEA



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What has been your professional journey?

It may be hard to believe but becoming an investor relations professional was not my childhood dream! However, as a business graduate with work experience in banking, finance, advertising and public relations, I had a mix of skills that lent themselves well to a career in financial communications.

My professional journey started in a fast-growing communications consultancy in London which advised clients on capital markets transactions and ongoing reputation management. Working alongside some of the industry's veterans, I came to appreciate the pivotal role of investor relations. I discovered first-hand how its effective execution can make a material difference to our clients' ability to fund their growth.

On a personal level, I also loved the opportunity the role provided to use both sides of my brain, with quiet periods of deep analysis and critical thinking interspersed by periods of intense engagement and collaboration.

This led me to become an IR advisor and practitioner. By 2014, I was head of a dedicated investor relations practice within a global communications consultancy and, in 2023, I joined Morrow Sodali to lead their investor relations advisory practice across EMEA.

Nearly 25 years into my journey, it is still a real privilege to work closely with leadership teams across different industries and countries. To have exposure to some of the world's brightest minds and the capable teams that support them remains humbling, challenging and inspiring all at once.

In which circumstances do companies turn to your team for IR support?

We are usually brought in to provide a fresh perspective on an IR-focused issue or to be an extra set of hands during a period of intense activity. Sometimes, we step in to become the interim or full-time Investor Relations Officer (IRO).

Persistent share price underperformance, driven by a disconnect between internal and external perceptions of the company, is an issue we are often called upon to investigate and address. We also support IR strategy reviews driven by significant change, either in a company's business model, leadership team or investor expectations. Capital markets transactions and fundraising are among other key drivers for our services. In addition to providing transaction support to established equity issuers, our team also works with private companies that are looking to raise funds, need a team to run their debt IR programme, or are working towards IPO readiness.

In all these circumstances, an experienced, multidisciplinary advisory team like ours can offer a fresh perspective and help with the implementation of an optimised investment narrative and engagement strategy.

From your experience, how has the IR landscape changed over the recent years?

The nature of reporting and engagement with the investment community is evolving, thanks to a number of market trends. These include the ever-changing ESG reporting requirements, the increasing adoption of new technologies and digital channels among both companies and investors, diminishing sell-side research, growing investor activism as well as more dynamic engagement with a broader range of stakeholders throughout the reporting cycle.

In addition to these, heightened market volatility over the past few years has been at the root of many IR challenges, affecting both companies and investors. With continuing conflicts in Europe and the Middle East and a record number of elections due to take place in 2024, the high level of uncertainty is unlikely to subside in the short term.

From an internal perspective, the majority of IR teams today have additional responsibilities outside IR but are not necessarily provided with additional support or budget to reflect this. As a result, making the most of every piece of collateral and investor meeting is a key success factor.

How does your team help companies overcome their challenges?

In the current environment, you need a clear and compelling investment case to communicate effectively with the investment community. For this reason, we often start with a full review of the narrative to enhance differentiation against the investment peer group, reflect any recent changes to the business profile and ensure alignment with investor expectations. Our 360 reviews aim to optimise all aspects of a company's IR programme and also include investor perceptions research, an engagement strategy review and an ESG health check.

Once we have reinforced the communications platform, we usually work with in-house teams, and financial and legal advisors to support companies' ongoing reporting and engagement. Our advice and insights are rooted in capital markets intelligence harvested by our colleagues globally. This includes trading and investment flows, activist investor activity, voting behaviour and the evolving investor agenda.

Having this information at our fingertips allows us to maximise the effectiveness of all IR activity and take some of the burden off in-house teams. We help prioritise tasks that we know will have the highest impact, alert leadership teams regarding changes in sentiment, ensure relevant content is communicated through all available channels, deploy relevant tech tools to enhance efficiency, and measure the success of each initiative.

Being part of an integrated advisory firm means that as our clients' responsibilities grow, we can support them with relevant activities outside their core IR remit. For example, we work together with ESG specialists across our Group to deliver ESG gap analysis, materiality assessments, reporting and engagement support. It also means we can support clients through any type of capital markets transaction, restructuring, investor activism or corporate crisis.

How are new technologies helping IR teams enhance their effectiveness?

A growing number of IR teams are using AI tools to support the drafting of internal and external information materials, market monitoring and sentiment analysis.

In addition to speeding up repetitive tasks, companies are starting to pay closer attention to the way investors are using natural language processing tools to assess sentiment in results statements and presentations. Knowing how such tools interpret the messages delivered during these key touchpoints can help fine-tune the tone and consistency of language used to avoid unnecessary swings in sentiment.

Another area where we see interesting developments is the use of LinkedIn to deliver relevant content to target investors at critical times. We work closely with our digital team to deliver such campaigns, which, based on engagement statistics, can produce exceptional results.

It is worth noting, however, that despite the growing adoption of new technologies by IR professionals, human interaction remains an essential factor when it comes to building strong relationships with the investment community.

Tell us something interesting about yourself.

I speak four languages, including English, Serbian, Hungarian and German. Being multilingual has not only allowed me to connect more meaningfully with people across different countries, but has provided me with an ability to see things from different linguistic and cultural perspectives, and to consider a variety of strategies for communication, persuasion, and problem-solving. In a world where English is the "lingua franca" for business, culture and education, the ability to experience the world from a variety of perspectives has been a great asset, both personally and professionally.

Sandra Novakov

Sandra joined Morrow Sodali in October 2023 as Managing Director, responsible for developing and overseeing the firm's investor relations advisory offering for clients across EMEA.

She has extensive IR experience, having worked with more than 100 listed and private companies globally as their IR advisor or outsourced Head of IR over a period of more than 20 years.

Prior to joining Morrow Sodali, Sandra led the IR practice at Citigate Dewe Rogerson, providing board-level communications counsel on IPOs, capital restructurings, de-listings, M&A, shareholder activism, bond offerings, crisis management and ongoing engagement with debt and equity analysts and investors.

Her experience spans a wide range of sectors, with a particularly strong track record in TMT, financial services, and natural resources. As part of her role, Sandra is also involved in supporting clients with sustainability reporting and engagement.

Sandra sits on the UK Investor Relations Society's Membership Committee and is a regular speaker at industry conferences across EMEA on a wide range of investor relations issues.