

WELCOME to POSTGRADUATE PROGRAMME

The London School of Public Relations – Jakarta

The Leading Graduate School of Communication

LONDON SCHOOL of Public Relations
Jakarta
GRADUATE SCHOOL of COMMUNICATION

MASTER OF ARTS IN COMMUNICATION : MARKETING COMMUNICATION

E-learning Programme

SUBJECT/LECTURER : INVESTOR RELATIONS / Bambang Sumaryanto, MBA, M.Si

5th SESSION

R&R Corporate Secretary

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- Understand Capital Market, esp the regulations
- Counsel to Management to comply with Capital Market Regulations
- Help Directors & Commissioners on Managing Company; incld.
  - Information Disclosure
  - Reporting to OJK on time
  - Documented all Directors/Commissioners Meeting
  - Orientation Program for Directors/Comissioners
- Liaison Company with shareholders, OJK and other stakeholders

Corsec Qualification

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- Right to legally act on behalf co
- Understanding on Legal/Financial and Governance
- Understand the business
- Good in Comunication
- Live in Indonesia

Strategic PR

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- Selling PR0DUCTS (Management Team & Public Company) to MARKET (Stock Market/BEI)
- IR focus on STOCK; CEO focus on BUSINESS

TABLE 12.1 The New IR

	Traditional IR	New Approach
Strategy	Supports strategy and makes sure it's communicated to the key players.	Helps create strategy, with the benefit of understanding its impact on the markets.
Story	Crafts and communicates an investment thesis based in operations and marketing strategies. Built from the executives' perspectives, sales-oriented.	Crafts, communicates and helps create a complete investment thesis that hinges on valuation. Shuns promotion. (See box on Dress Best Shops.)
Stock market reconnaissance	Maintains a dutiful eye on the stock market.	Understands valuation and daily market volatility. Can discern if fluctuations are are due to buy-sell imbalances, or correlated to the underlying fundamentals of a logical peer group.
Shareholder analysis	Tracks stock ownership, names, and amounts, through any number of available databases and resources.	Tracks investors. Also creates investors by looking at multiple comp groups based on size, business model characteristics, balance-sheet strength and valuation.
Approaching analysts	Knows the value of analysts, but often approaches them qualitatively.	Makes sure that guidance is set conservatively and the story is "packaged" properly before approaching anyone. Mitigates risk.

TABLE 12.1 *(continued)*

	Traditional IR	New Approach
Feedback	Considers feedback an important part of the job. Success is based on peer relationships in the capital markets which may or may not exist.	Has peer reltaionships with bankers, analysts, and portfolio managers. Those relationships are driven off the ability to talk valuation.
The CEO	Supports the CEO, helps senior management sell the company strategy, and provides information from The Street and the market as they know it.	Provides senior, strategic, peer counsel to the CEO. Both cheerleader and devil's advocate. Coaches the ego out of management. Comes in at strategy creation to advise on best possible choice for shareholders, and helps the board quantify decisions and educate The Street.
Managing the event	Reactive, at least from an analyst's perspective. Lacks experience or information to be proactive.	Creates the company story and defines it with analysts before anyone has a chance to write it. Specific, conservative guidance to control, in as much as possible, the variables. Sophisticated targeting to attract new buy-side and sell-side blood.

TABLE 12.1 *(continued)*

	Traditional IR	New Approach
Smaller caps	N/A Some micro caps, small caps, and mid-caps conduct IR as an afterthought. When regulations were more lax, did little more than bare necessities, such as SEC disclosures and annual meetings.	Knows no public company can ignore IR. Uses conference calls and other cost-effective strategies to enhance a company's multiple, which can mean millions of dollars for company value as well as other benefits that far outweigh the cost.
Private companies	N/A Most private companies do not have formal IR programs because they don't publicly trade equity or debt and don't have to report to anyone outside of the company.	Knows that a voice in the industry is invaluable and that analysts are still the best road to validation and awareness. Helps define and distinguish offering to advance agendas, such as distribution, promotion, or financing, to gain competitive edge.

Maximizing Equity Values

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1. Market Intelligent & Understanding
2. Transparency
3. Comprehensive long-term plan
4. Mangement Credibility
5. Financial Performnce

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