

Interest in IPO non-financial factors on the part of investment professionals

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Abstract

Purpose of the article The global trend in the IPO is directed at increasing attention to its non-financial factors. However, there is no advanced analysis how far these factors are influencing key investor decisions. Non-financial factors have a significant and irreplaceable role in the deepening of force against the competition. At present, these factors gain much more importance in the past across all industrial sectors than they did in the past across all industries. Companies that develop their skills in non-financial areas are more attractive and competitive for investors than companies that do not sufficiently develop this area or are not willing to use this type of reporting. Perfect analysis of non-financial factors and their correct implementation can be appropriate step to the next successful phase of building company's financial future.

Methodology/methods The survey was conducted through a structured interview and questionnaires of 45 institutional investors, including portfolio managers, stock analysts and directors in France (25%), Germany (25%), Czech Republic (25%) and Poland (25%) during the period of October 2016 - June 2017.

Scientific aim This article was therefore aimed at identifying non-financial factors and demonstrating their impact on the success of the IPO. The aim of the research was to provide information on the most common factors that influence investor decision-making

Findings The research provided information on the most common factors that influence investor decision making when buying shares and determined which criteria the investors give more weight. The first part of the article was determined by non-financial factors, which were selected by the investors themselves as the most important. The second part presented what factors the investors give more weight in their decisions and why.

Conclusions The key non-financial factors determine successful operation and will make flexible, efficient and effective management. The company should establish the most appropriate management methods based on its corporate culture, size and business complexity with respect to non-financial key factors that influence investor decision-making

Keywords: IPO, non-financial factors, investors, decisions making

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