

Abstract

The Influence of Environmental Media on Stockholder Investment Decisions

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This thesis examines the different motivations, or variables, behind equity investment decisions. Specifically, it attempts to decipher the impact that both positive and negative environmental media play in stockholder equity allocations. This study also evaluates behavior differences that arise due to different sources of fiscal funds in an attempt to simulate the risk perspectives and environmental importance placed by equity fund managers versus private investors. By examining these variables, I hope to forge a new perspective regarding the recent emphasis on environmental actions by many companies and better understand the differences in perspective and risk associated with different investment strategies. To do this, I have created a scenario-survey design that tests subject behaviors when given either positive or negative environmental information along with financial data. Asked to allocate either personal or third party fiscal funds from the information provided, it ultimately tests their sensitivity toward environmental information and the source of the allocable assets. Currently I am in the last stages of the data collection process and plan to analyze the data within the first part of March. Thus, as of now no conclusions or observations can be reached. However, toward the middle of March I hope to identify how money sources affect reactions toward environmental information and whether or not companies need to address public environmental concerns when moving forward with business strategies.