Small and medium sized enterprises that have a fairly important position in economy make a major contribution both to interzonal balanced growth and employment stabilization in the country. Like all of the world country economy, small and medium sized enterprises that contribute more than 95% of the enterprises in turkey have an important position in the economy of turkey. at the present time, the changes occur socioeconomically and national economy policy associated with the transition from the industrial society to the knowledge society increasingly close up and money, capital and merchandise movements know no bounds. It is needed to the existence of smes in the sense of lodgment of competition that is the basis of globalized market economy and being continued of it. smes are necessary element and leading factor of industrialization as part of the socioeconomic structure of an economy, right urbanization, optimum distribution, and commercial practices. Thanks to their flexibility, smes may meet different demands in diversifying marketplaces and deliver new and creative economic sector. They will constitute an impetus of industrialization period in economy as long as smes have a qualification of flexibility and innovation that will yield to the new manufacturing method and techniques and marketing strategies in the globalized world.

Basically, in this study it has been tried to specify what they watch out and what factors affect the decision while both newly-formed and longstanding smes are taking an investment decision. questionnaire form has been organized based on the literature research relating to the subject. study involves the companies chosen according to the quota sampling from the small and medium sized enterprises those are in business in Isparta and affiliated to the professional chambers like chamber of commerce and industry. while making a company choice, the companies are in business in different sectors are included the survey and it is received an answer from the companies those are from the service ,textile, furniture, food , packaging, stonemasonry such as marble etc. and the other manufacturing sectors such as electrical materials, sub-industry products, steelwork and machine manufacturing .before conducting the questionnaire to the companies, pilot scheme has performed on ten companies and questionnaire form has rearranged. it has been talked with the companies face to face for the surveys. Behind collecting the surveys’ data, reliability relevance and analysis has been done, then factor analyses has been carried out so as to assign the factors that affect the companies’ investment decisions. It is taken advantage of SPSS 22. 0 statistical data analyses programme In the implementation phase of these analyses . As a conclusion after the analysis process, five factors detector may affect the decision process.

Key Words: smes, factor analyses, investment decision, influencing factors, importance of the smes