



The Post-IPO Playbook

A Guide to Building
Lasting Value



A successful launch in the public markets is a major milestone, but it also marks an intensification of demands, a reality that requires a shift from readiness to repeatability. While IPO-bound teams prepare the foundation, operating as a public entity requires strengthening those initial efforts to manage a new level of scrutiny from a wider array of stakeholders.

Intense regulatory compliance

Public companies face strict reporting deadlines (e.g. quarterly 10-Qs, annual 10-Ks) and Sarbanes-Oxley internal control requirements. Missing an SEC filing deadline or falling short on required disclosures can trigger severe consequences, from stock price penalties to regulatory sanctions. Advisors caution newly public firms not to miss filing deadlines or earnings guidance commitments, as such missteps quickly erode market trust.

Greater investor and analyst scrutiny

The transparency of public markets means analysts and investors dissect every financial result and corporate decision. In today's volatile climate, there's a lot more attention on fundamentals and controls. Investor relations becomes a critical function practically overnight. Failing to meet the growth story "promised" to investors can result in activist pressure or sell-offs.

Need for public company expertise

Many companies find their pre-IPO knowledge base needs to be augmented to handle the increased complexities of public-company reporting. Technical accounting, SEC reporting, and compliance processes demand skills that private company teams may lack. In fact, a large share of new issuers uncover internal control weaknesses early on. According to the 2024 KPMG IPO material weakness study, of the 122 IPOs that closed in 2023, 44% disclosed material weaknesses in their initial SEC filings with the most common issue cited as lack of accounting resources (68%). Other contributing factors include inadequate controls and lack of formal policies and procedures. Limited collaboration between HR, operations, IT, and accounting can slow decision-making and create gaps in reporting or compliance. Breaking down these silos is essential for effective public company operations.

New governance expectations

Public companies must establish robust governance structures – an independent board (with audit and compliance committees), formalized policies, and enhanced oversight of risk. For example, companies often need to appoint new independent directors post-IPO and adhere to stock exchange governance standards. Recent dynamics around board diversity requirements show that governance remains in focus, even as rules evolve. Companies unprepared to operate under a board's oversight and stricter controls can quickly falter.





Scaling for growth

Private companies often run lean. Both leading up to an IPO, and after, the finance and accounting organization must scale up to handle public-company workloads – from equity management (stock compensation, shareholder records) to faster closes and review/audit requirements. Many newly public companies find themselves under-resourced and overwhelmed trying to meet the increased demand for data and controls. Without adding headcount or outsourcing, burnout and errors loom. Additionally, compounding these challenges is the readiness of technology and systems. Often, legacy systems prove inadequate for the complexities of public company reporting and analytics, necessitating ERP upgrades or automation tools to bridge this gap and support efficient operations.



Common Post-IPO Pain Points and Why They Matter

To clarify the impacts, the table below summarizes six of the most common **post-IPO pain points** and their implications:

	Post-IPO pain point	Description & impact
	Resource Bandwidth	Teams that were sufficient for private reporting often struggle with the intensified workload for SEC filings, investor inquiries, and compliance tasks. Without proactive resource planning, this can lead to burnout and missed deadlines.
	Compensation and Rewards	Pre-IPO compensation structures often require significant adjustments to meet public company standards for transparency and competitiveness. Without market-aligned rewards, companies risk losing key employees and facing morale or compliance issues.
	Expertise (knowledge gaps)	Lack of seasoned public-company expertise in areas like SEC reporting, SOX 404 compliance, or technical accounting. Without experience, companies may hinder effectiveness in financial reporting and controls, increasing the risk of errors or restatements.
	Regulatory compliance	While foundational controls are established during IPO readiness, many organizations find their pre-IPO processes must be rapidly scaled and strengthened to meet the rigorous standards of Sarbanes-Oxley and other regulations.
	Investor scrutiny	Heightened expectations for accurate, timely public communications. Companies now must issue quarterly earnings, forward-looking guidance, and handle investor calls. Any misstep – an earnings miss, an inconsistent narrative – invites stock volatility and credibility loss. The pressure to succeed is much higher than as a private company.
	Stock administration	Going public instantly increases the complexity and volume of equity transactions. Pre-IPO processes for managing stock options and grants are often manual and quickly become overwhelmed. This can lead to errors in equity tracking, tax withholding, and financial reporting increasing audit risk and potentially causing compliance issues with SEC regulations.

These pain points are interrelated. For example: a company with limited finance staff and little public-market experience may scramble to implement new controls, and in the rush, could misreport something that draws investor ire. The ultimate consequences of failing to adapt are stark. If a newly public company misses a filing deadline or an earnings target, the stock price can plummet, and shareholder lawsuits may follow. Chronic control failures could even lead to financial restatements.



Source: Ideagen Audit Analytics, Financial Restatement: 2005–2024, June 2025, p.12.

Actionable Strategies for Newly Public Companies

01 Fortify your financial reporting and close process.

Public companies must consistently produce accurate financials on a demanding timetable. Ensure that the financial systems and team enhancements made during IPO readiness can support fast closes and SEC reporting under public company timelines. If the last private year audit involved numerous adjustments, that's a red flag. Implement improvements such as:

- Upgrading to a more robust ERP or consolidation software if needed (to handle multi-entity reporting, XBRL tagging for SEC filings, etc.).
- Automating wherever possible (e.g. use of intelligent automation and data analytics in finance) to reduce manual errors.
- Expanding your financial planning & analysis (FP&A) capabilities to guide forecasting and provide the "no surprises" narrative that investors expect. This includes developing a cadence for guidance and KPIs that align with what investors value in your industry.
- Preparing for additional SEC reporting requirements related to significant acquisitions or dispositions (e.g., pro forma financial statements, incremental disclosure obligations, and timely filings). Assess whether your financial systems and processes can support these requirements, and implement controls to capture, consolidate, and report relevant data accurately and efficiently.

02 Enhance internal controls and compliance functions.

Robust internal controls are the backbone of a public company. Building on your IPO readiness efforts, conduct a formal SOX assessment within the first year to identify and remediate any gaps. This ensures compliance is deeply integrated into the DNA of the organization, not treated as a separate function. Areas like revenue recognition, equity compensation, and IT general controls often need shoring up for new issuers. To address potential gaps, it is essential to have dedicated leadership; we recommend hiring an internal SOX compliance manager or engaging external advisors with a proven track record of implementing SOX controls. Also, instill a culture of compliance: ensure your team knows the importance of meeting deadlines (no matter what) and of escalating issues early. Establishing an internal audit function or audit committee reporting process can provide ongoing monitoring. Don't treat compliance as an afterthought.

03 Invest in the right talent.

Scaling your team effectively may involve augmenting your existing talent with experienced professionals. Key roles to consider adding include a Controller or Chief Accounting Officer with public company experience, an Investor Relations (IR) officer to manage communications, and a Head of Compliance or Internal Audit. The cost of these roles is an investment against costly mistakes. Training existing staff is equally important – for example, provide your finance team with SEC reporting training and make sure they're up to date on new accounting standards. In addition to in-house talent, don't hesitate to tap external expertise. Advisory firms offer post-IPO support services, from helping draft financial statements, as well as MD&A and earnings scripts, to advising on governance structures. Engaging advisors can accelerate your learning curve and provide capacity when your teams are stretched thin. As part of this talent strategy, review and update compensation and rewards programs to align with public company expectations. A comprehensive, market-aligned compensation plan is essential for attracting and retaining the skilled professionals needed to succeed post-IPO.

04 Strengthen stakeholder communication and guidance.

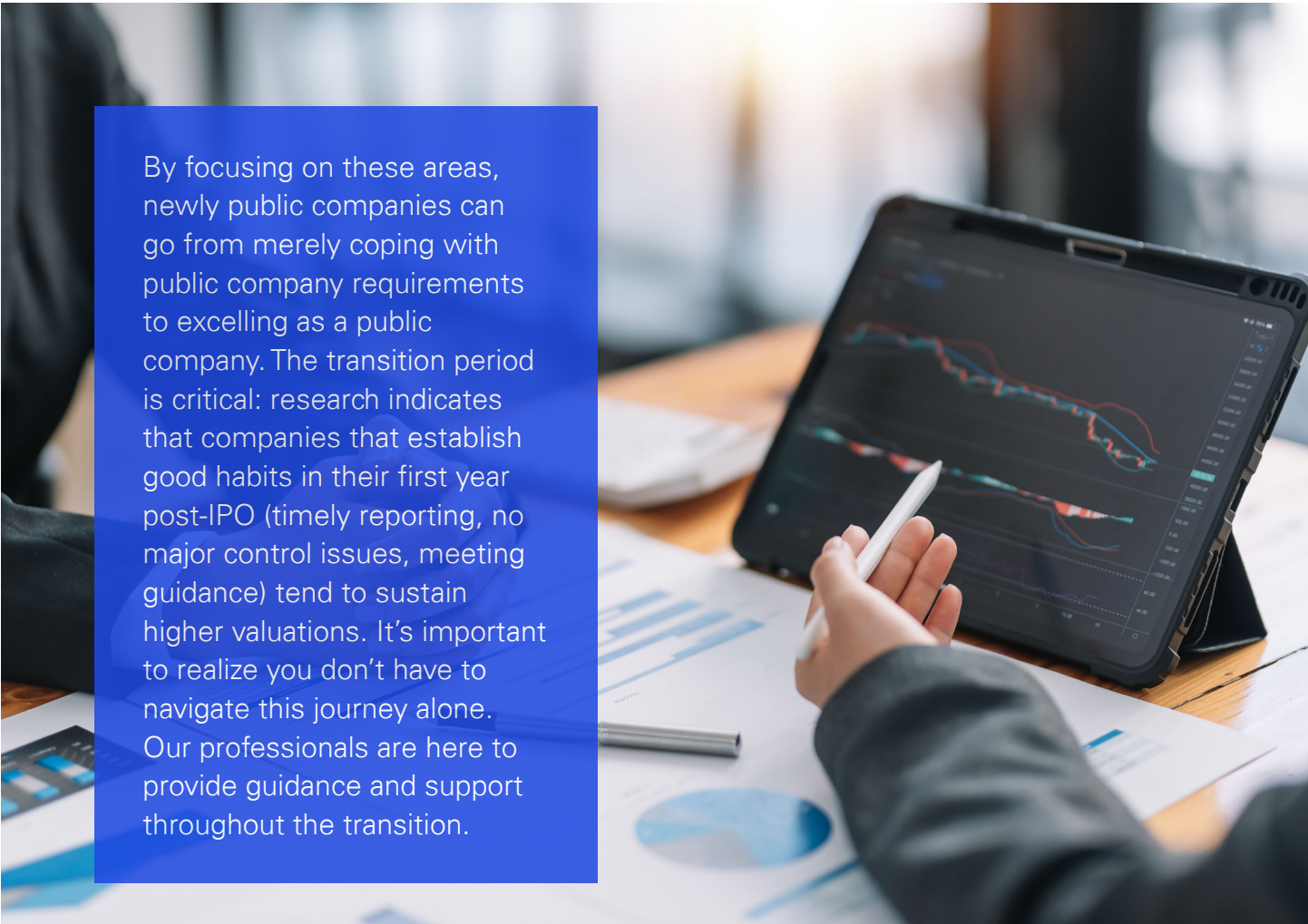
Newly public companies must master the art of storytelling to the market. Proactively develop a comprehensive investor relations strategy beginning well before the IPO. This includes consistent communication (quarterly calls, investor days, press releases) that tell a clear growth story and address investor concerns openly. Set realistic guidance early on – credibility is easier to maintain than to rebuild once lost. Also prepare for two-way communication: expect tough questions from analysts and direct outreach from institutional investors or governance teams. Have a plan for shareholder engagement and consider sustainability topics in your messaging as these are increasingly on investors' agendas.

05 Leverage technology and AI (responsibly)

Emerging technologies, especially AI, can be double-edged swords for public companies. On one hand, AI tools can help manage compliance – for example, using AI to review large datasets for anomalies in financial transactions or to automate portions of disclosure drafting. These can create efficiency and possibly detect issues early. On the other hand, reliance on AI without proper governance can introduce new risks. If you employ AI in finance or governance, ensure there's a strong framework around its use. Our advice: embrace useful technology but maintain human oversight. Additionally, treat cybersecurity as a board-level issue (as regulators do) – invest in robust cyber defenses to protect financial data and market-sensitive information, and have an incident response plan to meet new disclosure rules.

06 Build a strong stock administration function.

Going public dramatically increases the complexity and volume of equity transactions, from stock compensation plans to shareholder recordkeeping and regulatory reporting. Many newly public companies underestimate the operational demands of managing stock trades, option exercises, and ongoing disclosures. Many companies find that establishing a dedicated stock administration team or using specialized technology platforms can enhance accuracy and strengthen compliance processes. Proactive investment in this area helps prevent errors, reduces audit risk, and supports smooth interactions with employees and investors.



By focusing on these areas, newly public companies can go from merely coping with public company requirements to excelling as a public company. The transition period is critical: research indicates that companies that establish good habits in their first year post-IPO (timely reporting, no major control issues, meeting guidance) tend to sustain higher valuations. It's important to realize you don't have to navigate this journey alone. Our professionals are here to provide guidance and support throughout the transition.

Source: ISACA, AI Use is Outpacing Policy and Governance, ISACA Finds, Press Release, 25 June 2025. [isaca.org](https://www.isaca.org).

How KPMG can help

KPMG has a dedicated practice in Capital Markets and IPO advisory that supports companies before, during, and after going public. Our goal is to serve as a collaborative advisor as you transition into life as a public company. We provide targeted, hands-on support across the following critical areas of this transformation:

— Financial reporting & technical accounting advisory:

Our Accounting Advisory Services (AAS) professionals can be on call to advise on complex accounting issues that often arise post-IPO – whether it's preparing your initial 10-K, purchase accounting for an acquisition, or stock-based compensation nuances. We provide objective recommendations and can even deploy data analytics to help resolve reconciliation issues or analyze large volumes of transactions. Our team includes professionals with extensive experience in technical accounting and financial reporting, who can support your team in navigating new challenges. Additionally, the KPMG team actively monitors and interprets emerging regulations and ASU updates, providing guidance on which changes are relevant to newly public companies.

— Internal controls and SOX readiness:

Our risk and compliance teams help design and implement internal control frameworks suited to your business. We perform SOX readiness assessments, identify gaps, and recommend remediation steps. Based on our experience supporting numerous IPO transitions, we have observed recurring challenges that companies often face (like revenue recognition or IT controls) and best practices to fortify them. We can also introduce automation tools for control testing and monitoring, making compliance more efficient over time.

— Governance and sustainability guidance:

Our advisors include former GCs, CFOs, CAOs, and board members who understand governance challenges. We offer guidance on setting up board committees, charters, and governance policies that meet regulatory and investor standards. On ESG, KPMG LLP's sustainability specialists can help you develop the processes to collect and report ESG metrics, readying you for climate disclosures and investor sustainability questionnaires. We keep you informed on emerging regulations (e.g., SEC rule changes, ISS policy shifts) so you can stay ahead of compliance and governance asks.

— Talent and process development:

Sometimes the biggest need post-IPO is augmenting the people and process capacity. KPMG can provide interim project managers or subject-matter professionals to work alongside your team on critical projects (like implementing a new consolidation system or drafting policy documentation for new controls). We also offer training workshops for finance teams on SEC reporting, or for boards on their fiduciary duties and hot topics in corporate governance. The goal is to transfer knowledge and build up your internal capabilities for the long run.

— Cross-functional expertise:

Being a public company affects many parts of the business – IT systems, tax strategy, treasury, HR (for executive comp and equity plans), etc. KPMG brings a multidisciplinary approach. Our tax experts ensure you understand and comply with post-IPO tax requirements; our IT consultants can assess whether your systems are secure and scalable for public demands; our human capital advisors help align reward structures with shareholder interests. We provide holistic support so that all parts of the enterprise are ready for public scrutiny.





Our approach is customized to each client. We start by understanding your specific challenges and maturity level. For instance, one client might need heavy accounting support but have great IT systems; another might need strategy for investor messaging and an ERP upgrade. We tailor our services accordingly. What remains constant is our commitment to knowledge transfer and empowerment – we aim to leave your team stronger and more self-sufficient. As noted in our IPO services materials, we take a holistic approach to IPO readiness and beyond, covering governance, financial reporting, systems, and people. Our team’s diverse experience (audit, tax, advisory and industry executives) means we can serve as a one-stop resource as you face new issues.

Contact



Shari Mager

Partner, Advisory

Global Capital Markets Readiness Leader

smager@kpmg.com

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