

Causes of Business Success or Failure of Start-Ups Company-A Case of Kathmandu Valley

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Abstract

This study examines the causes of business success or failure of start-ups in Kathmandu Valley. Business success is the dependent variable. The independent variables are suitable environment, self-motivation, family background, ICT, product and services, strategy, resource and finance. The primary source of data is used to assess the opinions of the respondents regarding the causes of success or failure of start-ups in Kathmandu Valley. The study is based on primary data with 122 respondents. To achieve the purpose of the study, structured questionnaire is prepared. The correlation coefficients and regression models are estimated to test the significance and importance of factors associated with causes of business success or failure of start-ups companies in Kathmandu Valley.

The result shows that suitable environment has a positive impact on business success. It indicates that suitable environment for starts up leads to business success for Nepalese start-ups companies. Likewise, self-motivation has a positive impact on business success. It indicates that higher self-motivation leads to business success. Similarly, family background has a positive impact on business success. It implies that strong family background of the business person leads to business success. Similarly, ICT has a positive impact on business success. It indicates that use of information communication technology in the organization leads towards business success. Similarly, product and services has a positive impact on business success. It indicates better the quality of product and services business offering, higher would be the chances of business success. In addition, strategy has a positive impact on business success. It indicates that the most effective strategy leads towards business success. Likewise, resource and finance has a positive impact on business success. It indicates that maintaining a good balance between resources and finance leads towards business success.

Keywords: business success, suitable environment, self-motivation, family background, ICT, product and services, strategy, resource and finance

1. Introduction

An entrepreneur is an individual who creates a new business, bearing most of the risks and enjoying most of the rewards. The entrepreneur is commonly seen as an innovator, a source of new ideas, goods, services, and

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business/or procedures. Entrepreneurs play a key role in any economy, using the skills and initiative necessary to anticipate needs and bring good new ideas to market (Sarkar *et al.*, 2019). Entrepreneurship is the act of creating a business or businesses while building and scaling it to generate a profit. However, as a basic entrepreneurship definition, it's a bit limiting. The more modern entrepreneurship definition is also about transforming the world by solving big problems like initiating social change creating an innovative product or presenting a new life (Ferreira *et al.*, 2019).

A start-up can be defined as a project-based organization or company in various business fields that commercializes a new business model by combining innovative ideas or advanced technologies to deal with uncertain environments (Ries, 2011). Startup is a newly established enterprise or an enterprise at the foundation stage, which is focused on monetizing an idea (Bednár and Tarišková, 2017). Start-up is a fast-growing business and its revenue model, as conceptual framework for revenue, income and above average return on investment generation, can be considered to be the heart of the business model and the key to its success (Bednar *et al.*, 2018)

Entrepreneurship has become an extremely relevant tool for promoting sustainable economic development. It helps to reduce unemployment, creates job opportunities for people, and assists the government in increasing economic growth. Its financial contribution leads to social and human welfare, which creates value in society (Shahzad *et al.*, 2021)

According to Curtain (2001), if given the right inspiration, concepts, and chances, young people are more than capable of launching profitable and innovative businesses. People can change from being job searchers to creating jobs for others. Many independent contractors also provide financial support for their families. Despite these possible benefits, the majority of people continue to depend on the government for employment rather than opening their own enterprises and recruiting staff. A successful startup will have sufficient revenue to cover its costs, but a failed startup will be unable to generate sufficient revenue likewise, reducing the socio-economic cost of failure and the lessons learned known as epiphanies will help future entrepreneurs (Singh *et al.*, 2015).

A startup is an organization designed to find the right business model which has become an important issue from a scientific perspective, such as an agile culture combining clan with adhocracy; the ability to nurture their absorptive, innovative, and adaptive capabilities effectively; and a human

capital with adequate entrepreneurial skills, emotional attachment to and fitness with the start-up (Gaio *et al.*, 2022). Likewise, business failure is both frequent and potentially damaging to the efficient operation of a market economy. Prospective entrepreneurs bring novel ideas to the table and turn them into economic possibilities by launching their firms. Entrepreneurial startups create new jobs and open doors to creative potential (Spilling, 1996).

Startup failure affects both entrepreneurs and the businesses they develop. The consequences of entrepreneurial failure extend beyond the enterprise and have an influence on employment and the economy. The number of entrepreneurs that fail is enormous, and the lessons they have learned, when shared, will assist aspiring entrepreneurs in the ecosystem build their road to success. (Dutta and Folta, 2016). According to Santamaria-Velasco (2021), there are several more factors that might assist to anticipate a startup's potential success. The dedication of the promoting partners, their commercial abilities, the age of the startup, the number of employees in the startup, the presence of non promoting partners, the startup's ability to reach the breakeven point, and the promoting partners technological background all positively impact a startup's potential for success. Bruckner *et al.* (2022) showed that the causes and consequences of entrepreneurial failure, especially failure after massive overfunding via crowd funding, the environmental, firm, and individual levels, based on actual cases that failed after receiving massive overfunding and framework challenges established thinking on resources and financing as measures of entrepreneurial success by providing insights into the processes leading to failure despite availability of resources. Inaccessibility to debt finance from commercial banks is one of the causes of failure (Fatoki, 2014). Start-ups run by people with prior experience of working in charities had a significantly better chance of survival than start-ups managed by individuals lacking such experience (Bennet, 2016)

Alsos and Ljunggren (1998) analyzed the business start-ups process differ by gender in longitudinal study of nascent entrepreneurs. The findings of the study showed some gender differences in the start-up process; however these do not lead to lower start-up probabilities for women. Mehralizadeh and Sajady (2006) examined that the factors related to successful and failure of entrepreneurs of small industrial. The results advised the following issues were important effects on their weak performance and failure their business: weak managing technical skills, financial issues, planning and organizing of their business, economic issues, informal issues, weak managing conceptual skills, personnel skills, education and low training, and weak human relation.

Furthermore, Hasani and O'Reilly (2020) examined the antecedents affecting the organizational performance of start-up businesses. The study suggested that there is a positive effect of technological and environmental characteristics on the organizational performance of start-up businesses. The study also found that managerial characteristics do not have any positive effect on the organizational performance of start-up businesses. Moreover, Cantamessa *et al.* (2018) examined that startups roads to failurewell recognized that, while the overall contribution of startups is crucial, the high-risk and high-reward strategy followed by these startups leads to significant failure rates and a low ratio of successful startups.

Battistella *et al.* (2017) analyzed that open accelerators for start-ups successreview of the literature on start-up successes and failures and on major practices in the open innovation paradigm was carried out, delineating them in the context of accelerators. Some causes of failure, such as the intrinsic characteristics of founder teams, do not seem to be addressed by an open approach and neither does participation in, an accelerator program. Groenewegen and De Langen (2012) examined the critical success factors of the survival of start-ups with a radical innovation. The study showed that there is a positive relation between employment growth and external advice and investor capital but not with the turnover growth. Further, Reid and Smith (2000) examined that how start-up successful. This study explains this measured by various dimensions of business strategy. Three criteria are used to create a one dimensional ordinal ranking of high, medium and low performance for new business starts: employment growth; return on capital employed; and labor productivity.

In context of Nepal, Bista (2016) examined that enterprise necessary or opportunity to women empowerment and happiness that focused on finding out the commonly used financing source and barriers for having access to such source for startups and growth companies in terms of Nepalese context. Bank and financial institution are major external player to finance the business in the Nepalese scenario, however, most of startups do not fit in the lending approaches of bank. High interest rates and complex process associated with BFIs often demotivates the entrepreneur to use such sources at the fullest.

The above discussion reveals that the empirical evidences vary greatly across the studies concerning the causes of business success or failure of start-ups in Kathmandu Valley. Though there are above mentioned empirical evidences in the context of other countries and in Nepal, no such findings using more recent data exist in the context of Nepal. Therefore, in order to

support one view or the other, this study has been conducted.

The main purpose of the study is to analyze the factors associated with success or failure of start-ups in Kathmandu Valley. Specifically, it examines the impact of suitable environment, self-motivation, family background, ICT, product and services, strategy, resource and finance on business success in Kathmandu Valley.

The remainder of this study is organized as follows. Section two describes the sample, data and methodology. Section three presents the empirical results and the final section draws the conclusion.

2. Methodological aspects

This study is based on primary data. The primary data was collected through questionnaires from 122 respondents which were the owner of start-ups companies. The respondents' views were collected on suitable environment, self-motivation, family background, ICT, product and services, strategy, resource and finance and success or failure of starts up. The study is based on descriptive and causal comparative research designs.

The model

The model estimated in this study assumes that the business success of start-ups depends upon suitable environment, self motivating, ICT, family background, product and services, strategy, resource and finance. Therefore, the model estimated in this study takes the following form:

$$\text{Business Success} = f(\text{SE, SM, FB, ICT, PS, S and RF})$$

More specifically,

$$\text{BS} = \beta_0 + \beta_1 \text{SE} + \beta_2 \text{SM} + \beta_3 \text{FB} + \beta_4 \text{ICT} + \beta_5 \text{PS} + \beta_5 \text{PS} + \beta_6 \text{S} + \beta_7 \text{RF} +$$

Where,

BS = Business success

SE = Suitable Environment

FB = Family background

ICT = Information communication technology

PS = Product and services

S = Strategy

RF = Resource and finance

Suitable environment was measured using a 5-point Likert scale where

the respondents were asked to indicate the responses using 1 for strongly agree and 5 for strongly disagree. There are 5 items and sample items include “I have sufficient amount to be an entrepreneur”, “Suitable environment is necessary for entrepreneurial startups” and so on. The reliability of the items was measured by computing the Cronbach’s alpha ($\alpha = 0.72$).

Self motivation was measured using a 5-point Likert scale where the respondents were asked to indicate the responses using 1 for strongly agree and 5 for strongly disagree. There are 5 items and sample items include “I have self motivating environment for entrepreneurial startups”, “Self motivating is necessary for entrepreneurial start ups” and so on. The reliability of the items was measured by computing the Cronbach’s alpha ($\alpha = 0.72$).

Family background was measured using a 5-point Likert scale where the respondents were asked to indicate the responses using 1 for strongly agree and 5 for strongly disagree. There are 5 items and sample items include “The criteria for the family background have been clearly explained to all entrepreneurs”, “Family background of the entrepreneur awards is adequately publicized” and so on. The reliability of the items was measured by computing the Cronbach’s alpha ($\alpha = 0.88$).

Information communication technology was measured using a 5-point Likert scale where the respondents were asked to indicate the responses using 1 for strongly agree and 5 for strongly disagree. There are 5 items and sample items include “ICT is an important instrument for start-ups if it is used correctly”, “Effective management of ICT can improve productivity and performance of an organization” and so on. The reliability of the items was measured by computing the Cronbach’s alpha ($\alpha = 0.82$).

Product and services was measured using a 5-point Likert scale where the respondents were asked to indicate the responses using 1 for strongly agree and 5 for strongly disagree.. There are 5 items and sample items include “Product and services offering can be vital in building relationships and customer loyalty”, “Satisfaction is when the customer evaluates whether a product or service has met their needs and expectations” and so on. The reliability of the items was measured by computing the Cronbach’s alpha ($\alpha = 0.82$).

Strategy was measured using a 5-point Likert scale where the respondents were asked to indicate the responses using 1 for strongly agree and 5 for strongly disagree. There are 5 items and sample items include “Strategy is a plan designed with the aim to achieve and sustain competitive advantage over

rivals”, “A good strategy helps to make good investment decision” and so on. The reliability of the items was measured by computing the Cronbach’s alpha ($\alpha = 0.89$).

Resource and finance was measured using a 5-point Likert scale where the respondents were asked to indicate the responses using 1 for strongly agree and 5 for strongly disagree. There are 5 items and sample items include “Financial institution plays a vital role in the resource allocation process and entrepreneurs need finance to grow their business”, “lack of financial resources in startup create obstacle for the success or high profit level” and so on. The reliability of the items was measured by computing the Cronbach’s alpha ($\alpha = 0.71$).

The following section describes the independent variables used in this study along with the hypothesis formulation.

Suitable environment

Recognizing the market opportunities and accurate financial information about the business in a timely manner, have a better knowledge of the targeted customers, suppliers and interested groups to their products and services (Mehralizadeh and Sajady, 2006). There is a positive effect of technological and environmental characteristics on the organizational performance of start-up businesses (Hasani and O’Reilly, 2020). Visvizi *et al.* (2022) showed that query by example in both countries is mostly affected by state regulation and state support of business activities, followed by legal environment. For a sustainable startup, there should be suitable legal policies, including incentive policies on taxes in the first 3-5 years, when new businesses are established (Le Trinh, 2019). Entrepreneurship has partial mediating effects between the business environment and the competitiveness of start-ups (Zhong and Peng, 2022). Based on it, this study develops following hypothesis:

H₁: There is a positive relationship between suitable environment and business success of start-ups.

Self-motivating

Motivation leads to entrepreneurial activities that can be interpreted as a stimulus that can encourage someone to run a business (Santoso, 2018). Entrepreneurship motivation has been considered as an engine growth for economic development in the developed, emerging, and developing economics. There are few significant differences on types of motivation and psychological needs between graduates student on start-ups that can positively influence the

success of start-ups (Butz and Mrożewski., 2014). Machmud and Sidharta (2016) showed that entrepreneurial motivation potential simultaneously and partially has a significant influence to small and medium sized enterprise business performance. Moreover, motivation also has a significant positive effect on the students intention to become an entrepreneur, however, ability has a positive but insignificant on motivation (Raza *et al.*, 2018). Based on it, this study develops following hypothesis:

H₂: There is a positive relationship between self motivating and business success of start-ups.

Family background

Family background and entrepreneurship education service quality has a positive and statistically significant effect on entrepreneurial intention among Vietnamese students (Dias *et at.*, 2022). From the failure entrepreneurs point of view the following issues were important effects on their weak performance and failure their business: weak managing technical skills, financial issues, planning and organizing of their business, economic issues, and family background (Mehralizeh and Sajadey, 2006). Family support, peer influence, and institutional support positively and significantly affected entrepreneurial intention (Sadiq *et al.*, 2021). Students have a higher tendency to engage in entrepreneurial ventures. Additionally, they have strong family, peer, and institutional support to start their business. It provides a direction to young entrepreneurs and contributes to the entrepreneurship sector of Pakistan by initiating new business ventures, ultimately contributing to the growth of the economy (Shahzad and Rashid, 2021). Cantamessa *et al.* (2018) stated that entrepreneurship education, family business background, motive, identified factors will help government, policymakers, and academic institutes to come up startup can be created and sustained. Based on it, this study develops following hypothesis:

H₃: There is a positive relationship between family background and business success of start-ups.

Information communication technology (ICT)

ICT reduces the transaction and adjustment costs of moving activity outside the firm, and of carrying it out at greater geographic distance (Abramovsky and Griffith, 2006). Tang *et al.* (2021) also provided useful advice for digital payment improvement and recommendations to enhance digital payment for the success of electronic business operations. Similarly, Ollo-López and Aramendía-Muneta (2012) stated that ICT adoption have

a positive effect on productivity and to have great potential to support a sustainable development. Solicitation for bid having good infrastructures in the form of internet, telephone and people are more likely to positively influence performance and have positive impact on annual turnover (Kandel *et al.*, 2019). Hasani and O'Reilly (2020) found that there are positive effects of technological and environment characteristics on the organizational performance of start-ups. Based on it, this study develops the following hypothesis:

H₄: There is a positive relationship between ICT and business success of start-ups.

Strategy

Hrebiniak (2006) confirmed that effective strategy plays significant role for the growth of start-ups. According to Fadzil *et al.* (2019), business strategies can help the start-ups to achieve the objectives of higher sales and increase profitability. Similarly, Jasra *et al.* (2011) examined that role of keys factors in the success of SME in Pakistan. The study concluded that there is a positive relationship between business success and marketing strategy and entrepreneurial skills. The lack of a structured Business Development strategy emerges as a key determinant of startup failure in the majority of cases (Cantamessa *et al.*, 2018). Basic framework for the successful implementation of a technology-oriented business strategy is developed, consisting of four elements: business strategy, network competence, technological competence and innovation success (Ritter and Gemünden, 2004). Business success promotes to close the gap between strategy formulation and implementation (Meskendahl, 2010). Based on it, this study develops following hypothesis:

H₅: There is a positive relationship between strategy and business success of start-ups.

Product and services

Audretsch and Lehmann (2005) assessed the relationship between ownership, decision making and employee deployment and the performances of the firm. The study showed that ownership profile and offered product and services are the key factors and have positive impact on the success of start-ups. Similarly, Jasra *et al.* (2011) study concluded that there is a significant positive relationship between business success and its determinants such as financial resources, product and services, technological resource and entrepreneurial skills. Moreover, Indarti and Langenberg (2004) showed that marketing, technology, product and capital access positively influence the

business success. The decision of how to manufacture or produce the good or service is a fundamental aspect of the new venture relates to business success (Gómez, 2007). Groenewegen and De Langen (2012) showed that consumer unknown product or new qualities of the product are the positively related for the business success of start-ups. Based on it, this study develops the following hypothesis:

H₆: There is a positive relationship between product and services ad business success of start-ups.

Resource and finance

Resource theory evaluates the impact of the availability of certain resources as a determinant of performance, adaptation, and exchange (Kozlenkova *et al.*, 2014). According to Lekhawichit (2020), these resources lend hinder the SMEs to earn more profitstudy revealed that resource and finance has a positive impact on the success of the enterprises. Dumitrescu *et al.* (2015) found that community brand identity and social capital as the resources help small business to be successful. Likewise, the most significant factors affecting business success of SMEs in Thailand were SMEs characteristics, customer and market, the way of doing business, resources and finance, and external environment (Islam *et al.*, 2017). Financial capital is one of the necessary resources required for enterprises to form and subsequently operate. Capital decisions and the use of debt and equity at start-up have been shown to have important implications for the operations of the business, risk of failure, firm performance, and the potential of the business to expand (Cassar, 2004). Based on it, this study develops the following hypothesis:

H₇: There is a positive relationship between resource and finance and business success of start-ups.

3. Results and discussion

Correlation analysis

On analysis of data, correlation analysis has been undertaken first and for this purpose, Kendall's Tau correlation coefficients along with means and standard deviations have been computed and the results are presented in Table 1.

Table 1

Kendall's Tau correlation coefficients matrix

This table presents Kendall's Tau correlation coefficients between dependent and independent variables. The correlation coefficients are based on 122 observations. The dependent variable

is BS (Business success). The independent variables are SE (Suitable environment), SM (Self-motivating), FB (Family background), ICT (Information communication technology), PS (Product and services), S (Strategy) and RF (Resource and finance).

Variables	Mean	S.D.	BS	SE	SM	FB	ICT	PS	S	RF
BS	2.392	0.673	1							
SE	2.316	0.718	0.286	1						
SM	2.508	0.537	0.275	0.260	1					
FB	2.39	0.756	0.344**	0.333**	0.391**	1				
ICT	2.502	0.765	0.370**	0.336**	0.401**	0.433**	1			
PS	2.47	0.762	0.417**	0.330**	0.372**	0.383**	0.479**	1		
S	2.504	0.707	0.449**	0.278**	0.307**	0.333**	0.442**	0.435**	1	
RF	2.372	0.664	0.456**	0.446**	0.367**	0.453**	0.439**	0.466**	0.471**	1

Note: The asterisk signs (**) and (*) indicate that the results are significant at one percent and five percent levels respectively.

Table 1 reveals that suitable environment is positively correlated to business success. It indicates that suitable environment for starts up leads to business success for Nepalese start-ups companies. Likewise, the result shows that self-motivation is positively correlated to business success. It indicates that strong and supportive family background facilities lead towards business success. The result also reveals that (ICT) is positively correlated to business success. It indicates that use of information communication technology in the organization leads towards business success. Similarly, product and services is positively correlated to business success. It indicates better the quality of product and services business offering, higher would be the chances of business success. It indicates that the most effective strategy leads towards business success. Further, resource and finance is positively correlated to in business success. It indicates that maintaining a good balance between resources and finance leads towards business success.

Regression analysis

Having analyzed the Kendall's Tau correlation coefficients matrix, the regression analysis has been carried out and the results are presented in Table 2. More specifically, it presents the regression results of suitable environment, self-motivation, family background, information communication technology, product and services, strategy, resource and finance on success of start-ups companies.

Table 2

Estimated regression results of suitable environment, self-motivating, information communication technology, family background, product and

services, strategy and resource and finance on business success in Kathmandu Valley

The results are based on 122 observations using linear regression model. The model is $BS = \beta_0 + \beta_1 SE + \beta_2 SM + \beta_3 FB + \beta_4 ICT + \beta_5 PS + \beta_6 S + \beta_7 RF + e$, where the dependent variable is BS (Business success). The independent variables are SE (Suitable environment, (SM) Self-motivating, ICT (Information communication technology), FB (Family background), PS (Product and services), S (Strategy) and RS (Resource and finance).

Model	Intercept	Regression coefficients of							Adj. R _{bar} ²	SEE	F-value
		SE	SM	FB	ICT	PS	S	RF			
1	1.601 (7.760)**	0.317 (3.931)**							0.107	0.636	15.45
2	1.143 (5.568)**		0.408 (3.775)**						0.098	0.639	14.210
3	1.445 (7.450)**			0.371 (5.033)**					0.167	0.614	25.335
4	1.460 (8.022)**				0.383 (5.305)**				0.183	0.608	28.146
5	0.415 (5.842)**					0.415 (5.842)**			0.215	0.596	34.126
6	1.20 (6.178)**						0.475 (6.309)**		0.243	0.585	39.80
7	1.002 (4.997)							0.549 (7.073)**	0.288	0.567	50.034
8	1.091 (3.946)	0.242 (2.896)**	0.299 (2.687)**						0.151	0.620	11.737
9	0.956 (3.513)**	0.170 (0.046)	0.160 (0.178)	0.252 (2.920)**					0.201	0.601	11.161
10	0.929 (3.473)**	0.129 (1.523)	0.076 (0.623)	0.181 (2.010)*	0.209 (2.297)*				0.229	0.591	9.993
11	0.848 (3.229)**	0.088 (1.049)	0.016 (0.12)	0.158 (1.784)	0.126 (1.339)	0.234 (2.648)**			0.267	0.576	9.808
12	0.705 (2.674)**	0.081 (0.987)	0.003 (0.027)	0.128 (1.470)	0.065 (0.679)	0.157 (1.708)	0.242 (2.490)*		0.298	0.564	9.574
13	0.627 (2.422)*	0.001 (0.006)	0.008 (0.072)	0.069 (0.783)	0.058 (0.629)	0.107 (0.092)	0.186 (1.911)	0.292 (2.591)**	0.332	0.550	9.572

Notes:

- i. Figures in parenthesis are t-values
- ii. The asterisk signs (**) and (*) indicate that the results are significant at one percent and five percent level respectively.
- iii. Business success of start-ups is dependent variable.

Table 2 shows that the beta coefficients for suitable environment are positive with business success. It indicates that suitable environment has a positive impact on business success. This finding is consistent with the findings of Okoro et al. (2020). Likewise, the beta coefficient for self-motivation are positive with business success. It implies that self-motivation has a positive impact on business success. This finding is similar to the findings of Mehralizadeh and Sajady (2006). In addition, the beta coefficients for family background are positive with business success. It means that family background has a positive impact on business success. This result is consistent with the results of Cantamessa et al. (2018). Further, the beta coefficients for information communication technology are positive with business success. It

indicates that information communication has a positive impact on business success. This finding is similar to the findings of Tarutė and Gatautis (2014). Likewise, the beta coefficients for product and services are positive with business success. This implies that product and services has a positive impact on business success. This finding is similar to the findings of Jasra et al. (2011). The beta coefficients for strategy is positive with business success. It reveals that strategy has a positive impact on business success. This finding is consistent with the findings of Hrebiniak (2006). In addition, the beta coefficients for resource and finance are positive with business success. It implies that resource and finance has a positive impact on business success. This finding is similar to the findings of Lekhawichit (2020).

4. Summary and conclusion

Business failure is both frequent and potentially damaging to the efficient operation of a market economy. Prospective entrepreneurs bring novel ideas to the table and turn them into economic possibilities by launching their firms. Entrepreneurial startups create new jobs and open doors to creative potential (Spilling, 1996). Bruckner *et al.* (2022) showed that the causes and consequences of entrepreneurial failure, especially failure after massive overfunding via crowd funding, the environmental, firm, and individual levels, based on actual cases that failed after receiving massive overfunding and framework challenges established thinking on resources and financing as measures of entrepreneurial success by providing insights into the processes leading to failure despite availability of resources.

This study attempts to examine the causes of business success or failure of start-ups in Kathmandu Valley. The study is based on primary data of start-ups companies with 122 observations.

The major conclusion of this study is that the suitable of the environment, self-motivation, ICT, product and services, strategy, resource and finance have a positive impact on business success. This indicates that suitable environment, self-motivation, information communication technology, product and services, strategy, resource and finance leads to start-ups companies' success. The study also concludes that the most influencing factor is resource and finance followed by strategy and self-motivation that determines the success of start-up companies in Kathmandu Valley.

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