

**REASONS FOR THE FAILURE OF NEW TECHNOLOGICAL
SMALL & MEDIUM ENTERPRISES**



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ABSTRACT

The present study aims to provide a realistic picture of small and medium enterprises in Islamabad and the reasons for the failure of new technological SMEs in Pakistan. Study will describe the concept of SMEs and the factors that will influence them, and by adopting which measures new SMEs can prevent them from failure.

This is a descriptive study therefore the questionnaire is used as the instrument. This study is specifically focuses on call centers, software companies IT companies, and website developers. The method used to collect data is both primary and secondary sources of data. Primary data has been used to find out the answers for the objective of the study.

Data show that experience, finance and skilled labor play a major role in making a business successful. And looking from the other angle if one has less experience, finance and skilled labor the chance for the failure of that business will be the most.

It is also concluded from the survey report that almost 80% SMEs are failed in their first year because of following reasons; lack of Govt. & SME Interaction, unavailability of financial resources, unskilled Labor, inadequate human resource, deficient technology, Immoral business practice, lack of Infrastructure, and due to improper business management.

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