

main reasons why startups fail 5

ibtdi.com/5-major-reasons-behind-the-failure-of-startups 

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There is no doubt that the possibility of failure of startups is a possibility and a large percentage, the establishment of startup companies is fraught with risks and entrepreneurs must take the possibility of failure

,their startups in mind. There are 5 main reasons why startups fail

:Entrepreneurs should avoid them in order to write success for their startups

Incorporation of the start-up company in order to achieve profits . :only

.The establishment of a startup company differs from the establishment of other projects

The company is working on achieving it and then looking for profits . If you establish a startup company in order to achieve profits only, you will surely fail, because

The startup requires great sacrifice and ambition from the entrepreneur, and most importantly, the entrepreneur's passion for the idea of his startup, which makes him patient with

his project to make profits. Whereas a company that is established for profit only, its , founder will not have patience until his company achieves profits

.Thus the company fails and exits the market

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:Bad management and poor leadership of the work team

An entrepreneur does not necessarily have sufficient managerial and leadership skills to be able to lead the work team to the success of his company. In this case the

The entrepreneur has to hire an executive who has good management and leadership skills that enable him to achieve success for the startup. The clinging of the incompetent entrepreneur

.Administratively managing a startup often causes failure for the startup

: Insufficient funding for a startup .

The entrepreneur must ensure that his startup is financed for a period of no less than three years without taking into account the expected profits, as it may be delayed

Profits and therefore the expected profits cannot be relied upon in financing the startup, and there may come a time when the startup cannot cover its expenses if it is not

The existence of sufficient funding or its reliance on financing from profits, and thus the .company is forced to close as a result of falling into a financial deficit

: Bad planning for the company emerging .

Startups often fail due to the lack of a clear plan or specific goals that they seek to achieve, this certainly causes a waste of the company's money

. Emerging and dispersing the efforts of the work team

:Establishing the startup as a huge company from the beginning .

Having an irrational vision for a startup drives the majority of entrepreneurs to establish large companies from the start and spend huge amounts of money on rent and furniture

Exorbitant costs in hiring a large number of employees are other manifestations of the company's size. This over-zealous entrepreneur and visionary

The illogicality of the start-up company will cause failure for the entrepreneur because after a period of time he will be unable to continue paying the large expenses of this company

massive. Instead, the entrepreneur should establish his company as a small company or .even without having a headquarters and then work on expanding his company

.Entrepreneurs start out with modest or even no home for their startups

?What is your benefit