

## The 12 Key Reasons Why Companies Fail

1. **Inadequate planning** of the business
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4. **Insufficient initial capital** for start-up period and development stages due to inadequate planning
5. **Mistaken estimate of market demand** for product or service
6. Lack of **management** ability
7. Failure to select *and use* **appropriate outside professional advisors**
8. **Inability to market** product or services effectively
9. **Over dependence** on a single individual or on a predicted specific event
10. Failure to understand **capital requirements** of a growing business
11. **Poor timing of expenditures** due to poor planning
12. Expedient, rather than **reasoned decision-making**