Nepal Journal of Multidisciplinary Research (NJMR)
Vol. 8, No. 4, September 2025. Pages: 92-105
ISSN: 2645-8470 (Print), ISSN: 2705-4691 (Online)
DOI: 10.3126/njmr.v8i4.82479

Effectiveness of Enterprise Development Tool Promoted by the Ministry of Industry: Outcome from Field Survey

Rabindra Kumar Neupane
Faculty of Management
Nepal Commerce Campus, Tribhuvan University, Nepal
rabindra.neupane@ncc.tu.edu.np

Bhupindra Jung Basnet*
Faculty of Management
Nepal Commerce Campus, Tribhuvan University, Nepal
bhupindra@ncc.edu.np

Ashutosh Neupane
Masters in Computer Science
neupaneadhin@gmail.com

Corresponding Author*
Received: July10, 2025; Revised & Accepted: September 29, 2025

Abstract

Background: The objective of this study is to analyze the effect of enterprise development tool called Business Development Services (BDS) designed and promoted by the Ministry of Industry for creation and development of micro-enterprises in Nepal. The tool is composed of different components supporting micro-enterprise creation and growth. This research is based on the primary data collected from the field survey of micro-entrepreneurs of Banepa Municipality and Chauri Deurali Village Palika of Kavre District. Kavre district is nearby Kathmandu and easy to reach by road transport. The Ministry of Industry has implemented BDS program in this district from the year 2007 so that BDS suppliers and entrepreneur associations have generated sufficient experience and information on the implemented modality.

Objective: The general objective of this research is to analyze the effectiveness of BDS, a tool for micro-enterprise development. Specifically, this research is aimed on analyzing surveyed

Nepal Journal of Multidisciplinary Research (NJMR)
Vol. 8, No. 4, September 2025. Pages: 92-105
ISSN: 2645-8470 (Print), ISSN: 2705-4691 (Online)
DOI: 10.3126/njmr.v8i4.82479

data of micro-entrepreneurs for the assessment of the effectiveness of provided BDS supports to them for the development of their enterprises.

Methods A quantitative approach has been used in this research. For the survey purpose, micro-entrepreneurs are randomly sampled from the population of total created enterprises at the sample areas. The sample areas are purposively selected due to their richness in information holdings, number of created micro-enterprises, and experience in delivering BDS. Questionnaires to collect opinion on the effectiveness of the delivered BDS is structured using five point Likert scale. Both descriptive and inferential statistical analysis are applied to analyze the surveyed data.

Findings: Both the descriptive and inferential analyses have depicted that that all components of BDS are significantly effective for the development of micro-enterprises.

Conclusion: The designed BDS package is very useful to micro-entrepreneurs for the creation and growth of their enterprise. The applied holistic mechanism in the design and interventions of the BDS have helped to enhance its effectiveness as expected by the promoting agency.

Novelty: The dearth of research in this subject in Nepal make it a novel topic. Although, the effectiveness of BDS as a tool of micro-enterprise development is evaluated several times under the funded project work of the Ministry of Industry whereas the academic research in this topic is rear in Nepal.

Keywords: Enterprise development tool, Business development services, Micro-Enterprises, Enterprise Development.

Background Information

Business Development Services (BDS) is aimed to improve enterprise performance in production, sales, marketing, financing, technology and communication, and other operational and managerial areas. It helps enhance competitive ability and access to market. BDS also assist in promoting innovation, increase productivity, and enhance enterprise sustainability. According to Committee of Donor Agencies for Small Enterprise Development (2001 as cited by UNDP, 2016), in general, a non-financial BDS package consists an array of enterprise supports like training, market linkage, skill training, technology transfer, and other support services. BDS is an important mechanism to address market failure that hinders economic growth. Shortage of market opportunities, regulations, guidelines, standards, policies, institutional structures etc. are the causes of market failures. Hagabirena and Kung (2020) have also concluded that BDS supports significantly contribute to improve performance of micro-enterprises helping them overcome their growth and development challenges.

Bajracharya et al. (2005) have identified that BDS supports have significant importance to micro and small enterprises (MSEs). It has also been stated that various governments; non-governments; and donor agencies are offering different types of BDS for enterprise promotion. Therefore, BDS supports are tools composed of nurturing services necessary to start and grow an enterprise. Katz and Green (2009) have stated the importance of micro and small enterprises create jobs, promote innovations, and provide income generating opportunities for both

Nepal Journal of Multidisciplinary Research (NJMR)
Vol. 8, No. 4, September 2025. Pages: 92-105
ISSN: 2645-8470 (Print), ISSN: 2705-4691 (Online)
DOI: 10.3126/njmr.v8i4.82479

individuals and communities. They have stated that small businesses are the engine of new employment generation. They have given example of how low cost subcontracting of small firms are important to the operation of big corporations.

The increasing privatization of public companies and corporate restructuring caused a shrinkage in the workforce in the decade of the 1990s. This shrinkage has created new opportunities in micro and small firm sectors. Nepal's situation was also not much different in this respect. According to Bajracharya et al. (2005), micro and small enterprises are important since they are labor oriented. They contribute the economy by generating employment and self-employment using local level skills, resources, and technology. Mazanai and Fatoki (2024) have stated that start-up small enterprises are very significant to employment generation, poverty reduction, and development of economy. They have also found that BDS assists small enterprises in acquiring debt financing for their growth. The non-financial BDS is very important to micro and small enterprises during their creation, growth, and survival. It enhances their productivity and competitiveness (Pytkowska, 2018). In the financial BDS model, the financial service-taking client is compulsorily obliged to take BDS including debt finance or are free to choose only debt finance. (Rijneveld, 2006). Grameen Bank model of Bangladesh and Nepal resemble financial BDS model. The non-financial model of BDS do not offer debt finance directly. It only assists in linking entrepreneurs with micro-finance, cooperative, and banks. This model also assists entrepreneurs in preparing business plans for loan application.

Lack of proper management and accounting knowledge; adequate financing; knowledge of available and needed rules and regulations; skills, technology etc. are the major challenges causing micro-enterprises under-performed or failed (Hagabirema & Kung, 2020). As stated above, in the decade of 1990s, need and application of BDS was highly triggered for the promotion of small and medium enterprises (SMEs) in most of the developed and developing countries to assist them overcome their growth challenges. Direct interventional supports to provide BDS from government was indicated as a root cause for the ineffectiveness. Similarly, advocacy for adopting a holistic approach while providing non-financial BDS was also massively advocated. Nepal could also not remain aloof from the effect of international movements. In Nepal, most of the SME promotion and employment generation-based skill training and enterprise development programs were unable to generate the intended outcomes. Nepal was also needed an effective BDS model to promote micro-enterprises in the country. Therefore, the Ministry of Industry took an initiation to design and implement a non-financial BDS model in the year 1998 in Nepal (Neupane, 2024).

There is dearth of study on the effect of BDS to overcome the challenges for development faced by micro enterprises in Nepal. Therefore, to assess the effectiveness of BDS model for the development of micro-enterprises in Nepal, a survey was conducted. Micro-entrepreneurs created and developed under the BDS model of the Ministry of Industry were surveyed to assess the effectiveness.

Nepal Journal of Multidisciplinary Research (NJMR)
Vol. 8, No. 4, September 2025. Pages: 92-105
ISSN: 2645-8470 (Print), ISSN: 2705-4691 (Online)
DOI: 10.3126/njmr.v8i4.82479

Literature Review

Theories Associated with the BDS Provision

There are different theoretical implications suggesting the application of BDSs as an enterprise development tool. Theories have indicated that successful provision of BDS is necessary for the capacity development of entrepreneurs, service providers, and institutions to overcome and manage the challenges of enterprise promotion and market development.

a. **Implication of resource-based view (RBV):** Resource based view priorities to build internal competitive capability of a firm. It has suggested to focus in a firm's internal resources rather than on external environment. Skill, intellectual property, uniqueness applied in product, services, and technology, and brand are some internal resources of a firm that let them stand strongly in the market. According to Maharjan et al. (2024), this theory suggests that firms' internal resources in the form of valued resources, competencies, and capabilities helps them to grow and sustain longer in the market. This theory could be linked with both BDS providers and the design of BDS service provision. This theory applies to BDS service providers to build their competencies resourcefully for delivering effective services. They should also consider this theory while designing their services that properly support their client entrepreneurs to enhance market competitiveness.
b. **Implication of institutional theory:** Unlike economics, theories on entrepreneurship in Sociology do not pose simple patterns. Instead, sociological frameworks, with an embeddedness perspective, ecological and institutional theories, and multilevel models could be used to integrate analyses of individual, organizational, market, and environmental characteristics in explaining how, where, and why new ventures are founded (Cherukara & Manalel, 2011). Institutional theory focuses in exploring the way social choices are influenced and directed by the policies, rules, regulations, and practices applied by government institutions. Therefore, this theory supports making enterprise friendly policies by the government while adapting institutional mechanisms to promote BDS market and actors.
c. **Capability Approach:** This approach is articulated by Amartya Sen in the 1980s. It is relevant to link this approach with capability development of the beneficiaries of BDS i.e. micro-entrepreneurs. This approach focuses on the quality of life that an individual can actually achieve. Therefore, this theory can be linked with the approach of government to uplift the poor by eliminating poverty and social injustice (Osmani, 2016). By funding in subsidized BDS, the government attempts to eliminate poverty by capacity development of women and marginalized people of the society.

Conceptual Review on Business Development Services (BDS)

According to UNDP (2016), BDS are useful tools to nurture micro and small enterprises. In recent days, BDS product diversity have been enhanced. Assistance to access new market with innovative products and services, access to information and communication, policy

Nepal Journal of Multidisciplinary Research (NJMR)
Vol. 8, No. 4, September 2025. Pages: 92-105
ISSN: 2645-8470 (Print), ISSN: 2705-4691 (Online)
DOI: 10.3126/njmr.v8i4.82479

development and reforms, infrastructural support are the broadened forms of BDS. The stated traditional seven categories of BDS are presented in Table 1.

Table 1

General BDS Product Categories

BDS Categories	Specific Services
Market access supports	Information on Market, market research, Support with organization of product exhibitions fairs for entrepreneurs, Advertisement, Support for designing attractive labelling and packaging, Organizing Business-to-business (B2B) and Business-to-Customer (B2C) meetings, Subcontracting and outsourcing, etc.
Infrastructures	Provision of product storage and common sales counters, ware house facility, access to transport, access to common facility centers and business incubation centers, access computer and internet, access to secretarial services like typing and photocopier, access to information technology.
Policy and advocacy provision	Policy awareness training, advocacy, study, and research for required policy making or reforms, Organization and sponsor conferences for policy discuss etc.
Input supply supports	Linking MSEs to input suppliers, capacity improvement of suppliers to deliver quality inputs, facilitation for formation of bulk buyer groups, information sharing on sources of input supply, etc.
Skill training and support to manage enterprise	Skill enhancement training, access to mentor, Assistance to conduct feasibility research. Support to prepare business plan, franchise support, management training, advices, counseling, regulatory services on registration, renewal, taxation, accounting services, etc.
Support for access to appropriate technology and product development	Facilitation to obtain required machines and equipment, linking MSEs to suppliers, facilitating to ensure quality in purchasing technology, product development services, etc.
Support to Access to Financial Mechanisms	Facilitate to acquire debt financing, equity funding, credit purchasing, obtain equipment in lease or rental basis, etc.

Note: UNDP (2016, P.20)

The above categories of services are the generally required by micro and small enterprises for growth and sustainability. A BDS program promoted by countries with the aim of enterprise promotion to alleviate poverty or achieve economic growth has generally provision of such services. Most of such services are provided free of cost or subsidized by the government. In Nepal, the Ministry of Industry has designed its own BDS model which consists six types of supports for creation and growth of micro-enterprises (Rai et al.; 2018).

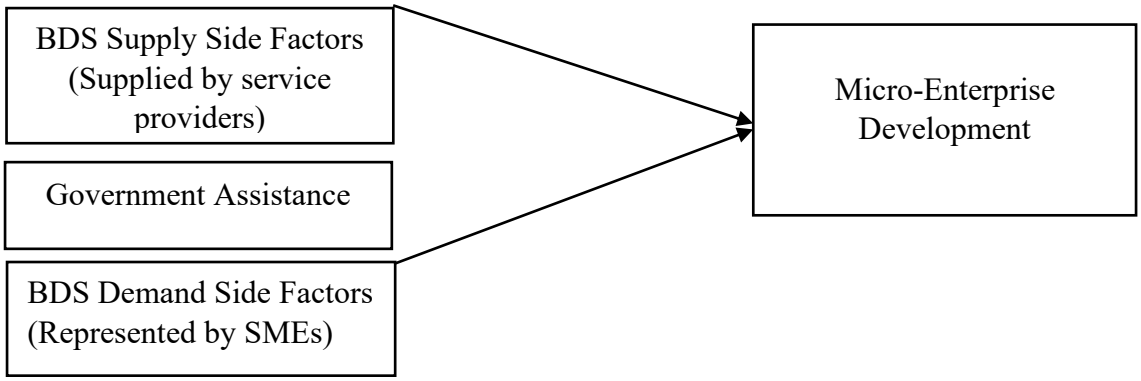
Nepal Journal of Multidisciplinary Research (NJMR)
Vol. 8, No. 4, September 2025. Pages: 92-105
ISSN: 2645-8470 (Print), ISSN: 2705-4691 (Online)
DOI: 10.3126/njmr.v8i4.82479

The first component consists of the formation of different micro-entrepreneurs group depending on the types of enterprises they are interested in operating. The BDS supplier delivers them orientation training for saving and mobilization of their savings for the purpose of seed fund requirement. The second component of BDS comprises of entrepreneurship development training. It is aimed and structured to disseminate theoretical knowledge on entrepreneurs, entrepreneurship, techniques of opportunity identification, market analysis, etc. The third component is designed to deliver skill training demanded by the nature of formatted group of enterprises. The fourth component facilitate them to obtain technology grants followed by the fifth component of supporting access to debt finance for needy entrepreneurs. The sixth component assists them in marketing and market linkage related aspects (Neupane, 2024). Eighty percent of equipment purchasing cost is subsidized by the Ministry. All these BDS supports are provisioned to deliver sequentially on the basis of enterprise growth stages. Total duration of the BDS program is scheduled for three-years. In three years, micro-enterprises are expected to grow up to a resilience stage.

Major BDS Market Role Players

BDS market has three actors to play major roles. Entrepreneurs are beneficiary of BDS market. They act as demand side actors. BDS providers are actors who supply the demanded services to entrepreneurs. Government and donor fund the BDS program for the promotion of micro and small enterprises.

Figure 1: Theoretical Framework



Note. From *Success and* Usefulness of Business Development Services in Tanzania's SMEs Market, by Mbura and Bambaganya (2014). *Business Management Review,* 18(2).

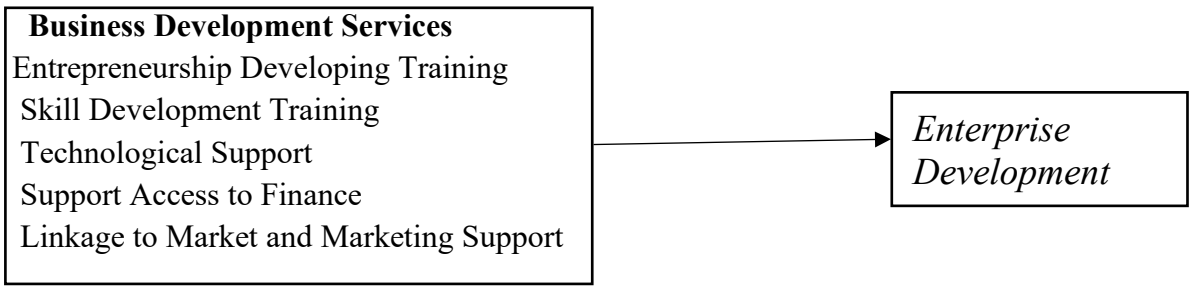
Enterprise Development

There are various criteria to measure development status of an enterprise. Financial and non-financial criteria are used to measure the status of enterprise development., in many evaluation studies for MSEs, profit, employees' numbers; annual sales, share in market, and capital invested in asset are generally used to measure the development status of an enterprise (Bonger & Chileshe, 2013). Customer satisfaction, employee retention rate, entrepreneurial commitment, and efficiency of management are used while analyzing status of enterprise development considering non-financial indicators. Based on these criteria, BDS support

Nepal Journal of Multidisciplinary Research (NJMR)
Vol. 8, No. 4, September 2025. Pages: 92-105
ISSN: 2645-8470 (Print), ISSN: 2705-4691 (Online)
DOI: 10.3126/njmr.v8i4.82479

components are taken as explanatory variables and enterprise development is used as the outcome variable. Figure 2 presents conceptual framework.

Figure 2: Conceptual Framework



Note: Researcher's Construct

Research Methods

Operationalization of the Research Variables

Table 2

Study Variable and Operationalization

Variables	Description/Intended use	Types/Measurement Scale
BDS	Combination of all independent Business Development Service components offered to micro-entrepreneurs To measure combined benefits of overall independent variables on enterprise development/sustainability	Independent Likert (1-5)
EDT	Entrepreneurship Development Training to measure benefits of theoretical knowledge acquired on enterprise development/sustainability	Independent Likert (1-5)
SDT	Entrepreneurship Development Training to measure influence of skills acquired on enterprise development/sustainability	Independent Likert (1-5)
APT	Appropriate Technology Supports to measure influence of technological supports provide for enterprise development/sustainability	Independent Likert (1-5)
GSFAS	Group Savings and Financial Access Supports to measure influence of counseling services for group savings and mobilization and access to finance supports on enterprise development/sustainability	Independent Likert (1-5)
MLS	Marketing Linkage Supports to measure influence of marketing assistances on enterprise development/sustainability	Independent Likert (1-5)
ED	Enterprise Development/Sustainability To assess impact of BDS supports on enterprise development	Dependent Likert (1-5)

Note: Researcher's construct

Nepal Journal of Multidisciplinary Research (NJMR)
Vol. 8, No. 4, September 2025. Pages: 92-105
ISSN: 2645-8470 (Print), ISSN: 2705-4691 (Online)
DOI: 10.3126/njmr.v8i4.82479

Population and Sampling

All the micro-entrepreneurs of Banepa city and Chauri Deurali Village created are population of this study. The sample areas are selected purposively among the total municipalities and village palikas of Kavrepalanchok district having created the largest number of enterprises. These areas, therefore, are considered most representative to this study. The total number of created enterprises in Banepa and Chauri Deurali are 886 among which 270 entrepreneurs is sampled. Sample size is based on Pant (2012). Proportionately, from Banepa, 131 and from Chauri Deurali, 139 entrepreneurs are interviewed using random sampling method.

Table 3

Created Micro-Enterprises at Kavrepalanchok District

	Name of Local Level	No. of Created MEs	Sampled
	Banepa Municipality Area	430	131
	Chaunrideurali Village Palika	456	139
	Total	886	270

Note: from District Micro-Entrepreneurs Group Association, Kavrepalanchok, 2024

Data Collection Tools and Analysis

This research has used a quantitative approach. micro-entrepreneurs' thought on effectiveness of BDS and status of enterprise development are collected using survey questionnaire. Questionnaire are structured in Likert Scale as: Agree to Very Large Extent (5); Agree to Large Extent (4); Agree to some-how extent (3); Disagree (2); and Strongly Disagree (1).

Collected data are tabulated. The both descriptive and inferential statistical tools using SPSS software are incorporated to analyze the data. To examine the suitability of data for conducting a regression analysis, necessary diagnosis of the data like linearity and multicollinearity tests were also accomplished.

The benefits perceived by micro-entrepreneurs from BDS components are presented in this section. For this, descriptive data analysis technique is used. This section also presents the magnitude of relationship among BDS components as independent variables and enterprise development performance as dependent variable. Similarly, this section describes the overall impact of BDS on enterprise development through regression analysis.

Findings from Descriptive Analysis

Table 4 has presented mean scores of perceived effect from all the BDS components supported to micro-entrepreneurs.

Nepal Journal of Multidisciplinary Research (NJMR)
Vol. 8, No. 4, September 2025. Pages: 92-105
ISSN: 2645-8470 (Print), ISSN: 2705-4691 (Online)
DOI: 10.3126/njmr.v8i4.82479

Table 4

Benefits from BDS Components to Micro-Enterprise Development *(N=270)*

Items	Descriptions	Mean
1	Effect of Entrepreneurship Development Training (EDT)	3.58
2	Effect of Skills Development Training (SDT)	3.49
3	Effect of Appropriate Technology Support (APT)	4.14
4	Effect of Group Savings and Access to Finance Support (GSFAS)	2.96
5	Effect of Marketing Linkage Support (MLS)	2.83
6	Score for Enterprise Development Status (ED)	3.34

Note: Field Survey; 2024

Mean scores for the effect of entrepreneurship development training, skill development training, and appropriate means of technical support are more than 3. It infers entrepreneurs' agreement at a large extent on the effectiveness of these components to their enterprise development. Similarly, they agree at somehow extent that group saving and financial support and linkage to market are effectively supportive to their enterprise development. The score of enterprise development status also depicts that BDS have helped them develop their enterprise at a large extent.

In a similar type of study, Abadr (2015) has identified 85.33% of micro-entrepreneurs experiencing an increase in sales and able to produce varieties of products. Nganu (2018) has also concluded that BDS supports are effective to enterprise development. According to Narma Consultancy (2010) continuous increase in sales is also found motived to accommodate the increasing basic needs of their family, especially for women entrepreneurs in Nepal.

Findings from the Correlation Analysis

Correlation coefficients infer the magnitude of the linear relationship between two variables.

Table 5

Correlation Matrix between Dependent and Independent Variables

Variables	ED	EDT	SDT	APT	FAS	MLS
ED (Dependent)	1					
EDT	.941	1				
SDT	.906	.915	1			
APT	.818	.860	.818	1		
FAS	.841	.847	.778	.734	1	
MLS	.805	.790	.715	.653	.617	1

Correlation value greater than or equal to 0.6 shows strong positive associations between variables (Stokemer, 2019). Computed correlation values of independent variables are greater than 0.6. Therefore, there is strong positive associations among BDS supports and enterprise development.

Nepal Journal of Multidisciplinary Research (NJMR)
Vol. 8, No. 4, September 2025. Pages: 92-105
ISSN: 2645-8470 (Print), ISSN: 2705-4691 (Online)
DOI: 10.3126/njmr.v8i4.82479

Test of Regression

H_1: BDS supports (independent variables) pose significant impact on Enterprise Development (dependent variable).

Table 6

Coefficients of independent variables on the dependent variable

Model	R^2	F	Sig.a	Coefficients			
1	.958	594.298	0.000		Coefficients	T	Sig
				(Constant)		-11.592	.000
				EDT	.358	5.561	.000
				SDT	.276	6.273	.000
				APT	.017	0.494	.621
				GSFAS	.189	5.628	.000
				MLS	.196	6.745	.000

a. Predictors: (Constant), EDT,SDT,APT, FAS, MLS

b. Dependent Variable: ED (Enterprise Development)

R^2 .958 indicates that BDS explains 95.8% variability to the variable Enterprise development. F ratio shows the goodness of fit which indicates that the independent variables i.e. BDS components are significant to predict the enterprise development i.e. F (5,264) =594.298, $p<0.05$ at a 95% confidence level. Hence, BDS components positively effectively for enterprise development. The absolute value of 't' greater than 2, indicates degree of statistical significance of the variable. The computed t values are greater than 2 for all variables except APT. Therefore, conclusion can be drawn BDS and Enterprise Development are interrelated. BDS supports are necessary for the enterprise development.

This finding also matches with the result of Samson (2014) in which enterprise development was 77% explained by BDS with F value =24.049 and p-value 0.00 (p. 53) at a 95% confidence level. Study of Mengsite (2016) on 'Impact of BDS on the performance of MSEs in Amhara Region of Ethiopia' has compared the performance of MSEs among receivers and non-receivers of BDS and found an R^2 value of 75.8% for beneficiaries of BDS. His research has concluded with a significant impact of BDS on enterprise development at a 99% confidence level.

Discussion

After completion of the skills training, micro-entrepreneurs facilitated for obtaining technology grant. All or eighty percent of the equipment purchase cost is subsidized. During the field observation, carpet wavers were found supported with new iron-made stands. Thanka painters were supported to purchase the most necessary painting tools. Vegetable farmers were assisted by establishing common sales counters and stock stores. Farmers were also supported to purchase other small necessary tools and equipment for crop farming and fertilizing in subsidized or free of cost. Some groups of farmers had obtained tractor purchase grants. Tailors were supported with traditional to modern tailoring machines. Incense sticks and Candle

Nepal Journal of Multidisciplinary Research (NJMR)
Vol. 8, No. 4, September 2025. Pages: 92-105
ISSN: 2645-8470 (Print), ISSN: 2705-4691 (Online)
DOI: 10.3126/njmr.v8i4.82479

makers were supported to purchase different types of dyes. Feeding equipment had been granted to Poultry farmers. Shed building cost was subsidized for Live-stock farmers. Well-equipped Common Facility Centers (CFCs) were made for Ironworker blacksmiths. Micro-entrepreneurs were found actively using facilities of CFCs to perform in a group or single enterprise activities.

After selection of micro-entrepreneurs, they are divided into groups based on the types of enterprise they are going to be involved in. Immediately, the service provider orients them for group saving and mobilization. Most of the micro-entrepreneurs were found collected enough amount of seed money from the mobilization of collected money from group saving. Comparatively the linking service and organization of meeting service from the service provider is considered weak by the micro-entrepreneurs. From financial access support component, entrepreneurs are benefitted to somehow extent only since most of the entrepreneurs did not approach BDS for institutional borrowing. Group saving helped them to accumulated necessary funding.

Based on the interview conducted during the field survey, the types of marketing support used by micro-entrepreneurs are different based on the nature of their enterprises. Vegetable producers were getting benefit of sales counters and cold storage to be utilize commonly. Producers of incense sticks and shoes were benefitted with discount on stall exhibitions in the event of trade fairs. Establishment of shoe producer association was facilitated which has helped them to make better market linkage. Value chain actors were established for milk producers. Market linkage was extended to Poultry farmers and livestock business. Producers of tourism goods like Carpet, Thanka, and mask were assisted for contact with market middlemen directly.

Blacksmiths were also found successfully engaged in various businesses. Some of them were engaged in producing agricultural tools and some were in construction of sheds and houses. Some of them were able to diversify their portfolio to jewelry shops and extended their business in Kathmandu valley. In a survey of 846 micro-entrepreneurs in 10 districts, UNDP (2018) also stated that most of the products produced are final consumable in nature and directly sold in the local market without any intermediaries (p. 31). UNDP's finding indicates availability of a good scope in local market for products of micro-entrepreneurs. Table 6 presents the benefits of marketing and market linkage support from BDS provider.

During the field visit, it was observed that some smart micro-entrepreneurs had been able to better utilize the marketing linkages supports by diversifying their product and business portfolios. For example, some vegetables farmers have extended their business. Some hoteliers found extended their business in local poultry farming. Report of UNDP also is in agreement with this finding (UNDP, 2018).

Majority of the supported micro-entrepreneurs are from agricultural and forest sector. They are engaged in micro-enterprise business for self-employment. They are utilizing their family members' leisure period while they need additional employee. That is the reason behind less additional employment generated by the micro-entrepreneurs. In oppose of that, the entrepreneurs from services and artisan sector were found employed additional employees.

Nepal Journal of Multidisciplinary Research (NJMR)
Vol. 8, No. 4, September 2025. Pages: 92-105
ISSN: 2645-8470 (Print), ISSN: 2705-4691 (Online)
DOI: 10.3126/njmr.v8i4.82479

Conclusion

From the descriptive analysis it is revealed that every component is effective to enterprise development. The correlation result also indicates strong association among BDS support components with enterprise development. Regression test is also resulted showing significant effect of BDS on enterprise development. Therefore, from the basis of both descriptive and inferential analyses, conclusion can be drawn that BDS support are means to assist micro-entrepreneurs for their enterprise creation, growth, and sustainability. It helps to improve enterprise performances in the areas of sales; capital investment; employments generation; product varieties; and business portfolios along with increased commitment toward entrepreneurial life.

The findings of this research can be implicated for adopting holistic BDS model by other stand-alone skill training providers for more effective outcomes of their training. This finding inspires the other government ministries and departments to apply the BDS model in their agricultural, forest, and employment generating programs based on this finding. The academician can teach about the importance of a holistic BDS model and its effectiveness to the students of management and entrepreneurship studies.

Funding Statement: No fund available from any institution
Institutional Review Board (IRB) Statement: Written consent was taken from respondents before collecting data.
Transparency Statement: We confirm that this study has been conducted with honesty and in full adherence to ethical guidelines.
Data Availability Statement: Authors can provide data.
Conflict of Interest: The authors declare there is no conflicts of interest.
Authors' Contributions: The authors conducted all research activities i.e., concept, data collecting, drafting and final review of manuscript.

Nepal Journal of Multidisciplinary Research (NJMR)
Vol. 8, No. 4, September 2025. Pages: 92-105
ISSN: 2645-8470 (Print), ISSN: 2705-4691 (Online)
DOI: 10.3126/njmr.v8i4.82479

References

Abadr, M. (2015). Performance and sustainability of business development service in micro and small enterprises: In case of zonal cites of Tigray region. *International Journal of Scientific and Research Publication, 5(*1), 1-10. https://www.ijsrp.org/

Bajracharya, P., Pant, D., White, S., & Joshi, G. (2005). *A Report on micro and small enterprise policy review in Nepal.* Kathandu: ILO https://www.ilo.org/

Bonger, T. & Chileshe, C. (2013). *The state of business practices and the impact of BDS on MSMEs in Lusaka and Kabwe, Zambia.* Dakar. https://trustafrica.org/

Cherukara, J. M. & Manalel, J. (2011). Evolution of entrepreneurship theories through different schools of thoughts. Paper presented at The Ninth Biennial Conference on Entrepreneurship at EDI, Ahmedabad. https://www.researchgate.net

Hagabirema, K. & Kung, G. K. (2020). Business Support Services and Performance of Small Medium Enterprises in Rwanda: Case of BDS Supported SMEs in Gicumbi District. *International Journal of Scientific and Research Publication, 10(*4), 175-186. https://doi.org/10.29322/IJSRP.10.04.2020.p10085

Katz, J. & Green, R. (2009). *Entrepreneurial small business* (2nd ed.). Tata McGraw-Hill.

Narma Consultancy (2010). *Impact assessment of micro-enterprise development program.* Katmandu: Micro-Enterprise Development Program

Nganu, M. (2018). *Entrepreneurship training and performance of small and micro-enterprises in information communication technology sector in Nairobi County, Kenya (Unpublished doctoral dissertation)*. School of Business, Kenyatta University.

Maharjan, R., Danuwar, R. K., Kayestha, M., Dhakal, A., Baral, D. K., Rajopadhyaya, A., Koirala, A., & Timilsina, D. P. (2024). Measuring the effects of entrepreneurial orientation on social media adoption and SME's performance in Kathmandu Valley: Evidence from structural equation modeling using Smart PLS 4.0. *Economic Journal of Development Issue. 37(1), 27-56.* https://doi.org/10.3126/ejdi.v37i1.63914

Mazanai, M. and Fatoki, O. (2024). The Effectiveness of Business Development Servies Providers (BDS) in Improving Access to Debt Finance by Start-Up SMEs I South Africa. *International Journal of Economics and Finance, https://*doi.org/10.5539/ijef.v3n4p208

Mbura, O. K. & Bambaganya, M. W. (2014). Success and usefulness of business development services in Tanzania's SMEs market. *Journal of Business Management Review, 18(*2), 35-47. https://journals.udsm.ac.tz/index.php/bmr/

Mengstie, B. (2016). Impact of business development services on performance of micro and small enterprises in East Amhara Region of Ethiopia. *European Journal of Business and Management*, *8*(4), 179-187. https://core.ac.uk/

Neupane, R. K. (2024). *Business development services and enterprise promotion in Kavre, Nepal. (Unpublished doctoral dissertation)*. Kathmandu: Tribhuvan University, Faculty of Management.

Osmani, S. R. (2016). *The Capacity Approach and Human Development.* UNDP. https://hdr.undp.org/

Pant, P.R. (2012). *Social Science Research and Thesis Writing.* Kathmandu: Buddha Publication.

Nepal Journal of Multidisciplinary Research (NJMR)
Vol. 8, No. 4, September 2025. Pages: 92-105
ISSN: 2645-8470 (Print), ISSN: 2705-4691 (Online)
DOI: 10.3126/njmr.v8i4.82479

Pytkowska, J. (2018). *Business Development Services and Microfinance: Case Studies in Operational Models.* Microfinance Center: Poland. https://mfc.org.pl/wp-content/uploads/2018/12/2018_MFC_

Rai, J. K.; Chapagain, S. P. and Shrestha, A. (2018). *Lessons Learnt Documentation of the MED Model Promoted by MEDEP/MEDPA in Nepal*. UNDP, Lalitpur. https://www.dfat.gov.au/

Rijneveld, W. (2006). *Business development services a sector analysis.* Woord Daad. https://www.scribd.com/

Samson, H. K. (2014). *Assessment of the effectiveness of business development services on the growth of small and medium sized enterprises in Morogoro: A case of Morogoro (Unpublished MBA thesis)*. Mzumbe University.

Stockemer, D., Stockemer, G., & Glaeser, J. (2019). *Quantitative methods for the social sciences*. Springer International Publishing.

UNDP (2016). *Business Development Services Market Study Across the Dniester River*. https://www.undp.org/sites/g/files/zskgke326/files/migration/md/Study-on-BDS

UNDP (2018). *Economic analysis of micro-enterprises in Nepal.* Lalitpur: MEDEP. https://www.dfat.gov.au/