

The main theme of the research study is to examine the factors that affect the small scale business performance in Peshawar, Mardan and Nowshera of Khyber Pakhtunkhwa. Data was collected from the sample of 247 respondents through direct meeting and sending them the questionnaire by post. Simple random sampling technique was used for distribution. In the study two major variables were analyzed through Descriptive and inferential statistics in KP.K in which demographic factors (age, education and experience) and environmental factors (marketing, technological, infrastructural, financial, political and Govt. policies) were included.

The finding of the study shows significant and positive relationship between dependent variable and independent variables. The result further shows the significant variation in the dependent variable due to the independent variables at 1% significance level. Recommendations are given to business owners and government organization and suggestions are given to the researchers.