

Methods of Measuring Success in Polish Start-ups

Marcin Majewski

Wroclaw University of Economics and Business

e-mail: marcin.majewski@ue.wroc.pl

ORCID: [0000-0003-3116-9020](http://orcid.org/0000-0003-3116-9020)

© 2025 Marcin Majewski

This work is licensed under the Creative Commons Attribution-ShareAlike 4.0 International License.

To view a copy of this license, visit <http://creativecommons.org/licenses/by-sa/4.0/>

Quote as: Majewski, M. (2025). Methods of Measuring Success in Polish Start-ups. *Ekonomia XXI Wieku*, (28), 9-17.

DOI: [15.611/e21.2025.02](https://doi.org/10.15611/e21.2025.02)

JEL: M13, O32, M10

Abstract

Aim: The aim of this article was to identify possible methods for measuring success in start-ups and their classification. Other goals included examining what situations indicate success or failure for selected Polish start-ups and how their success is measured.

Methodology: In order to reach the stated objective, a body of literature was analysed and empirical study conducted. A survey was carried out among start-up enterprises in Poland.

Results: The first method of evaluation of a startup's success is the financial assessment, which involves measuring success based on factors, such as profitability, growth, and financial objectives. The second method focuses on non-financial indicators of startup success, which encompass aspects including reputation, networking, personal and customer satisfaction, and competitive positioning. An intermediate indicator that falls between these two categories is the startup's ability to survive in the market. It was found that the greatest success of start-ups in Poland, is determined by the company's survival on the market.

Implications and recommendations: It is possible to compare the perception of success in start-ups in selected regions of the world and examine how they measure the achievements of their enterprises.

Originality/value: The paper is an important contribution to the subject literature, because so far the methods of measuring success in Polish start-ups have not been comprehensively examined.

Keywords: start-ups, success, entrepreneurship

1. Introduction

The main motivation for taking action by companies operating on the market is the desire to achieve success (Kwiecień, 2018). The concept of success is subjective and can be different for each person. Success depends on the ambitions and goals of the entrepreneurs themselves. Sociological research shows that those born in the first half of the 20th century perceive success in a conservative way. In their opinion, the signs of success are excellent financial results, company expansion, scalability and efficiency, moreover mature entrepreneurs are twice as likely to create a successful start-up than those younger who belong to generations X and Y, aged 20-34 (Zwilling, 2014). Younger entrepreneurs born in the second half of the 20th century are more likely to see signs of success in helping society, finding a work-life balance, and following their passions. According to the literature on the subject, for the majority of start-up owners the success of a start-up is a combination of personal and financial achievements (Diaz-Santamaria & Bulchand-Gidmual, 2021).

When examining the phenomenon of success, it is worth taking into account the broader context of enterprises, which are start-ups. These are unique organizations that can be defined in many ways. According to Wysocki & Kałowski, a start-up is an entrepreneurial venture in the phase of searching for and testing its business model and offered values on the market, most often financed from funds alternative to the banking sector due to difficulties in estimating the actual risk (Kałowski & Wysocki, 2017). The European Commission defines a start-up as an independent organization that is less than five years old and aims to improve, expand, scale innovative and technological products developed at a fast pace. The specialist literature most often focuses on the characteristics of a start-up, such as a young age of up to five years, the initial phase of enterprise development, interest in innovation, scalability, and high risk (European Startup Network, 2021). It should be noted that when a company is not yet sure of its business model and is constantly experimenting in the market, thus incurring huge risks, it is unlikely that its goal is financial profit in the short term.

There are no unambiguous indicators of the success of the organization due to the fact that companies have different goals. The neoclassical business model assumes the maximisation of the company's profit as the overriding goal (Scapens, 1978). Nowadays, when maximising the company's profit is not of the utmost importance, financial results cannot be the only sign of success. Thus, an important research question arises: how can such enterprises, created most often by people whose main goal was not only financial profit, measure their success? What is success for them and what is failure?

Therefore the main hypothesis of the article is as follows: According to the respondents representing a selected group of Polish start-ups, the most important achievement proving the success of their companies is achieving good financial results, i.e. commercial success.

2. Literature Review

Business success can be measured in many ways. The term success is subjective, because entrepreneurs can understand different condition of enterprises, and is also related to the private life of entrepreneurs. This is particularly important in start-ups that promote self-employment and are one of the solutions to the problem of unemployment (Caliendo et al., 2020). Success is therefore a multidimensional and comprehensive concept, and cannot be defined in an unambiguous way. However, to measure success, it is important to recognise the diversity of the concept. The literature review aimed to bring the concept of success closer, and then to show the current methods of its measurement.

2.1. The Concept of Success

Success is widely described, hence this article only shows the multifaceted nature of this concept. The dictionary definition of success is as follows: "the achieving of desired results, or someone or something that achieves positive results" (Cambridge Dictionary, n.d.). This definition does not exhaust

the concept of success in the case of an enterprise, as it does not take into account the time dimension. For this reason, it is more advisable to perceive success in the category of a process and to act at the highest level of possibilities aimed at achieving the set goals (Majewska-Opiełka, 2007). The definition of the process itself is largely dependent on the philosophy of the organization in which it operates (Chakravarthy & Doz, 1992). The process approach to organization means that attention is not focused on the final product, but on the process that produced the product. This allows organizations to focus on their main goals, which are the values that satisfy customers. From the point of view of start-ups, the process approach is particularly important because in the initial phase of the life cycle, start-ups are not yet fully functioning enterprises, but this does not mean that they are not successful. This leads to the conclusion that the measurement of success can be based on the measurement of processes in the enterprise.

The opposite of business success is failure, which is also a subjective concept, yet it seems to be easier to define. The literature suggests that the definitive failure of an enterprise is not surviving on the market, bankruptcy. However, start-ups often undergo transformations and failure to survive on the market of a given company does not mean failure in the long term. Due to the complexity of the phenomenon, a third category is distinguished, defined as moderate success or mere survival (Chaves-Maza & Fedriani, 2022). This state of affairs consists in the functioning of the enterprise on the market, but without achieving the intended goals.

2.2. Possible Methods of Measuring Success in Start-ups

Researchers do not universally agree on the criteria used to determine the success of start-up companies; however, it can be noted that some ways of measuring success are more frequently discussed by researchers, including profitability, survival, and growth. The most commonly described division of startup success measures is into those financial and non-financial. The solution used by researchers is the synthesis of financial and non-financial indicators (Kee & Rahman, 2020).

The basic element that must be met in order to measure success is the survival of the enterprise, not included in financial or non-financial measures. Without the survival of the enterprise, it is impossible to measure its individual elements. Researchers measure the survival of an enterprise over a period of several years, which allows to obtain more reliable results (Weber & Zulehner, 2010).

Business success is often defined as good financial performance. The amount of money generated by the business is usually the easiest indicator of success (Morris et al., 2005). Indicators used in this approach are usually: return on investment, sales turnover, profitability, return on asset and business growth (Stucki, 2013). Research on the assessment of company success by entrepreneurs conducted by Pletnev & Barkhatov showed that the most crucial indicators of success are the capacity to generate profits and outperform competitors, followed by the capability to accomplish objectives, experience growth, and find satisfaction (Pletnev & Barkhatov, 2016). Importantly, business growth represents a lasting accomplishment, whereas profitability signifies short-term success. The existing studies do not specify the amounts that would allow determining whether a given company has been successful or not, but refer to the individual goals of enterprises. Nevertheless, the aim in this case was not to gauge the entrepreneur's effectiveness, but signifies something more abstract that cannot be quantified solely through economic factors (Maehr & Sjogren, 1971). It encompasses the degree of business efficacy but extends beyond just that aspect.

There are other categories apart from financial ones, i.e. non-financial. It was observed that non-financial indicators, also referred to as intrinsic motivations, hold equal significance in evaluating a company's success. Weber & Geneste emphasised that the perception of success can arise from a desire for spiritual fulfillment in addition to achieving adequate monetary rewards (Weber & Geneste, 2014). The literature also examined the motivation of business owners in achieving their own and customer satisfaction, work-life balance, and reputation. Reputation is helpful when it comes to attracting future investors who usually do research before investing. Customer contentment is linked

to a higher likelihood of satisfied customers making repeat purchases and, as a result, increasing the chances of them recommending the company's products and services to potential customers (Nagy & Kacmar, 2013). Individual satisfaction is closely aligned with the entrepreneur's personal characteristics, as it is primarily determined by the entrepreneur as an individual. The ethical principles or life values they hold serve as the underlying basis for their entrepreneurial motivation and behaviour when operating the business.

Another non-financial example of measuring start-up success is social capital, consisting in a network which enhances credibility and makes it easier to obtain funding, information and to gain new opportunities. In light of research carried out by other authors, it can be noted that social capital also acts as a strategic advantage that the competitors cannot easily emulate (Mukul et al., 2021).

The methods used in order to measure success of start-up can be divided into three categories. The financial method of measuring start-up success includes profit, growth and monetary goals, whereas the non-financial indicators of start-up success are reputation, networking, personal and customer satisfaction, and competitive position, with a basic indicator positioned in-between being the survival of a start-up.

3. Methodology

The first research method used in the article was literature review. The aim was to identify the possible methods of measuring success in start-ups and classify them into categories. It was also necessary to precisely define possible definitions of success in start-ups. The second research method was a survey, which is a typical research tool for examining similar aspects of the functioning of start-ups. The disadvantage of a survey is the possibility that participants may falsify data or enter false information.

3.1. Survey Study among Polish Start-ups

In order to examine the concept of success for Polish start-ups, a survey was conducted was conducted among a sample of start-ups in the period from 10 January 2021 to 7 January 2022. In order to encourage the respondents to provide reliable answers, the survey was carried out anonymously. The number of respondents was 200, who were contacted in the form of a live meeting, telephone conversation or video call. The average time to complete the survey was approximately 30 minutes. Due to the different methods applied in, surveys, some of them were supervised, and others unsupervised.

Only enterprises whose characteristics were consistent with the adopted definition of a start-up were selected for the study. The companies were found using the Crunchbase data. Questions preceding the actual part of the survey included demographics questions, allowing to describe a typical examined enterprise. Most were micro enterprises (77%) less than one year old at the time of the survey (56%), and were limited liability companies (42%), with a low budget as their equity was often below EUR 10,000 (40%). The reach of start-ups participating in the survey was most often local (49.5%). The activities of start-ups go beyond the traditional division into industries, which is why it was decided to categorise them using keywords. The most frequently repeated keywords related to the main product offered by start-ups were: artificial intelligence, e-commerce, medicine, education.

4. Results

The presented results were part of a larger study focusing on Polish start-up enterprises. The questions were analysed using a five-point Likert scale. The first question was: "To what extent will these achievements measure the success of your company?"

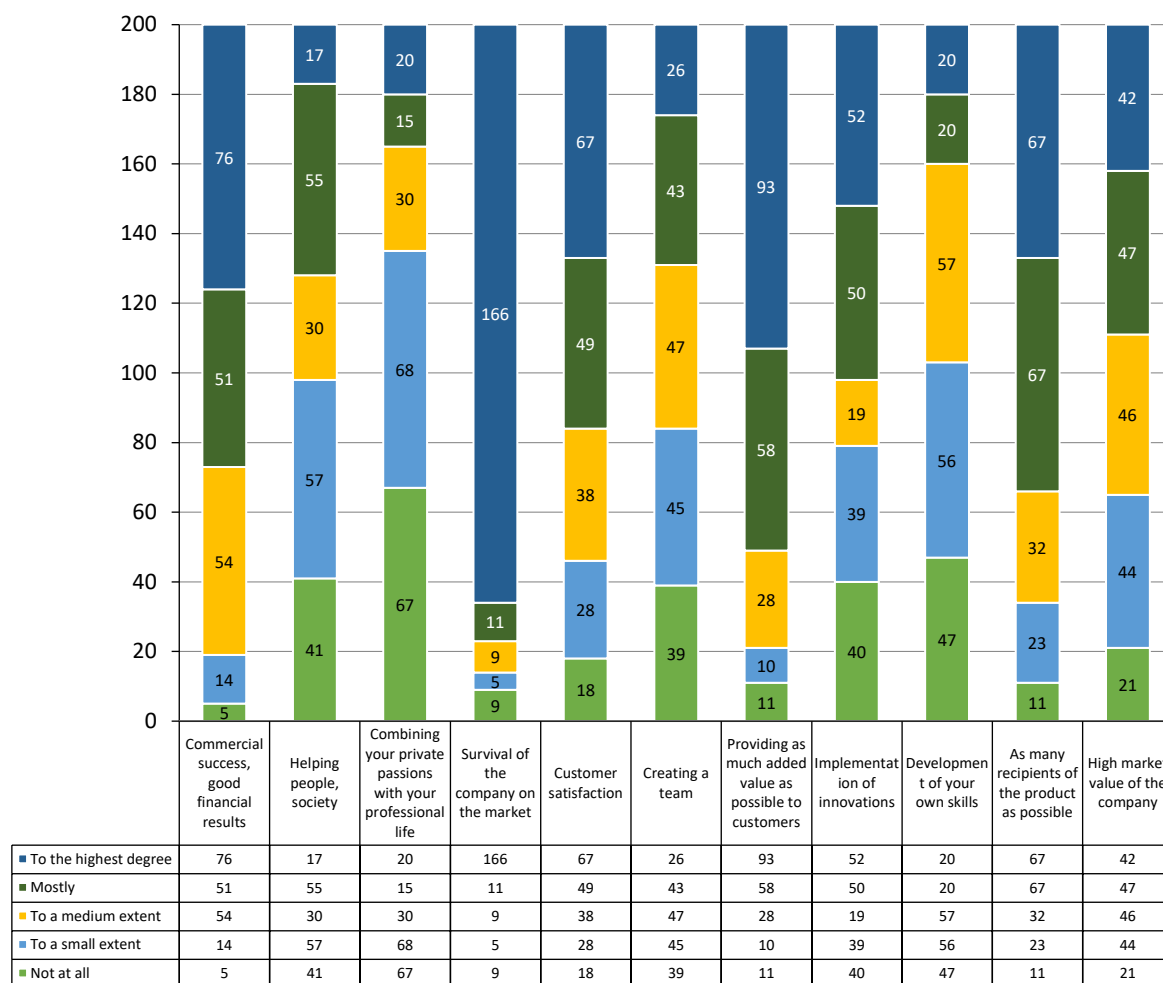


Fig. 1. Achievements that measure the success of start-ups

Source: own study.

The company's survival proved "to the highest extent" the company's success (166 respondents). The second most important aspect was providing as much value added as possible to customers (93 respondents). In third place among the most important achievements proving success was commercial success combined with good financial results (76 respondents). In this category, the least important achievement was helping people, and society (17 respondents).

The respondents' opinion on the significant impact of achievements on the measurement of success was divided. The three most important achievements were: as many recipients of the product as possible (67 respondents), providing as much added value as possible to customers (58 respondents) and helping people, and society (55 respondents). In this category, the least important achievement was found to be the survival of the company on the market (indicated by 11 respondents).

According to the survey, the average degree of success of a company was determined by the development of one's own skills (57 respondents), less important in this category being commercial success, good financial results (54 respondents), creating a team (47 respondents). In this context, a completely insignificant achievement was the survival of the company on the market (9 respondents).

There was a clear view that one's own abilities and work life balance were of little importance. The respondents replied that combining private passions with professional life (68), helping people and society (57), and development of own skills (56) had little impact on the company's success.

Completely insignificant achievements that may indicate the company's success were consistent with little impact on success. Again, the greatest number of respondents believed in combining private passions with professional life (67 respondents), developing own skills (47) and helping people and society (41).

The next series of questions concerned the measures of the company's success. In accordance with the division adopted in the literature, they were divided into four key categories: financial indicators, marketing-related metrics, customer-related metrics and indicators about own company.

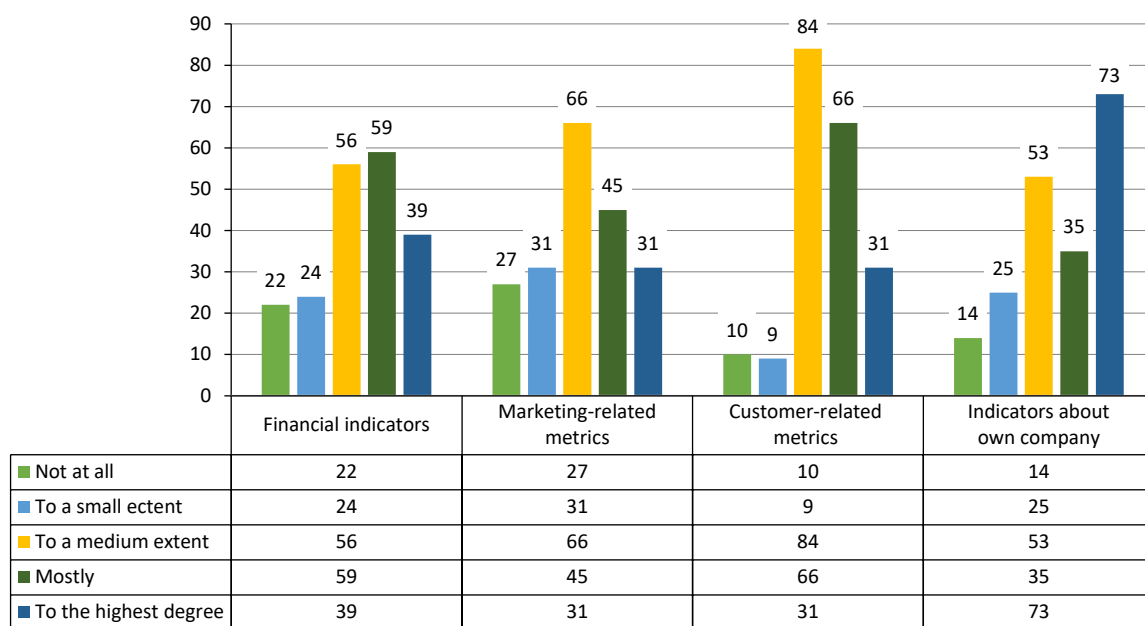


Fig. 2. Indicators used to measure the success of start-ups

Source: own study.

Taking into account financial indicators, it was most often indicated that they were important to the most extent (59 respondents) or "to a medium extent" (56 respondents). It is worth noting that relatively many respondents believed that these indicators were unimportant (24 respondents) or completely unimportant (22 respondents).

Marketing-related metrics were important mostly "to a medium extent" (66 respondents) and to the most extent (45 respondents). In the category of marketing indicators, many respondents answered that these indicators were of little importance (31 respondents) or completely unimportant (27 respondents).

Regarding customer-related metrics, one can observe that they were mainly of medium (84 respondents) or significant importance (66 respondents), while a few indicated no importance (10 respondents) or little importance (9 respondents).

The respondents pointed mostly to the indicators about their own companies, because this category included the indicators most important for them (73 respondents). Many respondents indicated this as moderately important type of indicators (53 respondents), while a few answered that these indicators were unimportant (25 respondents) or completely unimportant (14 respondents).

The main topic of the last group of questions was the failure of start-ups. The respondents representing startups were asked to what extent, on a scale from 1 to 5, the given situations would indicate the company's failure in their opinion.

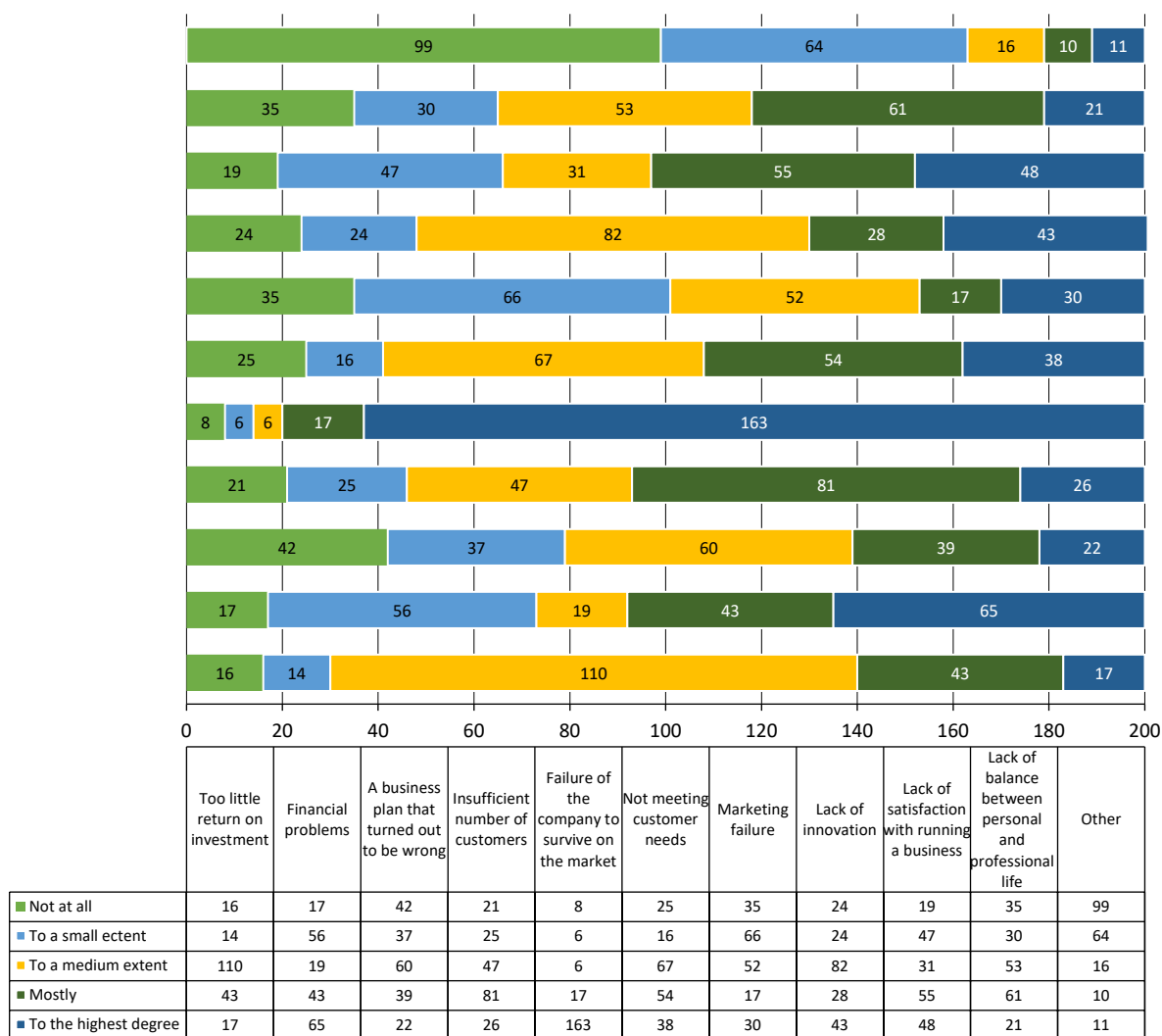


Fig. 3. Situations which indicate failure of the start-up

Source: own study.

Noticeably, the failure of the company to survive on the market (163 respondents) proved to be the greatest failure. The second factor associated with the company's failure involved financial problems (65 respondents), followed by the lack of satisfaction with running a business (48 respondents).

The opinions of the surveyed entities regarding situations that largely indicate failure were more divided. In this category, the most frequently mentioned were insufficient number of customers (81 respondents), lack of balance between personal and private life (61 respondents) and lack of satisfaction with running a business (55 respondents).

On average, the company's failure according to the majority of respondents meant too little return on investment (110 respondents). Another situation that indicated a moderate degree of failure was not meeting customer needs (67 respondents) and lack of innovation (82 respondents).

The research sample demonstrates that marketing failure only proves the company's failure "to a small extent" (66 respondents). The category of situations indicating the company's failure "to a small extent" also included "other" (64 respondents) and financial problems (56 respondents).

According to the respondents, such situations included: "other" (99 answers), "a business plan that turned out to be wrong" (42), "marketing failure" (35) and "lack of balance between personal and professional life" (35 answers).

5. Discussion and Conclusion

The literature distinguished three possible ways to measure success in start-ups. The most traditional way to measure success were financial indicators such as: return on investment, sales turnover, profitability, return on assets and business growth (Stucki, 2013). However, in young enterprises operating on the market for a relatively short time, the state of finances may be completely different from the degree to which their goals were achieved.

For this reason, research distinguished non-financial success indicators as significantly related to the entrepreneur's character traits and his/her perception of success. This category includes indicators such as: spiritual fulfilment, work-life balance, motivation, and contribution to society (Mukul et al., 2021). This is a group of indicators typical of the younger generation of entrepreneurs.

The fundamental requirement for gauging success is the continuity of the enterprise, a factor not encompassed by financial or non-financial metrics. The measurement of individual components becomes impractical without the core element of enterprise survival. As noted by Weber & Zulehner (2010), researchers evaluate the endurance of an enterprise over an extended timeframe, enhancing the reliability of outcomes.

The results of this study show that measuring success in a start-up is a complex and demanding process. The respondents representing Polish start-ups saw success both in traditional achievements, such as good financial results, but also in those characteristic of younger generations, such as professional fulfillment.

The very survival of the company on the market was perceived as a great success for entrepreneurs. The most important element was the survival of the enterprise, which is a category between individual and non-financial indicators. This means that the hypothesis that financial indicators were the most important for measuring success in startups must be rejected. This opinion was reflected in the declared methods of measuring success in enterprises. It was found that traditional financial or marketing indicators were not the most important, but those related to the company itself, followed by customer-related indicators.

Confirmation of the importance of enterprise survival as an indicator of success was found in situations perceived as failure by entrepreneurs, according to whom, this was mainly due to the company's inability to survive on the market, with an interesting indication being its financial problems.

References

- Caliendo, M., Künn, S., & Weissenberger, M. (2020). Catching Up or Lagging Behind? The Long-Term Business and Innovation Potential of Subsidized Start-ups out of Unemployment. *Research Policy*, 49(10). <https://doi.org/10.1016/j.respol.2020.104053>
- Cambridge Dictionary (n.d.). Success. In *Cambridge Dictionary*. Retrieved from <https://dictionary.cambridge.org/dictionary/english/success>
- Chakravarthy, B., & Doz, Y. (1992). Strategy Process Research: Focusing on Corporate Self-Renewal. *Strategic Management Journal*, 13(S-1), 5-14. <https://doi.org/10.1002/smj.4250131003>
- Chaves-Maza, M., & Fedriani, E. (2022). Defining Entrepreneurial Success to Improve Guidance Services: A Study with a Comprehensive Database from Andalusia. *Journal of Innovation and Entrepreneurship*, 11. <https://doi.org/10.1186/s13731-022-00213-8>
- Diaz-Santamaria, C., & Bulchand-Gidmual, J. (2021). Econometric Estimation of the Factors That Influence Startup Success. *Sustainability*, 13(4). <https://doi.org/10.3390/su13042242>
- European Startup Network. (2021). <https://europeanstartupnetwork.eu/>
- Kałowski, A., & Wysocki, J. (Eds.) (2017). *Start-up a uwarunkowania sukcesu wymiar teoretyczno-praktyczny*. Oficyna Wydawnicza SGH. [https://cor.sgh.waw.pl/bitstream/handle/20.500.12182/904/Start-up a uwarunkowania sukcesu Jacek Wysocki.pdf?sequence=2&isAllowed=y](https://cor.sgh.waw.pl/bitstream/handle/20.500.12182/904/Start-up%20a%20uwarunkowania%20sukcesu%20Jacek%20Wysocki.pdf?sequence=2&isAllowed=y)
- Kee, D., & Rahman N. (2020). How to Measure Start-Up Success? A Systematic Review from a Multidimensional Perspective. *SSRN*. <https://doi.org/10.2139/ssrn.3638863>

- Kwiecień, A. (2018). Kategoria Sukcesu i jej determinanty w wybranych polskich przedsiębiorstwach. *Studia Ekonomiczne. Zeszyty Naukowe Uniwersytetu Ekonomicznego w Katowicach*, 359, 175-191
- Maehr L. M., Sjogren D. D., (1971). Atkinson's Theory of Achievement Motivation: First Step Toward a Theory of Academic Motivation? *Review of Educational Research*, 41(2). <https://doi.org/10.2307/1169490>
- Majewska-Opiełka, I. (2007). *Sukces firmy*. Gdańskie Wydawnictwo Psychologiczne.
- Morris, M., Schindenhutte, M., & Allen, J. (2005). The Entrepreneur's Business Model: Toward a Unified Perspective. *Journal of Business Research*, 58(6). <https://doi.org/10.1016/j.jbusres.2003.11.001>
- Mukul, K., Pandey, N., & Saini, G. (2021). Does Social Capital Provide Marketing Benefits for Startup Business? An Emerging Economy Perspective. *Asia Pacific Journal of Marketing and Logistics*, 34(9). <https://doi.org/10.1108/APJML-02-2021-0142>
- Nagy, B., & Kacmar, K. (2013). Increasing Customer Satisfaction in the New Venture Context. *Journal of Research in Marketing and Entrepreneurship*, 15(2). <https://doi.org/10.1108/JRME-11-2012-0029>
- Pletnev, D., & Barkhatov, V. (2016). Business Success of Small and Medium-Sized Enterprises in Russia and Social Responsibility of Managers. *Procedia-Social and Behavioral Sciences*, 221. <https://doi.org/10.1016/j.sbspro.2016.05.105>
- Scapens, R. (1978). A Neoclassical Measure of Profit. *The Accounting Review*, 53(2). <https://doi.org/10.1111/j.1468-5957.1983.tb00441.x>
- Stucki, T. (2013). Success of Start-up Firms: The Role of Financial Constraints. *Industrial and Corporate Change*, 23(1). <https://doi.org/10.1093/icc/dtt008>
- Weber, A., & Zulehner, C. (2010). Female Hires and the Success of Start-up Firms. *The American Economic Review*, 100(2). <https://doi.org/10.1257/aer.100.2.358>
- Weber, P. C., & Geneste, L. (2014). Exploring Gender-Related Perceptions of SME Success. *International Journal of Gender and Entrepreneurship*, 6(1). <https://doi.org/10.1108/IJGE-04-2013-0038>
- Zwilling, M. (2014). *Baby Boomers, Who Are More Successful as Entrepreneurs, Are Great Startup Assets*. <https://www.entrepreneur.com/leadership/baby-boomers-who-are-more-successful-as-entrepreneurs-are/238742>

Metody pomiaru sukcesu w polskich start-upach

Streszczenie

Cel: Celem artykułu jest identyfikacja możliwych metod pomiaru sukcesu start-upów oraz ich klasyfikacja. Inne cele to zbadanie, jakie sytuacje wskazują na sukces lub porażkę wybranych polskich start-upów oraz w jaki sposób mierzony jest sukces.

Metodologia: Aby osiągnąć zamierzony cel, dokonano analizy literatury przedmiotu oraz przeprowadzono badania empiryczne. Przeprowadzono badanie wśród start-upów w Polsce.

Wyniki: Pierwszą metodą oceny sukcesu start-upu jest ocena finansowa, która polega na mierzeniu sukcesu na podstawie takich czynników, jak rentowność, wzrost i cele finansowe. Druga metoda koncentruje się na pozafinansowych wskaźnikach sukcesu startupu, które obejmują takie aspekty, jak reputacja, networking, satysfakcja osobista i klienta oraz pozycja konkurencyjna. Wskaźnikiem pośrednim mieszczącym się pomiędzy tymi dwiema kategoriami jest zdolność startupu do przetrwania na rynku. Okazało się, że o największym sukcesie start-upów w Polsce decyduje przetrwanie firmy na rynku.

Implikacje i rekomendacje: Można porównać postrzeganie sukcesu start-upów w wybranych regionach świata i zbadać, w jaki sposób mierzą one osiągnięcia swoich przedsiębiorstw.

Oryginalność/wartość: Publikacja stanowi ważny wkład w literaturę przedmiotu, gdyż jak dotąd nie zostały kompleksowo zbadane metody pomiaru sukcesu w polskich start-upach.

Słowa kluczowe: start-up, sukces, przedsiębiorczość
