

6.9 Motives for Aspiring Small Business Entrepreneurs in Sri Lanka. (With reference to Gampaha district)

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ABSTRACT

It is widely accepted that small business entrepreneurs are playing vital role as change agents in a country in terms of employment, innovation, equitable income distribution, social stability, domestic resources usage and regional development. International Labour Organization (2004) reported that in 1994, more than 75% of Sri Lankan labour force employed in SMEs sector. According to the recent (2003/2004) banking survey done by International Finance Corporation on Sri Lankan SMEs, SMEs constitute 80-90% of total establishments, 70% of employment and 20% of industrial value added.

In this context, it is seen that many entrepreneurs are motivated by many factors to start new enterprises. The study was undertaken to examine the factors (motives) influence the individuals to become entrepreneurs, to examine whether non- economic motives are more or less important than economic motives.

For this purpose, a sample of 50 entrepreneurs was taken randomly from Gampaha district representing both male and female entrepreneurs. Data were collected through questionnaires and interviews. Both qualitative and quantitative methods based on simple statistical methods were used for analyzing the data.

According to the study, meeting family needs, initiating social relations and self-fulfillment were identified as the most important factors for women whereas for men satisfaction, money and autonomy were identified as the most important factors. Further findings revealed that the non-economic motives are more important than economic once.

Key words: Entrepreneurs, Motives, Non-economic motives, Economic motives, Small and Medium business, Regional development.