

## **ENTREPRENEURSHIP ORIENTATION, BUSINESS PERFORMANCE APPRAISAL OF SMALL AND MEDIUM SCALE ENTERPRISES: REFERENCE TO HAMBANTHOTA DISTRICT, SRI LANKA**

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### **ABSTRACT**

Small and Medium Scale Enterprises (SMEs) in Sri Lanka have great potential to generate economic benefits. This study investigates the level of entrepreneurship involved in fifty-seven manufacturing SMEs in the Hambanthota District of Sri Lanka, and attempts to assess the degree to which proactiveness, innovativeness, and risk taking (collectively referred to as "Entrepreneurship Orientation) have had an effect on Business Performance. Semi-structured interviews and questionnaires were used as the main instruments for data collection. Qualitative and quantitative techniques were applied for data analysis. Simple Linear Regression was used for analyze the relationship between Entrepreneurship Orientation and Business Performance.

The results of the study show that "innovativeness" and "proactiveness" made a significant impact on business performance. The most important variable was "innovativeness". The study found that "innovativeness" as a measure of business performance increased as the number of employees increased.

**KEYWORDS:** Small & Medium Scale Enterprises, Entrepreneurship Orientation, Business Performance, Hambanthota District, Sri Lanka

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