

THE IMPACT OF ENTREPRENEURIAL COMPETENCIES ON THE FINANCIAL PERFORMANCE OF RESTAURANTS IN PUTTALAM DISTRICT



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ABSTRACT

Small scale business plays a major role in Sri Lanka's economic development. But small business owners in Sri Lanka are facing more challenge in the modern businesses environment under hard competition, quickly changing new technologies and globalization. A restaurant is a retail formation that helps prepared food to customers. Service is generally for eating on premises, though the term has been used to include take-out establishments and food delivery service. Successful entrepreneurs have to possess certain entrepreneurial competencies. These competencies are either inherent or developed through education, training and through one's own experience.

The study essentially focuses to find out the impact of entrepreneurial competencies on the financial performance of restaurants in Puttalam district. Totally 100 questionnaire have issued to restaurant owners who residing in various part of above pradeshiya sabha and urban councils areas on random sampling basis.

Conceptualization framework used to developed questionnaire to the research and each element from conceptualization hold include in the questionnaire. According to the conceptualization model, through the objectives of the study is to show the entrepreneurial competencies of restaurant owners such as opportunity, relationship, analytical, innovative, operational, human, strategic, commitment, learning, and personal strength.

Method of analysis specifically considered univariate and bivariate analysis. The results are illustrated by tables, pie charts and bar charts. Based on the value indicated in the questionnaire, mean value is lying in the range between 1 to 5 which is very unimportant to very important with 5 scale measures.

From the estimation it may be able to conclude that except the entrepreneurial competencies are in the moderate level. The results of the study showed correlation analysis indicated that, there is a positive relationship between entrepreneurial competencies and financial performance of restaurants owners. Finally the researcher can conclude that overall entrepreneurial competencies are moderately support to the success of financial performance in restaurants in Puttalam district.

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