

**IMPACT OF ENTREPRENEURIAL CHARACTERISTICS ON  
FINANCIAL PERFORMANCE OF SMEs IN HAMBANTOTA  
DISTRICT**



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## ABSTRACTS

This study is aimed to investigate the impact of the entrepreneurs' characteristics on financial performance of SMEs in Hambantota District. To measure entrepreneurial characteristics, opportunity, and relationship, commitment, learning and innovative were selected as independent variables and impact on financial performance as a dependent variable. SMEs are considered backbone of economic growth in all countries and SMEs make up a large part of Sri Lanka's economy. Most of small business owners are faced with a lot of challenges which center on lack of entrepreneurial characteristics. These challenges often lead to small business firms to series problem regarding the success of businesses. The data has used in this research is primary data. Data were collected through questionnaire from 200 micro and small business firms' owners. The SPSS 19.0 data analysis method and Microsoft office Excel 2013 will be applied in this study to analyses the data.

According to descriptive analysis, level of entrepreneurial characteristics of owners and financial performance are high level in Hambantota district. The regression and correlation analysis was done to find out the contribution of each variable. The correlation analysis showed that the characteristics of the entrepreneurs in Hambantota district had significant relationship with financial performance. According to the regression model opportunity, relationship, commitment and innovative are high level contribution to the financial performance whereas the learning contribute comparatively low. This study conclude that entrepreneurial characteristics are significantly influenced with financial performance.

**Keywords:** Entrepreneurial Characteristics, Financial performance, Opportunity, Relationship, Commitment, Learning, Innovative, SMEs

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