

**IMPACT OF ENTREPRENEURIAL COMPETENCIES OF
ENTREPRENEURS ON FINANCIAL PERFORMANCE OF
FIRMS IN THE GEM INDUSTRY IN RATHNAPURA DISTRICT**



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ABSTRACT

Entrepreneurs provide the spark for our economic system by taking risk in providing goods and services by choosing to own and manage their own firms. They become energizers of small business. The sufficient features of entrepreneurship is to develop the economy by using the resources were not higher utilized, create competition, provide more employment opportunities and reduce inequality of income distribution. Successful entrepreneurs have to possess certain personal qualities. These qualities 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 of entrepreneurs on financial performance of firms in the gem industry in Rathnapura district. Totally 200 questionnaire have issued to gem business owners who residing in various part of above divisional secretarial 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 main objective of the study is to show the entrepreneurial competencies of gem business owners such as opportunity, Relationship, Analytical, Innovative, Operational, Human, Strategic, Commitment, Learning, Personal strength.

Method of analysis specifically considered univariate and bivariate analyze. 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 all entrepreneurial competencies are in the high level. Because of the above reasons, researcher can conclude that most of gem business owners in Rathnapura district have high level of entrepreneurial competencies. Finally the researcher can conclude that overall entrepreneurial competencies are moderately support to the success of gem business owners.

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