

**IMPACT OF BUSINESS COMPETENCIES OF SMALL AND
MEDIUM SCALE ENTERPRISES OWNERS IN GAMPAHA
DISTRICT ON THEIR BUSINESS PERFORMANCE**

By



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ABSTRACT

The objective of this study is to find the business competencies practices among small and medium scale enterprises owners in Gampaha district. Further, it finding out the impact of business competencies of SME owners in Gampaha district on their business. The SME sector has become a crucial segment and a major section of private sector in developing countries. However poor practices of business competencies, poor financial activities, lower attainment of the entity's goal objective and failed to protect organization asset lead to failure of the business. Therefore, this research aims to explore business competencies practices in Gampaha district and evaluate whether business competencies have an impact to the business performance. Business competencies was looked at from the perspective of marketing competencies, product design and development competencies, manufacturing competencies, human resource management competencies. Primary data was collected from 100 SME owners in Gampaha district. There, one hundred SME owners were selected as sample and questionnaire were issued to them to collect the primary data. Collected data for the study was presented in the form of tables and chart and analyzed using the software Statistical Package of Social Science, version 23.0. The data analysis included the Univariate analysis (descriptive) and Bivariate analysis.

According to the analysis, the finding showed business competencies of SMEs are at moderate level (2.88) and also business performance is at moderate level. There is moderate positive but significant relationship between business competencies and business performance. As well as the dimensions of business competencies are at moderate level. There are moderate but significant relationship between each dimension of business competencies and business performance of SME owners.

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