

Building an entrepreneurial culture in Sri Lanka

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In the global perspective, entrepreneurs have become important actors for the development of any economy as they directly contribute to socio-economic development through value additions, resource utilization and employment creation.

Entrepreneurship

Entrepreneurship can be defined as the 'capacity and willingness to develop, organize and manage a business venture along with any of its risks to make a profit'[1].

Entrepreneurship allows individuals to use opportunities in the environment to create new business ventures, which further creates jobs that share the wealth the entrepreneur has created in an attempt to eradicate poverty from society.

Considering the Sri Lankan economy, Small and medium entrepreneurs provide 45% of employment and contributes to 52% of Gross Domestic Production[2]. They contribute to innovations such as new products, services and wealth creation which are all essential to a healthy economy.

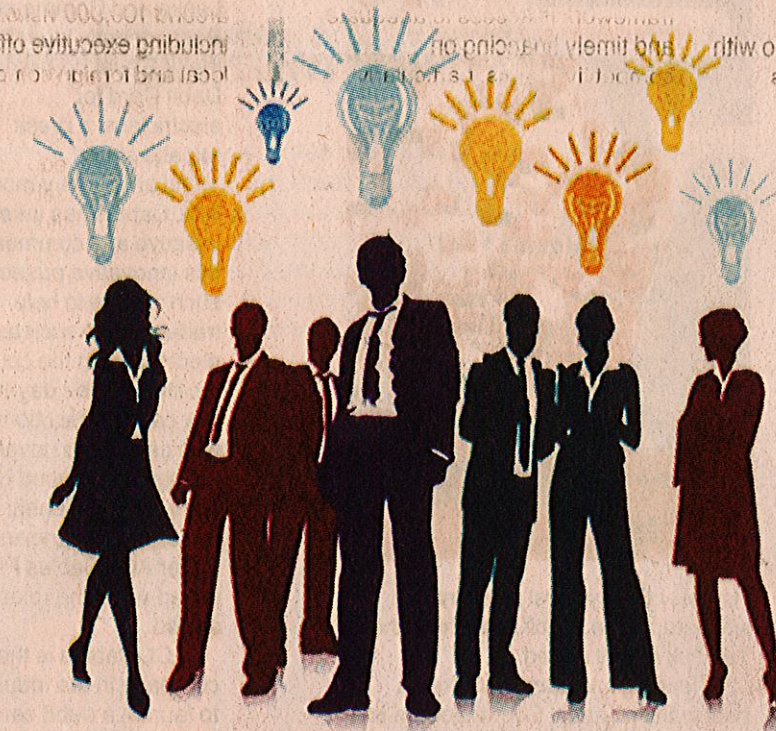
Entrepreneurial Culture

An entrepreneurial culture is 'an environment where someone is motivated to innovate, create and take risks'. As an example, entrepreneurial culture in a business means that employees are encouraged to brainstorm new ideas or products and transform ideas into real value creation through new products, services and processes. It is possible to do the same with the allocation of the working time of the employees in the firms, it is called 'intrapreneurship' or 'corporate entrepreneurship'[3].

When considering the entrepreneurial culture of the country as a whole, in Sri Lanka there are plenty of individuals with plenty of ideas, but these parties are still held back by a lack of finance, advice, guidance, information and education on entrepreneurship in general.

In Sri Lanka the role of traditional professions such as being a doctor, lawyer, engineer or accountant are still widely considered to be more secure and stable as and when compared to feeding the dreams of a budding entrepreneur with lots of potential. The perception among the masses of the role of an entrepreneur in society must be given more publicity.

As technology, literacy, success



awareness about the benefits of being an entrepreneur are shared far and wide, only then we can consider the entrepreneurial culture of the country will begin to expand and develop in the future.

Major components of entrepreneurial culture

There are various components that help to identify entrepreneurial culture. However, the following points can be considered as key elements[5]:

- People and empowerment focused
- Value creation through innovation and change
- Attention to basics
- Hands-on management
- Doing the right thing
- Freedom to grow and to fail
- Commitment and personal responsibility
- Emphasis on the future and a sense of urgency

Entrepreneurship culture in Sri Lanka

Sri Lankan entrepreneurs have very innovative ideas and valuable business plans which could be easily converted into successful businesses, but unfortunately there is no good mechanism to encourage them.

Starting a business in Sri Lanka is harder than in other countries, as it is difficult to get financial assistance from state or private banks for new businesses due to high interest rates as well as the long and numerous procedures required to start up a new business. Further finding sureties and guarantees are also problems for

There are many challenges awaiting such entrepreneurs such as enforcing contracts, registering property and taxes are some of the major reasons to start up business as well as grow business from small to medium scale.

In addition, entrepreneurs in Sri Lanka are facing greater challenges within the modern business environment due to huge competition, rapid technological advances, globalization and lack of support from relevant authorities.

On the other hand, most parents have a strong resistance to promote or encourage their children to be entrepreneurs due to the perceived social recognition and interpretation that entrepreneurs are less educated and acknowledged than professionals or government servants.

Considering the country's entrepreneurship education, there are only a few steps being taken to promote and encourage an entrepreneurial mindset and innovative thinking. But prevailing Sri Lankan education system does not promote or support entrepreneurship to such an extent instead it aims at producing best employees. Even it is expected to produce employable graduates within the higher education sector. Although Entrepreneurial Studies as a subject was introduced into the school curriculum in 2007 to address this need, it hardly reaps the yielded expected results [6].

Several public, non-profit and private entrepreneurship education or training programmes are today available in the country. They are primarily targeted at low and middle income rural people who can start

enterprises. These education or training programmes are sadly not directed towards opportunity driven and innovative entrepreneurs who are in desperate need of technology, finance and general assistance.

This is mainly due to how entrepreneurship in Sri Lanka is generally associated with self-employment or owning a small business, which does not match the dynamic concept of entrepreneurship as a driver of innovation, creativity and value creation.

Role of government and third parties in promoting entrepreneurial culture

The current government has made positive remarks on entrepreneurship where they proposed to allocate Rs 500 million from the 2016 Budget to support small and medium entrepreneurs. This is part of many steps to promote entrepreneurship by the government [7].

In addition, universities are to get involved in offering knowledge and cultivate the necessary skills and techniques to connect students from various fields to create ventures. Introducing such concepts into our education system will serve to reduce barriers and issues related to commencing entrepreneurial ventures.

Youth Business Sri Lanka (YBSL) was established in year 2007 and is now linked with the Ceylon Chamber of Commerce to provide holistic support and guidance to youth who want to start up their own business.

The organization provides funds, training and builds networks among its activities. Further, YBSL has also expanded its reach to assist tech entrepreneurs by supporting the Founder Institute chapter in Sri Lanka of the world's premier start up programme Globalizing Silicon Valley[8].

There are a lot of projects now under National Enterprise Development Authority (NEDA), ICTA, and SLASSCOM etc.

Considering Sri Lankan entrepreneurs, there are many great heroes and heroines who have had an impact and the promotion of such individuals will only create greater advantage for budding entrepreneurs. They include Chandani Bandara (Forever Nature) and Lal Keerthi Gunawardena (Lucky Dairy).

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