



# Critical Success Factors of the Successfulness of Small and Medium Scale Entrepreneurs

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## Abstract

Small and Medium Scale Entrepreneurs (SMEs) have been fully recognized by governments and development experts as the main engine of economic growth and a major factor in promoting private sector development. SMEs are considered as the crucial segment in developing countries during several decades ago. The Small and Medium Enterprise (SME) segment is the key segment to fuel economic growth, wealth creation and create employment of the country. In Sri Lanka, SMEs are approximately contributed for the national production by 1%. Therefore, it has identified the importance of accelerating the growth of SMEs in order to gain sustainable development in the country. Accordingly it must be needed to empower the SME business ownerships towards starting up new ventures while expansion of existing businesses. The objective of this survey was to identify the critical success factors that are affected for the successfulness of entrepreneurs. The research was employed in Matara district and target population was registered SMEs at the Small Enterprises Development Division (SEDD), Matara District secretariat by 2012. Number of 75 SMEs was selected as the sample using random sampling technique. Both Primary data and secondary data were used for the survey, a semi structured questionnaire was used as a tool for collecting primary data and books and related journals were used for secondary data purposes. According to the survey, it has revealed that financial capacity and owners' independency are the mostly affected factors for the entrepreneurial success. Education and experience are affected in a little for the entrepreneurial success in Sri Lanka. Eventually the researcher's emphasis the intervention of government and any other responsible policy formulation bodies towards creating sustainable small business culture within Sri Lanka by providing proper assistance to strength the possible success factors of entrepreneurs.

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