

Shifting from Necessity Driven to Background Driven: A Study of Entrepreneurial Motivation among Small Enterprises in Central Province, Sri Lanka

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Entrepreneurship is a central concept for economic growth in a developing country like Sri Lanka. It is suggested that necessity-driven entrepreneurs pushed into entrepreneurship because other options for work are absent or unsatisfactory, and opportunity-driven entrepreneurs pulled into entrepreneurship more out of choice. This paper is a qualitative research where the researchers aim to explore the entrepreneurial motives among small sector entrepreneurs going into entrepreneurship process. Total 06 cases have been analyzed through semi-structured face-to-face interviews within Central Province, Sri Lanka for 2 months in 2018. The cases are selected from the small sector entrepreneurs who have demonstrated highest performance in both manufacturing and service categories in Star Award ceremony, 2018 organized by the Department of Industrial Development and Entrepreneurial Promotion. Pattern matching and cross case syntheses techniques have been used to analyze data by adapting to the author developed analytical model. According to the findings, there are three main motives emerged and, even though Sri Lanka is a developing country, in this context, the results have gone to opposite direction of the existing literature finding which a developing country entrepreneur is necessity-driven. Apart from the opportunistic view motivations, the background motivating factors such as educational background and prior work experience played a major role in motivating individuals to emerge as entrepreneurs. However, after analyzing these cases in this context, it can be identified a pattern that small sector entrepreneurship is moving from ‘Necessity or Opportunity’ driven motivational approach to ‘Background and Opportunity’ driven motivational approach.

Key words: Entrepreneurship, Entrepreneurial motivation, Necessity-driven, Opportunity-driven, Background motivations.