

THE RELATIONSHIP BETWEEN EXTERNAL ENTREPRENEURIAL RESOURCE NETWORKS ON VENTURE GROWTH OF FEMALE SMALL BUSINESS IN SRI LANKA

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This study explores the relationship between entrepreneurial resource networks and the venture growth of small businesses owned by women in the Sri Lankan context. Few studies have been done with a specific focus on female entrepreneurship with a focus on the relationship between external resource networks and venture growth of small businesses owned by women. Thus this paper aims at investigating the relationship between external entrepreneurial resource networks and the venture growth of small businesses owned by women. In-depth interviews were conducted as the data collection method. Ten female entrepreneurs in the Gampaha district were interviewed after clustering them into two groups: ‘successful’ and ‘unsuccessful’ according to their current business status. Prior to the main study, a pilot study was conducted to get a sense of the field and to see whether the main study could be conducted in the way it had been planned or whether alternations were needed. Female small business owners in Sri Lanka were identified as the population of the study. There is neither a universally nor a locally accepted common definition of small business in Sri Lanka. Therefore, the definition published by Department of Census and Statistics was utilized to derive the sample of the study. Finally, data were analyzed and interpreted using content analysis and coding methods. The empirical results of the study indicate that external entrepreneurial resource networks have a clear impact on the venture growth of female-owned small businesses. Moreover, family and acquaintance emerged as prominent factors regardless of the business status. The suppliers are the most prominent network apart from the family. Relatives were identified as an extremely resisting network for successful small businesses. Acquaintances play a major role inside the networks of unsuccessful female entrepreneurs, and they are mostly looking for financial support. Regardless of the current status of the businesses, all female entrepreneurs who conduct small businesses are negatively impacted with emotional support. The findings of the study are of crucial importance to the Sri Lankan female entrepreneurs who conduct small businesses as they reveal real experiences of both successful and unsuccessful small businesses.

Keywords: External Resource Support, Female Small Business, Venture Growth