

# **EFFECTIVENESS OF ENTREPRENEURSHIP DEVELOPMENT TRAINING PROGRAMMES ON BUSINESS GROWTH OF SMES: WITH SPECIAL REFERENCE TO ENTREPRENEURS IN NUWARA ELIYA DISTRICT, SRI LANKA**

**Gunawardana, T.S.L.W**

*University of Ruhuna, Sri Lanka*

---

The purpose of this paper is to investigate the impact of entrepreneurship development training program (EDTP) on business growth of small and medium scale enterprises (SMEs) in Nuwara Eliya district, in Sri Lanka, due to the limited studies relevant to this field and those researches based on the Western context experience thus, it does not apply to Sri Lankan context. Therefore, there is an empirical research gap to fulfil in Sri Lanka considering other countries and this study is an attempt to fill this research gap. The data were collected over purposively administering structured questionnaires from 100 respondents who are successfully completed EDTP in Nuwara Eliya district, Sri Lanka. The partial least square path modelling (PLS) was performed to explore the impact of three EDTP variables, business knowledge and practice, business performance and psychological indicators, on business growth through two mediating variables, increase in investment and formalization, and to explore the significance of EDTP dimensions. The results of the regression analysis indicated that all hypotheses have a positive impact on business growth except two hypotheses. This leads to the conclusion that there is a positive but not significant impact of business knowledge and practices on formalization, and there is a negative and not significant impact of psychological indicators on increases in investment. The findings of the study provided new ways to develop EDTP strategies for SMEs by considering increases in investment and formalization. Hence, the future study can be outlined to further examine the impact of EDTP in different dimensions, especially including management aspects. Moreover, this study was based on the entrepreneurs in Nuwara Eliya district and the sample was limited, future research should focus on other districts in the country.

**Keywords:** *Effectiveness; Entrepreneurship development training programme*

---