

**Barriers in the Commencement of One's Own Business;
With Special Reference to Hospitality and Tourism
Graduates in Sri Lanka**

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ABSTRACT

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During the last decade tourism has become a booming industry in Sri Lanka. As a result, higher educational institutes such as universities tend to focus their attention towards the development of the tourism industry by offering various tourism related courses for the students. These courses have been designed to create graduates who will reinforced tourism industry in proper manner by considering contemporary requirements and the output of these courses will be directly or indirectly involved with the tourism industry. In order to obtain better results through this education system relevant to tourism sector, it is important to evaluate whether the students can implement their new business ideas in proper manner. Hence a study was carried out to identify the barriers to start up a business for the graduates who has been already followed up tourism related courses. Among the population of students who have already followed up tourism related degree programmes in Sri Lanka, 120 graduates in three universities, Uva Wellassa University of Sri Lanka, Sabaragamuwa University of Sri Lanka and Rajarata University of Sri Lanka were selected as the sample. Data were collected using the self-administrated questionnaires. The collected data was analyzed using principle component factor analysis method. Results revealed that, though all the graduates are having or had business ideas, most of them tend to find jobs in the industry without starting their own businesses and three major factors have been identified as the barrier to graduates to start a business. They are aversion to risk, socio cultural influence and negative perception. Thus, based on the above factors it can be recommended that, obtaining the attention of financial institutions which reinforce the upliftment of tourism industry graduates through the universities, conducting the programs to reinforce students minds with a good perception towards entrepreneurship to mitigate aversion to risk, discouraged the negative perceptions and devise strategies, practices to encourage such people.

Key words: Start up, Students, Determinants