



**IMPACT OF HUMAN CAPITAL ATTRIBUTES ON
SMEs SUCCESS**

**(WITH REFERENCE TO SMEs OWNER
MANAGERS IN BADULLA DIVISIONAL
SECRETARIAT)**

This dissertation is submitted as a partial fulfilment of the degree of
Bachelor of Business Management in Entrepreneurship and Management

NOVEMBER 2017

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ABSTRACT

The study has been focused on identifying how entrepreneur's Human Capital Attributes impact on success of their SMEs. Entrepreneurship in Sri Lanka is impact highly for the development, wealth creation of the economy. Human capital can be defined as the collective knowledge, skills, and abilities of the individuals employed in an organization. Human capital is emerging as one of the most important factor which impact for the success of SMEs as it ensures the growth and survival of SMEs. Thus, the study based on the three objectives; first it aims to identify which level of human capital attributes possess by the SMEs Owners in Badulla Divisional secretariat. Secondly it explores the relationship between Human capital and SMEs success. Next it investigates the impact of Human Capital Attributes on SMEs success. Finally, to determine the most influential Human Capital Attribute. In this study, the two levels of Human Capital Attributes and SMEs success were evaluated. The sample consisted with fifty-three Small and Medium Enterprise owner mangers in Badulla Divisional Secretariat. The data were gathered by self-administering questionnaires. Judgmental sampling was used as the sampling technique. The data were analysed using descriptive statistics, correlation coefficient, regression analysis. The results of the study significantly support to conclude that moderate level of human capital attributes possessed by the owner managers and there is a strong positive relationship between Human capital and SMEs success and Human Capital Attributes found to be a major determinant of SMEs success. Industry specific experience is found to be the most influential Human Capital attribute. The findings of the study support to the SMEs owner managers to enhance their existing human capital attributes levels and to direct their firms more success using their human capital.

Key Words – Human Capital, SMEs success, General Human Capital, Specific Human Capital