

Motives and Characteristics of Social Entrepreneurship in Sri Lanka: A Case Study from the Handloom Industry

A.B.D.C. Gunaratne^{1*}, T.G.D.V Thudugala² and M.S.S Karunaratna³

¹*University of Sri Jayewardenepura, Nugegoda, Sri Lanka*

²*Dipped Products PLC, Colombo, Sri Lanka*

³*RN Constructions (PVT) LTD, Baththararnulla, Sri Lanka*

The interest among the academia and the practitioners in the field of social entrepreneurship is developing tremendously attributed to its socioeconomic impact. The research in social entrepreneurship of Sri Lanka is significant due to the social entrepreneurs' potential contribution on economic development. Consequently, this research was conducted with two objectives, to analyze 'why' social entrepreneurs emerge and to analyze 'how' social entrepreneurs address the social needs compared with competitive businesses operating in Sri Lanka. Hence, the research was conducted based on a handloom manufacturing company in Kurunegala district. A qualitative inquiry was conducted adopting a case study method as the methodology. The data was generated through semi-structured interviews and observation at the handloom manufacturing company while secondary sources were referred to understand the competitive business practices. Then data was analyzed using a thematic analysis. As the findings suggest, the prime reason for the emergence of the case enterprise was the owner's intention to uplift the lives of the marginalized people living around the area. Secondary objectives such as to maintain an egalitarian structure, to facilitate a participative style of management, to maintain equality in pay, recruitment and working conditions, to promote innovation and to ensure the sustainability of the environment was also evident from the practices. Furthermore, it was evident that there is a clear difference on how social entrepreneurs address the social needs compared with the competitive businesses in perspectives of their objectives, operations, structure, domain, identity, funding, innovations and concern for the environment. Likewise, it was evident from the case organization that the social entrepreneurs emerge to solve social issues creating social wealth and value. Therefore, it is vital to promote social entrepreneurs in Sri Lanka to solve the pressing social issues we face.

Keywords: Social Entrepreneurship, Sri Lanka, Motives