

The learning process (Learning Culture) of Small and Medium Enterprises (SMEs) in Sri Lanka.

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The SMEs is playing an important role in the economy development in Sri Lanka. However, the data available shows that the growth rate of SMEs is less than 30% in Sri Lanka .It indicates that most of the entrepreneurs are having inappropriate skills knowledge and attitude for the change and growth in SMEs. In other words, most of the entrepreneurs are having colonial mentality and traditional business practices. Is the situation due to poor learning process or lack of learning culture? The main objective of this study is to examine the nature of learning process of SMEs and to identify the barriers that prevent positive learning. This study is based on selected case studies of SMEs in urban sector. The data were collected through interviewing the entrepreneurs and observing the enterprises. The study found that there is a relationship between the pattern and the level of learning process and success of SMEs. The successful entrepreneurs are having higher level of learning and positive pattern of learning. Entrepreneurs' main source of learning is through their own experiences and from others experiences. It was found that the weaker aspect of learning is learning from experiments and research and sharing knowledge with others. It is due to the mismatch with the entrepreneur culture and the learning culture which are required for successful learning. In addition, it is found there is no action to institutionalize the new knowledge. It is imperative, that rather than just imitating modern methods and system from others, it is necessary to develop a learning culture within SMEs for the survival and the development of the sector.

Keywords: Small and medium enterprise; Learning process; Learning culture; entrepreneurs; Personal and business network; Entrepreneur culture

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