

ENTREPRENEUR ATTITUDES AND LOCATIONAL DECISION -
MAKING FOR SMALL FIRMS IN COLOMBO METROPOLITAN AREA

M.A.I. Sriyani Dias
Dept. of Geography, University of Sri Jayewardenepura.

The present study was designed with the specific objective of examining attitudes of small entrepreneurs on the location decisions of firms in Metropolitan Colombo. It has been recognised that there are fundamental structural differences among the small and medium manufacturing firms in Sri Lanka. These differences go a considerable way in determining the location decision of entrepreneurs. It is the purpose of this paper to study the attitudes of entrepreneurs and their relationship with the structural characteristics of firms.

For this study a sample of 136 entrepreneurs selected from textile, rubber and metal industries has been used. A five point relating scale was used to measure attitudes. Aggregate attitude scores are used to examine the significance of different locational factors. Kendall's tau rank correlation coefficient is used to analyse the relationship between the attitudes of entrepreneurs and the different organisational characteristics.

It is concluded that most entrepreneurs consider the availability and access to service facilities and utilities as significant factors for small manufactures. Personal factors such as closeness to home and family and kinship relationships, also affect the location decisions of entrepreneurs. The paper also argues that there is a key relationship between entrepreneur attitudes and the organisational structure of firms.