

## **SMALL AND MEDIUM SCALE ENTERPRISES DEVELOPMENT THROUGH BUSINESS INCUBATORS: THE CASE OF SRI LANKA**

**S.W.S.B. Dasanayaka**  
**Institute of Business Administration, Karachi, Pakistan**

**Payal H Bhatt\***  
**Nelson Oly Ndubisi**  
**School of Business, Monash University Malaysia**

### **ABSTRACT**

Various types of Business Incubators (BI) are emerging around the world specifically to assist business start-up firms within the first critical years of their business until they become successful ventures that are able to operate self-sustaining manner. It is clear that business incubation is on the rise on a global scale to promote Small and Medium Scale Enterprises (SMEs) especially in developing countries. This trend has been linked to the higher success rate of incubator graduated firms as compared to the normal start-ups. Successful BI programmes varies from country to country according to their socio, economic and cultural differences. This paper is aimed at identifying strengths and weaknesses of existing SME business incubation in Sri Lanka and to propose a new Business Incubator model to suit with the Sri Lanka's contemporary requirements.

Key words: Business Incubators, SMEs, Entrepreneurship, Venture Capital, Sri Lanka