Impact of Entrepreneurial Knowledge on Organizational Agility, With Special Reference to SMEs Owner-Managers in Badulla Secretariat Division

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Dealing with dynamic business environmental changes is a challenge for Sri Lankan SMEs owners. It emphasizes organizational agility as an interpreter for dealing with unexpected changes, eliminating unprecedented treats of work environment and using changes as opportunities. Entrepreneurial knowledge of the owner-managers will be used to develop organizational capabilities to face growing market discontinuities and technology distributed, while encouraging organizational agility of SMEs. There is a dearth of literature examining this link between entrepreneurial knowledge on organizational agility. Hence, the objective of the study is to examine the impact of entrepreneurial knowledge on organizational agility. A sample of 50 SMEs owner-managers in Badulla Divisional Secretariat were selected with the aim of identifying the impact of entrepreneurial knowledge on organizational agility. A structured questionnaire was used to collect data. Overall level of organizational agility of the studied sample was at a medium level while the entrepreneurial knowledge level was at a high level according to the mean values. The regression model confirmed that entrepreneurial knowledge is a predictor of organizational agility and the findings reveal that there is an impact of entrepreneurial knowledge (Business General Knowledge, Venture General Knowledge, Opportunity Specific Knowledge, Venture Specific Knowledge) on organizational agility (Shared Leadership and Identity, Adaptive Organizational Design, Robust Strategy). The study informs SMEs owner managers to utilize entrepreneurial knowledge, blending it with available opportunities, technologies and current government business development initiatives. These findings are also useful to provincial-level policymakers to develop technological initiatives and facilitate government aid for future entrepreneur development and enhance the organizational agility for SME sector in Sri Lanka.

Keywords: Entrepreneurial knowledge, organizational agility, SMEs owner - managers