

## IDENTIFYING THE SALIENT FACTORS ON FORMAL AND INFORMAL FINANCING DECISION OF FLORICULTURAL ENTREPRENEURS: A CASE STUDY

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Entrepreneurship plays a pivotal in developing economies such as Sri Lanka towards forefront by accelerating the wider socio-economic objectives while enhancing the living standards of the rural community. Agriculture sector has a vast potentiality to add value to the economy whereas the rural Agriculture is a prominent sector from ancient. The Sri Lankan economy not in a balanced approach, whereas the Services sector surpassing other sectors , way forwarding the pivotal role of Agriculture Entrepreneurship. Floriculture is one of the main segments, where the possibility of promising export market and local market caters to events management. The study Research Objectives has been formulated to identify the salient factors of both formal and financing sectors among the floricultural entrepreneurs, as such the financial literacy has been identified as one of the keys to regional economic development. Study sample consisted with 20 Entrepreneurs chosen by judgmental sampling method from Welimada, Bandarawela and Nuwara Eliya areas where the floriculture industry mainly located. As research design, qualitative approach has been adopted, in-depth interviews conducted for data collection and thematic analysis method used. Study identified two parental themes as financial literacy and formalities including four child themes; documentation simplicity, securities, Duration and novel technology. Further, Financial literacy has been identified as most influential dimension, where the Formal financing sector could focus on facility design while adopting stakeholder participation. Enhanced bargaining power of the Entrepreneurs has been identified as second most influential factor through the formation of Associations with trade partners. As recommendations; strategies to enhance financial literacy through education, contributory decisions on facility design and platform to bargain with Trade Associations stakeholders could proposed. As managerial implications, the strategies could be adopted by formal financing Institutions to acquire win-win situation for both entrepreneur and facilitator.

**Keywords:** *Entrepreneurship, Informal and formal finance, Financial literacy, Floriculture, Economy*