



RESEARCH ARTICLE

A LITERATURE REVIEW ON INTRAPRENEURIAL CONSTRAINTS IN THE DEVELOPMENT OF SMALL AND MEDIUM SCALE ENTERPRISES

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ABSTRACT

SMEs development has become an imperative to the economic development of countries having a major share in GDP. A booming trend on researching the constraints of SME development is everywhere in the world. Hence the study focused on searching a firm root in the development of SMEs followed to a systematic process of categorization of constraints and identification of strategies to revitalize the SMEs. The study identified prevailing constraints on SME development referring to the previous reports and research articles. The roots of the constraints were examined properly and categories under the intrapreneurial orientation. Strategic renewal, innovation and corporate venturing are the fundamental dimensions of the intrapreneurship orientation. Intrapreneur is entrepreneur within the organization hence development of intrapreneurship enable the development of SMEs. The study explored the concentration of findings and contribution to the intrapreneurship development. SMEs are entrepreneurial centered businesses hence intrapreneurship plays a silent role within the SME business. The study explain how important the development of intrapreneurship within SME sector and the contribution of intrapreneurship to the growth of SMEs.

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INTRODUCTION

The concept "intrapreneurship" makes a vital role in the business environment in presence of highly competitive market similarly; it becomes a wide research topic in the academic environment as well. Large organizations are equipped with the concepts "corporate entrepreneurship" and "intrapreneurship". However, the collection of literature evidenced a booming trend on researching the concept intrapreneurship and small and medium enterprises. Intrapreneurs are not entrepreneurs in the proper sense of notation, intrapreneurs are specialists with exceptional training and ability to use the knowledge accumulated for innovations or transforms the organization into success (Antoncic and Hisrich 2003). Intrapreneurs as corporate entrepreneurship manage large scale organizations having employees with vast experience and knowledge towards to achieve and satisfy shareholders objectives without the ownership of the company (Carrier 1994). Intrapreneurs are with the skill of develop, manage and carry forward the business as expected by the ownership. Intrapreneur is an individual within the organization who creates and takes responsibility for transforming an idea into a profitable venture through taking creative and innovative approaches (Thomberry 2001).

Therefore critical assessment on intrapreneurship orientation and SMEs constraint promptly contributes for constructing a useful outcome to the SME development. Small and medium-size enterprises are the major contributor to the national economy of developed and developing countries in the world. Ayyagari (2007) identified that a large share of SMEs as a characteristic of the successful economies. SMEs consist of micro, small and medium scale establishments providing millions of employment in the world. SMEs are treated as an important sector to the economy, whereas more than 90% of establishments are falling into the category of SMEs (OECD 2000). The G7 countries (Canada, France, and the United State of America, Japan, the United Kingdom and Italy) are good examples for the development of small and medium scale businesses. The growth of the SMEs have become limited due to various issues exist as product, factor markets and the regulatory frameworks. That effect the areas of access to finance, physical infrastructure, level of technology, framework, regulatory, access to information and advice, business development services, industrial relation and labour legislation, intellectual property rights, technical and managerial skills, link formation and environment issues. In addition, high interest and insist on collateral by lending institutes are the frequent issues affecting as financial constraints for SMEs development. However, it is significant that many citations about the failures of the SMEs due to various issues and problems in the world.

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SMEs indicated a slow performance compared to the large scale organizations (Carrier 1994). Many institutions are heavily engaged in searching for solutions to prevent SME failures in the world. Thus there is a necessity on constructing a systematic approach for identifying proper roots to address the issues for exponential development of small and medium scale enterprises.

LITERATURE REVIEW

Two imperative words competitive advantage and intrapreneurship were recently added to the SME lexicon. The reason behind that was the relationship between intrapreneurship and competitive advantage. Any industry categories though it is a small or large the researchers are watchful on competitive advantage and development of intrapreneurship. Munir, Lim & Knight (2016) found that the large firms develop and follow a path of company-specific competence for sustained competitiveness. Capabilities and competencies are the two major factors contributing to the competitive advantage in SMEs. The sustainability of SMEs depends on how SME sector is identified and act on competitive advantage in the present market. SMEs are non-subsidiary independent firms, which employ fewer than the given number of employees (OECD 2000). There is no universal definition for small and medium scale enterprises (Vijayakumara 2013). The definition varies from nation to nation, country to county. The definition involves many parameters depending on the purpose of the requirement. Differences in definitions extend in three flanks: definition by an international institution, definition by international law and by industry definition (Berisha & Pula 2015). The most common definition in OECD countries is used the employment count, such as the organization with less than 500 employees categorized as small and medium scale. The Eurostat for 19 European nations defined SME as less than 250 employees (Mehmet, Suleyman, Mehmet 2010). However, there are two to three dimensions are commonly involved in present definitions of SMEs such as number of employees, annual turnover and capital investment (Jayasekara & Thilakarathne 2013).

SME contribution to the GDP: In global understanding Small and medium size Enterprises are duly recognized sector which makes a larger contribution to the GDP. The SMEs share in GDP and the employment of countries are more than 50 %, some of the developed countries the share in GDP is more than 90% thus all the countries are interested in developing the SME sector as a major part of their economy. The contribution in generation firms over 95% and employment 60% - 70% in OECD economies (OECD 2000). But SMEs share in GDP of developing countries are in between 15% to 60% whereas Sri Lanka 52%, Pakistan 53.8%, Bangladesh 22.5%, India 17% , Vietnam 40% (ADB 2015). The economic contribution in the US is more than 50% of the non -farm private GDP and created 75% new jobs (ACCA 2010). The economic contribution of SMEs in Malaysia (2010) was 99.2%, total employment was 56%, and 32 % had been represented in GDP. Similarly, Japan contributed 99.2% and Singapore 90% respectively. Asia is the largest user in trade finance, relies heavily on SMEs, which generate 50% of the Asia Pacific GDP and employ up to 50% of the labour force (Trade Finance Milken 2015). Japan has the highest proportion of SMEs, more than 99% of all business in Japan are small and medium enterprises, in Japan confined to retail,

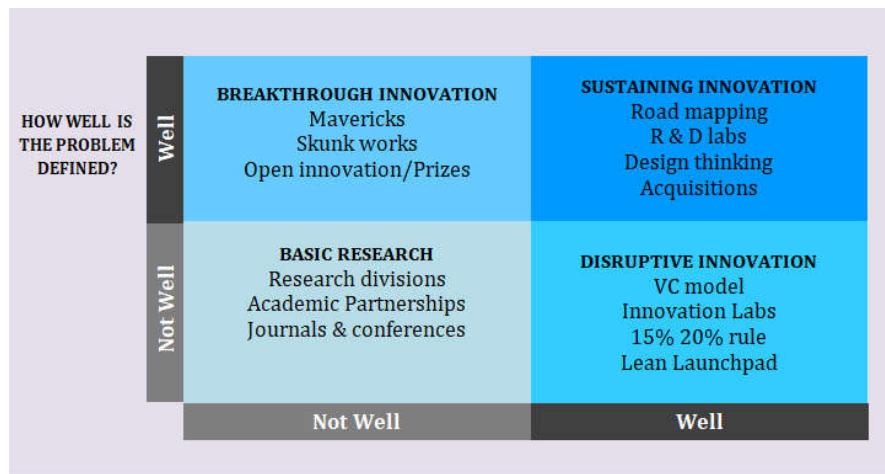
service industry, restaurant lodging industry, construction, manufacturing, real estate industry, wholesale, health and welfare, education & learning support, transportation, finance and insurance (EIU 2010).

Intrapreneurship: Intrapreneurs are explained as those who transform the organization in a more lucrative way (Cadre & Badulescu 2016). Fundamentally there are three complexities influence on developing intrapreneurship such as organizational, Individual and environmental (Divakara 2017). Employees' motivation leads a proper intrapreneurship within the organization on emerging innovative performance. The supportive environment created by the organization has been identified as internal climate factors and in the other hand it has been described as a facilitator for the organization to spur intrapreneurship activity (Kuratko et al 1990, Zahra and Covin 1995, Antoncic & Hisrich 2001). Human capital consists of individual knowledge, ideas, which encourage and enable creativity and innovation, simultaneously human capital and organizational support create a synergistic effect (Alpkan et al. 2010). Those factors have been encouraged to study the interaction of organizational support for intrapreneurship quality for human capital combination impact to innovative performance. *Intrapreneurship is a unique blend of managerial and entrepreneurship to achieve organizational innovation and growth of competitive advantage* (Nicolaidis & Kosta 2011, p 1468). Pinchot (1980) identified intrapreneur "as the person who focuses on innovation and creativity and who transforms a dream or an idea into a profitable venture by operating within the organizational environment". Entrepreneurial capability of an established organization is called intrapreneurship (Rule & Irwin 1988).

Intrapreneurs are not only to good thinker but also good planners and person optimistic attitudes (Mehmet, Suleyman & Kiziloglu 2010). The concept of intrapreneurship makes a vital role in the presence of market competition as a competitive advantage. Nicolaidis and Kosta (2011) also suggested in adopting intrapreneurship it comes across as the unique competitive advantage. The evolution of concept intrapreneurship in many organizations are seeking a way of reinventing or revitalizing their structures giving more attention on corporate entrepreneurial roots, corporate entrepreneurship is a powerful antidote to large companies staleness, lack of innovation, stagnated top line growth and the inertia that often overtakes the large, mature companies of the world (Thornberry 2001). The comparative study about the concept intrapreneurship in large firms and small firms explained in two different words structure and organizational terms by (Carrier 1994). Failures and slow development of SMEs are frequently discussed in many past and present reports mean recurring same problems continuously in SEM development. Failures of large organizations are less compared to SMEs (Carrier 1994). The three fundamental factors Innovation, strategic renewal and venturing are the main factors involved in successful performances of large organizations (Antoncic 2007) but there are multiple dimensions explored with reference to the latest researches as a new product, innovation, proactive, venture, strategic renewal, autonomy and risk taking (Guth & Ginsberg 1990, Zahara 1991, 1993, Lumpkin & Dass 1996). Three distinct organizational factors and agency factors identified as highly correlated such as organizational structure, size, age and complexity promote as agency problem and curtail intrapreneurship (Jones and Butler 1992).



Fig. 1. Intrapreneurship dimensions



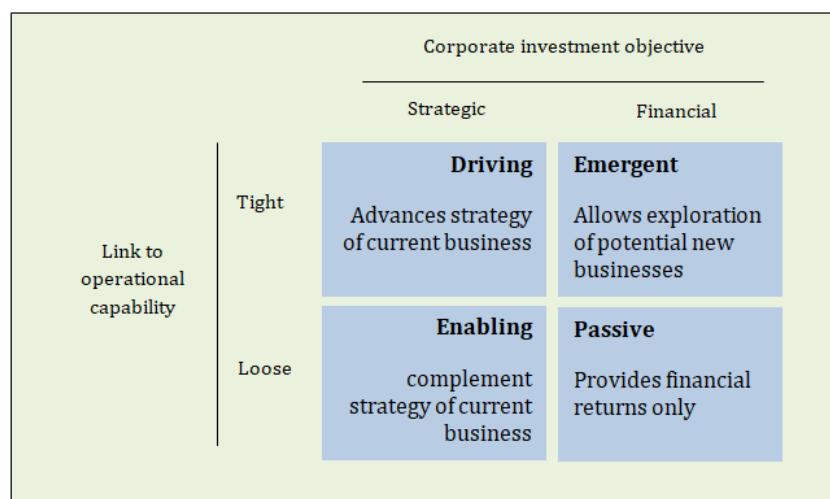
Source (Satell, 2017)

Fig 2. Mapping of innovation continuum

	Spatial separation: Risk control is vital	Temporal separation: Speed is vital
Revitalizing some of the existing competencies	Reanimating Bottom-up processes typically involving double-loop learning	Rejuvenating Holistic change programs aimed at revitalization Restructuring
Reordering core competencies and peripheral routines	Venturing Top-level processes of moving competencies around, including creating new units and selling old ones	Top-down process of restructuring divisions, setting of new priorities, and defining new products.

Source Baden Baden, Fuller & Volberda 1997

Fig 3. Four mechanisms for strategic renewal



Source (Chesbrough 2002)

Fig 4. Four ways of venturing

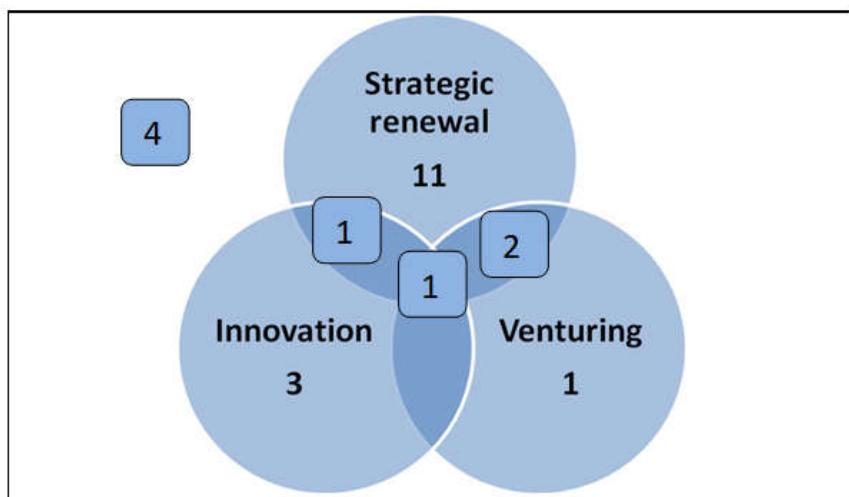


Fig 5. Intrapreneurial orientation of SMEs

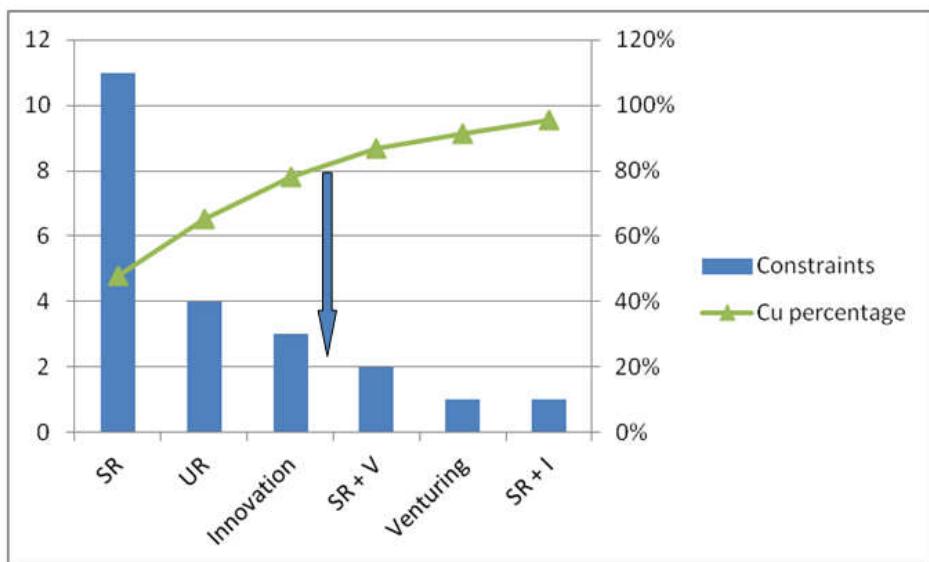


Figure 6. Pareto analysis of constraints

Table 1. Classification of SME constraints

No	Constraint	Intrapreneurial orientation
1	Lack of vision	Strategic renewal
2	Lack of standardization or systemization	Strategic renewal
3	Lack of network	Strategic renewal
4	Lack of proactiveness	Strategic renewal
5	Lack of operational excellence	Strategic renewal
6	Lack of promotional flat form	Strategic renewal & Venture
7	Lack of management skills	Strategic renewal
8	Lack of skill labour and skill development	Strategic renewal
9	Lack of knowledge and knowledge upgrading	Strategic renewal
10	Influences of global economic	Strategic renewal
11	Lack of competitive advantage	Strategic renewal
12	Lack of strategical decision making	Strategic renewal
13	Lack of research and development	Innovation
14	Lack of innovation	Innovation
15	Lack of creativity	Innovation
16	Lack of technological update	Innovation, Venture and Strategic renewal
17	Lack of market information & research	Innovation & Strategic renewal
18	Lack of internationalization	Strategic renewal & Venturing
19	Lack of financial support and investments	Venture
20	Influence of government policy changes	Unidentified
21	Limitation of regulatory framework	Unidentified
22	Lack of infrastructural development	Unidentified
23	Lack of institutional support	Unidentified

The study explores more knowledge about these three factors deeply on intrapreneurship orientation and SME constraint for uncovering a way to develop SMEs.

Innovation and Research & development: Innovation has become a leading factor in developing small and medium scale enterprises. Sustainability of small and medium scale enterprises is a contemporary important in today's context. Innovations are the drivers of SMEs, indeed smaller enterprises are more expected to be innovative. Stimulation innovation within the organization through the examination of potential new opportunities, resource acquisition, exploitation implementation and commercialization new product and services is the responsibility of intrapreneurs (Guth & Ginsberg 1990). Differentiation between innovative processes has sizeable effect on labour productivity (Baumann & Kritikos 2016). Investing more on research and development catalyzed the innovation. Japan invested 3.4% of the entire GDP for research and development in 2007. The highest share in GDP amongst the G7 nations and Organization for Economic Co-operation and Development countries was an average of 1.9% (EIU 2010). The proportion of innovation of Germany's SMEs has dropped by 7% to the point of 22% (KfW 2016). Innovation is the key mechanism for business to position them in the market and compared with the others. South Korea invested 3.4% from their GDP for developing research and development. It was revealed that 70% of innovative SMEs do not have research and development facilities, 16% conduct continues to research, 14% do research and development activities occasionally (KfW 2016). The characteristics of efficiency-driven companies are production process, quality products, and well organized logistic services. Similarly, the characteristics of innovative driven are new or unique products, creating new market niches and new opportunities throughout the world (EIU 2010).

There are enough innovative ideas among the employees of an organization. The issues are the way of uncovering and implementation of the innovations (Rule & Irwin 2007). Development of intrapreneurial culture emerges ample of innovation. Organizations follow reward based Kaizen, research & development, design thinking as tools to elicit innovation in the intrapreneurial culture. Skunk work and bootlegging supports innovation through team performance. Innovative ideas must be invited, scrutinized and implemented. In the same way new ideas to be celebrated with attractive rewards that will encourage employees to think about more innovations. Organizational support is one of the key factors that enable innovations in intrapreneurial culture. There are different scales and mapping of types of innovations under several domains. The most cited scale of measurement for innovation is the innovative continuum (Satell 2017) that explained from incremental innovation to disruptive innovation. Innovation capabilities have been divided into four categories and each process is mapped using following matrix that defines the problem and domain (Fig. 2.). The constraints exist within the innovative continuum such as lack of innovation, creativity, research and development etc. were considered to segregate as intrapreneurial constraints. All four domains indicated about the innovations are a significant effect on sustainable development of SME. Continuous improvement is one of the key success technique used in Japan in developing organization performance, competitive advantage.

Strategic renewal: Organizations face various issues and problems in today's context towards to maintaining a competitive advantage. Strategic renewal has been defined by dividing into two parts such as strategy and renewal (Agrawal & Helfat 2009). There are many definitions given to the word "strategy" which is common to any field of management. Strategic is defined as that "*which related to the long term prospects of the company and has a critical influence on its success or failures*" and renewal is defined "*as to make it new or refresh by restoring strength or animation or replace that which is damaged, decayed or old or worn out*" (Agrawal & Helfat p 282, 2009). Strategic renewal is described as the process that allows the organization to alter their path dependence by transforming their strategic intent and capabilities (Schmitt, Raisch & Volberda's 2016). Renewal refers to revitalize, redeployment or replacement of the firm's current organizational attributes (Agrawal & Helfat 2009, Zahra 1996).

Churchill and Lewis (1983) applied the findings of the Greiner (1972) for explaining the growth of the organization (Masuré & Montfort 2006). Four stages of life cycle consist of start, growth, mature and decline in the basic definition. SMEs life cycle is somewhat important to study and apply appropriate strategies in terms of sustainable survival. The lengths of the survival periods of each stage are needed to observe for introducing proper strategies. Failures of SMEs tend to happen due to the uncontrollability of the matured state which should not be a lengthy period. Strategic renewal involves at the maturity stage before the decline stage reference to the Greiner (1972) life cycle. Strategic renewal elicits the appropriate strategies to make reanimate, rejuvenating, restructure and venture the organization and given a new growth stage without moving to decline stage. The four mechanisms explored by Baden, Fuller & Volberda 1997 on strategic renewal are as depicted in below matrix Fig 3.:

Four strategic choices of strategic renewal enable to reduce external and internal pressures of the firms forced by the effect of globalization technology changes, market changes, deregulation of the industry, shifting of the public to private etc (Baden, Fuller & Volberda 1997). A strong vision having a concern to the core competency and an end vision of the entrepreneurs directs the SMEs to a proper root and it makes continuous renewal process. Lack of vision in terms of the strategic point of the SMEs has become a factor of the failures. Reanimating has been hypothesis as a revitalization of core competencies where the risk is controlled by the organization. Strategic renewal is a continuous process that involve in managing a business against to the strategic issues emerged as a result of external and internal environmental changes. The fact that highlighted is the risk of change and how that has been addressed. Selecting the correct strategic choices with the proper identification of the problem makes sustainable development to the SMEs.

Venturing: Venturing has been discussed in many areas under intrapreneurship thereby it shows a high involvement to the intrapreneurship development. There are two types of venturing defined in the intrapreneurship are internal venturing and external venturing. Internal venturing is confined to internal developments enlargement of product portfolio, bootlegging etc. Internal corporate venturing (ICV) has been identified as important avenue to the corporate growth and

diversification by managers in large organizations (Burgelman 1984). External venturing are skunkworks, venture teams etc. Venturing has been differentiated in another way of integrating of two dimensions of operational capabilities and investment objective (Chesbrough 2002). Strategic and financial venturing explained in this mapping that enable organizations to plan their investments. The fact that discussed under venturing is highly affected for the SMEs development due to confinement of the internal tight capabilities. SME production is always limited to the domestic markets. The export share depicted in ACCA (2010) was typically lower value that contributed to only the domestic employment or value addition. That indicates a vacuum in the internationalization of SME. In general, in economics internationalization is the process of increasing involvement of enterprises in the international market. Shirk Japanese domestic market seeks internationalization to expand (EIU 2010). Some of the main barriers faced by SMEs on venturing are the storage of working capital to finance exports, identifying foreign business opportunities, limited information to locate or analyze market, inability to contact overseas customers, lack of managerial time to deal with venturing, inadequate quality or untrained personnel for venturing (ACCA 2010). The Japanese economy is more concern on the international market, and it showed a fast growth from 2002 to 2008 (EIU 2010). Also, Japanese SMEs contributed 4.4% in the international market in 2002, and it has risen to 7.4% in 2008 (EIU 2010). Subcontracting to another country make cost efficiency but developing technical know-how and technology competency has to be done through commercial partnership. SMEs are reluctant to globalize; reasons are lack of access to information about the overseas market, lack of capable management resources and difficulty securing financing (EIU 2010).

METHODOLOGY

Theoretical background about the concept intrapreneurship was thoroughly examined from previous literature published over a period by the various reputed journals and latest reports of organizations. Scrutinized all the constrained published in the latest reports and journal and listed down for the analysis. SME constraints are keep on changing against the prevailing political, social and economical conditions in the countries. Listed constraints were classified in to four hegemonic themes strategic renewal, innovation, venturing and unclassified constraints. The descriptive analyze explained the significance in intrapreneurship in the development and sustainability of the small and medium scale enterprises.

SME Constraints: Failure factors of SMEs have divided into two main segments as internal and external (Franco & Hasse 2010). External factors have been categorized as limiting factors to finance, poor market condition, strong competitiveness, lack of institutional support, technological changes etc. Internal factors have been identified as lack of co-operation and networking, obsolete technology and lack of innovation, lack of entrepreneurial qualification poor management and lack of vision etc. The failure contribution factors are common to all the SMEs in the world for searching for solutions. Hence all the governing agents extend their supports to avoid and uplift the condition of small and medium scale enterprises for keep going successfully expecting a strong foundation for the economy development. Productivity is one major dimension directly influence the performance of the SMEs seriously. The organization, Asian Productivity (APO,

2015) is monitored and supported to improve performance of SMEs by facilitation and sharing best practices for APO members. Productivity of SME is measured by the ratio of sales per employee, customer satisfaction index, complaint ration, customer retention, sales growth, profit margin, defect ration etc. The productivity indexes defined for labour, material, energy, machinery and capital are used to measure the performance of the manufacturing organizations. Creativity and innovation have become significant factors in the development of SMEs in many countries. Some of the barriers to innovation and creativity identified by Weerasiri, Shengang & Perera (2016) are Lack of resources, lack of government support, lack of institutional support, lack of opportunity from the external environment as external and managerial barriers, financial barriers, technological barriers as internal barriers. International Financing Corporation (IFC) have listed five principle constraints of the SMEs in Sri Lanka as difficult in obtaining finance, the absence of technical and management skills, marketing constraints, inadequate infrastructural facilities for production and outdated technologies (Amradivakara & Gunathilaka 2016). The research conducted by Ayyagagri, Beck & Kunt (2003) concluded that SME sector associated with higher costs and associated with the exit of the firm and labour market.

That depicts a larger role of manufacturing SME is more strongly associated with the competitive business environment. The issues of business dynamics conducted by European Union (2011) indicated that under four areas of "Startup, Business transfers and Bankrupts". The four thematic areas are Licensing, Business transfer, Bankruptcy and Second Chance. Government Policy initiatives make great support in one way to foster the development of SMEs. OECD (2017) has found a few challenges and policy responses for developing SMEs. The main constraints identified by OECD (2017) are lack of awareness, lack of financial skills and vision; disadvantages tax treatments as demand-side policy obstacle. The opacity of the SME market, barriers to entry to SME market, limited exit option were as supply-side policy obstacles. The Structural measures were addressed the fragmentation of SMEs financial market, improve the liquidity of the scale of the markets, help to develop SME finance ecosystem, create links and matchmaking service between investors, monitor and evaluate public policies in this area. Lack of access funding identified as a reason why SME account for 35% or less of direct export (Trade Finance Milken 2015). SMEs need to continue upgrading their management skill against the rapid changes of technology and human capital depend. To solve the current issues in SMEs require proper competency on management. The number of management deficiency contributed to the poor growth of SMEs (Priyantha 2006). The number of deficiencies depicted in the research were Planning, Organizational structure, Staffing, Directing and Controlling in the areas of marketing, production and Finance. The management type in SMEs is owner management, whereas the owner manages the firm as he wishes. SME contains basically two types of firms small and medium. Small firms traditionally focused on the domestic market, but medium firms are becoming an increasingly involved in global market. SME industry is always confined to the domestic markets. The export share depicted in ACCA (2010) was typically lower that contribution to the domestic employment or value added. That indicates a vacuum in the internationalization of SME. In economics internationalization is the process of increasing involvement of enterprises in the international market. Some of the main

barriers faced by SMEs on internationalization is storage of working capital to finance exports, identifying foreign business opportunities, limited information and resources to locate or analyze market, inability to contact overseas customers due to language barriers, lack of managerial time to deal with internationalization, the inadequate quality or untrained personnel for internalization etc. (ACCA 2010). The Japanese economy is more concern on the international market, and it showed a fast growth from 2002 to 2008 (EIU 2010). Also, Japanese SMEs contributed 4.4% in the international market in 2002, and it has increased up to 7.4% in 2008 (EIU 2010). Internationalization should engage in cross-border partnership and foreign investments to capitalize on new opportunities (DHL Internationalization 2013). The subcontracting to another country make cost efficiency but developing technical know-how and technology competency has to be done through commercial partnership (DHL 2013). Access to finance, tax rate, competition, electricity and political factors were perceived as main obstacles to SME development (Wang 2016). Lack of technology updating is a vital factor that involved drastically for the development of the SMEs. Having integration with the international market will provide a good flat form at a faster rate of development to the SMEs. SMEs are key source to generate more employment (Vijayakumar 2013). The dynamic analysis exhibits that SMEs undertakes lion's shares of job creation and job destruction in most economies in the world (ACCA 2010). In a macro aspect, the SME sector has become most vulnerable to the economy of the countries in the world. The aspect of macroeconomic and impact to the SME is the most emphasizing factor to international competitiveness. Trade barriers, logistic facilities and communication cost are the major hindrances highlighted in the report, DHL Internationalization – Drive for Business Performance (2013). Small and medium-sized enterprises are heterogeneous groups with a diverse range of capabilities, sizes, skills, and business activities covering many sections of the field of manufacturing and services such as agriculture, software, engineering etc. Technocratization is an important requirement for SMEs development. Lack of technocratization makes significant retardation for considerable growth. Technocratization reflects the percentage of employees who possess a higher education (Miler & Friesen 1982). SMEs constraints were listed and categorized under intrapreneurial orientation for the descriptive analysis.

Table 1 depicted a summarized list of constraints in the small and medium size enterprises. The listed constraints were classified under three hegemonic themes of the intrapreneurship orientation. The constraints which were not relevant to the intrapreneurial orientation were categorized under non classified category. Some of the constraints were identified under many themes such as technological updated, internationalization, promotional flat form and lack of market information and research etc. There were 23 constraints found in the analysis as constraints of SMEs. However, identification of constraints and intrapreneurship is replete with classification and given a trigger to the study. SMEs and entrepreneurship is by product of economic development (Ser 1998). 23 constraints were categorized into three themes under intrapreneurial dimensions and unclassified constraints into a separate theme. The descriptive analysis of the categorization is shown in Fig 5. vann diagram in below, Constraints imposed by the governments and financial institutions were classified into separate category.

There were four constraints categorized under the unrelated classification as depicted in fig 5. Following figure explained the contribution of constraints to the intrapreneurship.

Conclusion

The analysis unveiled exciting probes on roots of retardations of SME development. Intrapreneurship is a booming concept and integration of a wide scope including individual, organizational and environment as influences for rejuvenating organizations. The three hegemonic themes explained Strategic renewal, innovation and venturing found as intrapreneurial orientation. Out of these three factors strategic renewal is the most significant factor that has contributed 43% for the failures of SMEs functionally in the development. Business starts with a vision and vision embedded with a core competency. Strategic renewal. Strategic thinking, directives, decision making, management imply as a contemporary requirement on the sustainability of SMEs. Innovation is the next fundamental intrapreneurial factor contribute 13% of constraints that imply on SMEs that have to understand and implement necessary elicitation programs within the organization. The unrelated factors to the SME development contribute 17% in constraints. The pareto analysis signify three categories strategic renewal, innovation and unrelated as 80% contribution of constraints. The internal and external barriers were contributed for venturing. Internationalization had become a contemporary requirement as cited in many international reports as external venturing that has slight contribution. It can be concluded that the majority of the constraints are related to intrapreneurial orientation which is found more than 83% contribution as constraints to the development of SMEs.

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