

*Article*

# **Agro-based SME's Readiness & Relative Perception of Institutional Support towards Innovation & Utilization of New Scientific Discoveries: A Case of Sri Lanka**

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## **Abstract**

Lack of tendency towards innovation and utilization of new scientific discoveries have been recognized as one of the growth retarding factors of Small and Medium Enterprises (SMEs), which further reduced their potential contribution to the national economy. Hence, this research aims to address the challenges faced by SMEs in the Agriculture sector in Sri Lanka when leaning towards innovation and utilization of new scientific discoveries and their relative perception on institutional support when adopting such strategies. A qualitative case study-based methodology was adapted, and a series of key informant interviews were held with 10 agro-based SME owners, using purposive sampling. An in-depth thematic analysis was performed to analyze the data gathered from the interviews. The study identified the persistence of many positive innovative strategies among SMEs and several retarding factors in the institutional level that demotivate them to be advanced in the business environment in terms of innovation. This study is important for the government institutions and relevant policymakers to identify their requirements, and thereby, implement customized supportive programs to overcome such constraints at the institutional level to permit a sustained growth of the SME sector of the country.

**Key words:** agribusiness, innovation & utilization of new scientific discoveries, institutional readiness, small and medium enterprises, technological challenges.