

Sri Lanka - Microenterprise Survey 2005-2010, Licensed Use File

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Identification

SURVEY ID NUMBER

LKA_2005_SLMS_v01_M_v01_A_LUF

TITLE

Microenterprise Survey 2005-2010, Licensed Use File

ABBREVIATION OR ACRONYM

SLMS 2005-10

COUNTRY/ECONOMY

Name
Sri Lanka

STUDY TYPE

Enterprise Survey [en/oth]

ABSTRACT

Researchers from the World Bank, Sri Lanka's University of Peradeniya and United Kingdom's University of Warwick designed an experiment to measure the impact of providing capital grants to microenterprises. One-time grants of between US \$100 and \$200 were given to male and female-owned enterprises, some of whom had been affected by the December 2004 tsunami.

The baseline survey was conducted in April 2005. A door-to-door screening survey of households was used to identify enterprises with invested capital of 100,000 rupees (about US\$1000) or less, excluding investments in land and buildings. The final sample included 617 enterprises in retail trade and manufacturing, operated by owners 22 to 65 years old, and with no paid employees. The firms were engaged in common self-employment activities such as running small grocery stores, selling tea, food preparation (e.g. string hoppers), sewing clothes, making lace products, and coir production.

Researchers then re-interviewed the owners of baseline firms at quarterly intervals, from July 2005 to April 2007, and semi-annually - in October 2007 and April 2008. Further follow-up surveys were carried out in June and December 2010. Overall, the survey included 13 waves of data collection.

In each wave, firm owners were asked about profits, revenues and expenses, changes in physical capital stock, and levels of inventories on hand. Each round also collected additional information about the firm or owner, in the form of special modules to measure owner ability, risk aversion, labor history, and other characteristics. In addition, the first, fifth, ninth, and eleventh waves of the panel also included a household survey, measuring household expenditure, school attendance, and work participation of all household members.

This licensed use dataset includes perturbed location data to be used only for approved research purposes. GPS data are at least 15 years old.

KIND OF DATA

Sample survey data [ssd]

UNIT OF ANALYSIS

A low-capital microenterprise, which fulfilled all of the following conditions:

- has less than 100,000 Sri Lankan rupees (about US \$1,000) in capital, excluding land and buildings;
- has no paid employees;
- owner is self-employed full-time (at least 30 hours of work per week) outside of agriculture, transportation, fishing, and professional services;
- owner is 20-65 years old.

Version

VERSION DESCRIPTION

v01

Scope

NOTES

Microenterprise:

- personal information about microenterprise owner;
- inventories and raw materials;
- business equipment;
- income and expenses;
- effects of tsunami;
- loans;
- expectations.

Household:

- household roster;
- effects of tsunami;
- household expenditures;
- dwelling;
- inventory of durable goods.

Coverage

GEOGRAPHIC COVERAGE

Kalutara, Galle, and Matara districts

Producers and sponsors

PRIMARY INVESTIGATORS

Name	Affiliation
Suresh de Mel	University of Peradeniya, Sri Lanka
David McKenzie	World Bank
Christopher Woodruff	University of Warwick, United Kingdom

FUNDING AGENCY/SPONSOR

Name	Abbreviation
National Science Foundation	NSF
World Bank	
Norway Governance Trust Fund	

Sampling

SAMPLING PROCEDURE

Using the 2001 Sri Lankan census, researchers selected 25 Grama Niladhari divisions (GNs) in three southern and south-western districts of Sri Lanka: Kalutara, Galle, and Matara. A GN is an administrative unit containing, on average, around 400 households. SLMS used the GN-level data from the census to select GNs with a high percentage of own-account workers and modest education levels, since these were most likely to yield enterprises with invested capital below the threshold we had set. GNs were also stratified according to the degree of exposure of firms to the December 26, 2004 Indian Ocean tsunami. A door-to-door screening survey of 3,361 households in these GNs was then conducted to identify firms whose owners satisfied the sample criteria.

In April 2005, the first wave of the Sri Lanka Microenterprise Survey (SLMS) surveyed the 659 firm owners that the screen

identified as meeting these criteria. After reviewing the baseline data, 42 firms were dropped because they exceeded the capital stock threshold, or because a follow-up visit could not verify the existence of the enterprise. This gave a baseline sample of 617 microenterprises.

Data collection

DATES OF DATA COLLECTION

Start	End
2005-04	2010-12

DATA COLLECTION MODE

Face-to-face [f2f]

DATA COLLECTION NOTES

Before the initial survey firms were told that as compensation for participating in the research, survey organizers would conduct a random prize drawing, with prizes of cash or inputs and equipment for the business. The prize consisted of one of four grants: LKR 10,000 (about \$100) in materials for their business, LKR 20,000 in materials, LKR 10,000 in cash, or LKR 20,000 in cash. In the case of in-kind grants, the materials were selected by the enterprise owner, and purchased by research assistants working for the project. Cash treatments were given without restrictions. Those receiving cash were told that they could purchase anything they wanted, whether for their business or for other purposes.

After the first round of the survey, 124 firms were randomly selected to receive a treatment, with 84 receiving a LKR 10,000 treatment and 40 receiving a LKR 20,000 treatment. The randomization was done within district (Kalutara, Galle, and Matara) and zone (unaffected and indirectly affected by the tsunami). After the third round of the survey, treatments were given to an additional 104 firms selected at random from among those that did not receive treatment after the first round: 62 receiving the LKR 10,000 treatment and 42 the LKR 20,000 treatment. In each case, half of the firms received the treatment in cash, and the other half in-kind.

Finally, a token cash payment of LKR 2,500 (about \$25) was made, after round 5, to firms that had not already received a treatment. This payment was not discussed in advance with firms, and was presented as a thank-you for their continued participation in the survey.

GPS coordinates were collected 2008-2010 using handheld GPS devices, and there are a few outliers where firms end up in the sea.

DATA COLLECTORS

Name
AC Nielsen Lanka

Questionnaires

QUESTIONNAIRES

Enterprise questionnaires (for all 13 waves) and household questionnaires (for waves 1, 5, 9 and 11) were used in the survey.

Access policy

CONTACTS

Name	Email
David McKenzie	dmckenzie@worldbank.org

CONFIDENTIALITY

GPS coordinates of firms are provided (perturbed slightly, or averaged within a locality). These are only to be used for

approved research purposes.

ACCESS CONDITIONS

Licensed. Data only to be accessed under a licensed use agreement, which are for specified research purposes only.

CITATION REQUIREMENTS

The use of this dataset must be acknowledged using a citation which would include:

- the identification of the Primary Investigator (including country name)
- the full title of the survey and its acronym (when available), and the year(s) of implementation
- the survey reference number
- the source and date of download (for datasets disseminated online)

Example:

Suresh de Mel, University of Peradeniya; David McKenzie, World Bank; Christopher Woodruff, University of Warwick. Sri Lanka Microenterprise Survey (SLMS) 2005-2010 - Licensed Use File. Dataset downloaded from [URL] on [date].

Disclaimer and copyrights

DISCLAIMER

The user of the data acknowledges that the original collector of the data, the authorized distributor of the data, and the relevant funding agency bear no responsibility for use of the data or for interpretations or inferences based upon such uses.

Metadata production

DDI DOCUMENT ID

LKA_2005_SLMS_v01_M_v01_A_LUF

PRODUCERS

Name	Abbreviation	Affiliation	Role
Development Data Group	DECDG	World Bank	DDI Documentation

DATE OF METADATA PRODUCTION

2026-04-10T04:00:00.000Z

DDI DOCUMENT VERSION

v01

Data Dictionary

Data file	Cases	Variables
SLMSround1 Sri Lanka Microenterprise Survey firms' data, baseline	617	781
SLMSround2 Sri Lanka Microenterprise Survey firms' data, round 2	608	571
SLMSround4 Sri Lanka Microenterprise Survey firms' data, round 4	585	975
SLMSround5_labeled Sri Lanka Microenterprise Survey firms' data, round 5	571	1059
SLMSround6 Sri Lanka Microenterprise Survey firms' data, round 6	571	971
SLMSround7 Sri Lanka Microenterprise Survey firms' data, round 7	571	836
SLMSround8 Sri Lanka Microenterprise Survey firms' data, round 8	562	854
SLMSround9 Sri Lanka Microenterprise Survey firms' data, round 9	557	476
SLMSround10 Sri Lanka Microenterprise Survey firms' data, round 10	553	609
SLMSround11 Sri Lanka Microenterprise Survey firms' data, round 11	545	542
SLMSround12 Sri Lanka Microenterprise Survey firms' data, round 12	554	554
SLMSround13 Sri Lanka Microenterprise Survey firms' data, round 13	558	850
SLMS_HHround1_labeled Sri Lanka Microenterprise Survey household data, baseline	659	543
SLMS_HHround5_labeled Sri Lanka Microenterprise Survey household data, round 5	573	244
SLMS_HHround9_labeled Sri Lanka Microenterprise Survey household data, round 9	554	245
SLMS_HHround11_labeled Sri Lanka Microenterprise Survey household data, round 11	538	260
SLMSround3_labeled Sri Lanka Microenterprise Survey firms' data, round 3	592	1099
SLMSMaster_web The file contains data which reproduces the results in "Returns to Capital in Microenterprises: Evidence from a Field Experiment", Quarterly Journal of Economics, Vol 123(4), pp. 1329-1372.	7167	325
sciencerepdata This file contains the data needed for replicating the results in "One-time transfers of cash or capital have long-lasting effects on microenterprises in Sri Lanka", Science 335, 24 February 2012, pp. 962-66.	5304	79
slms_gps_anon Perturbed SLMS GPS and locality data	608	13

Documentation

Questionnaires

SLMS Enterprise Questionnaire, Baseline

Title SLMS Enterprise Questionnaire, Baseline
Country Sri Lanka
Filename slms_1.pdf

SLMS Enterprise Questionnaire, Wave 2

Title SLMS Enterprise Questionnaire, Wave 2
Date 2005-07-01
Country Sri Lanka
Filename slms_2.pdf

SLMS Enterprise Questionnaire, Wave 3

Title SLMS Enterprise Questionnaire, Wave 3
Date 2005-10-01
Country Sri Lanka
Filename slms_3.pdf

SLMS Enterprise Questionnaire, Wave 4

Title SLMS Enterprise Questionnaire, Wave 4
Date 2006-01-01
Country Sri Lanka
Filename slms_4.pdf

SLMS Enterprise Questionnaire, Wave 5

Title SLMS Enterprise Questionnaire, Wave 5
Date 2006-04-01
Country Sri Lanka
Filename slms_5.pdf

SLMS Enterprise Questionnaire, Wave 6

Title SLMS Enterprise Questionnaire, Wave 6
Date 2006-07-01
Country Sri Lanka
Filename slms_6.pdf

SLMS Enterprise Questionnaire, Wave 7

Title SLMS Enterprise Questionnaire, Wave 7
Date 2006-10-01
Country Sri Lanka
Filename slms_7.pdf

SLMS Enterprise Questionnaire, Wave 8

Title SLMS Enterprise Questionnaire, Wave 8
Date 2007-01-01
Country Sri Lanka
Filename slms_8.pdf

SLMS Enterprise Questionnaire, Wave 9

Title SLMS Enterprise Questionnaire, Wave 9
Date 2007-04-01
Country Sri Lanka
Filename slms_9.pdf

SLMS Enterprise Questionnaire, Wave 10

Title SLMS Enterprise Questionnaire, Wave 10
Date 2007-10-01
Country Sri Lanka
Filename slms_10.pdf

SLMS Enterprise Questionnaire, Wave 11

Title SLMS Enterprise Questionnaire, Wave 11
Date 2008-04-01
Country Sri Lanka
Filename slms_11.pdf

SLMS Enterprise Questionnaire, Wave 12

Title SLMS Enterprise Questionnaire, Wave 12
Date 2010-06-01
Country Sri Lanka
Filename SLMS R12 June 2010 v7 TP SdeM.pdf

SLMS Enterprise Questionnaire, Wave 13

Title SLMS Enterprise Questionnaire, Wave 13
Date 2010-12-01
Country Sri Lanka
Filename SLMS R13 Dec 2010 Qnr v5 TP SdM.pdf

SLMS Household Questionnaire, Baseline

Title SLMS Household Questionnaire, Baseline
 Country Sri Lanka
 Filename slms_hh_1.pdf

SLMS Household Questionnaire, Wave 5

Title SLMS Household Questionnaire, Wave 5
 Country Sri Lanka
 Filename slms_hh_5.pdf

SLMS Household Questionnaire, Wave 9

Title SLMS Household Questionnaire, Wave 9
 Country Sri Lanka
 Filename SLMSRound9HHv1 SdeM.xls

SLMS Household Questionnaire, Wave 11

Title SLMS Household Questionnaire, Wave 11
 Country Sri Lanka
 Filename SLMS R11 HH Qnaire English v1 March 31 2008.xls

Reports

Are Women More Credit Constrained? Experimental Evidence on Gender and Microenterprise Returns

Title Are Women More Credit Constrained? Experimental Evidence on Gender and Microenterprise Returns
 Author(s) Suresh de Mel, David McKenzie, and Christopher Woodruff
 Date 2009-01-01
 Country Sri Lanka
 Publisher(s) American Economic Journal: Applied Economics 2009, 1:3, 1-32
<http://www.aeaweb.org/articles.php?doi=10.1257/app.1.3.1>
 Abstract We report on a field experiment providing random grants to microenterprise owners. The grants generated large profit increases for male owners but not for female owners. We show that the gender gap does not simply mask differences in ability, risk aversion, entrepreneurial attitudes, or differences in reporting behavior, but there is some evidence that the gender gap is larger in female-dominated industries. The data are not consistent with a unitary household model, and imply an inefficiency of resource allocation within households. We show evidence that this inefficiency is reduced in more cooperative households.
 Filename aej_applied_july_2009.pdf

Enterprise Recovery Following Natural Disasters

Title Enterprise Recovery Following Natural Disasters
 Author(s) Suresh De Mel, David McKenzie and Christopher Woodruff
 Date 2011-01-01
 Country Sri Lanka
 Publisher(s) The Economic Journal, Doi: 10.1111/j.1468-0297.2011.02475.x.

Abstract Using unique, panel data and a randomised experiment, we assess the effects of relief aid and access to capital on the recovery of Sri Lankan microenterprises following the December 2004 tsunami. Our results show that a lack of access to capital inhibits the recovery process; firms receiving randomly allocated grants recover profit levels almost 2 years before other damaged firms. Access to capital is particularly important for the retail sector; the role of capital in recovery for manufacturing and services sectors may be limited by disruptions in supply chains. Our data show that business recovery is much slower than commonly assumed, underscoring the role targeted aid may play in hastening microenterprise recovery following such disasters.

Filename ej_recovery.pdf

Measuring microenterprise profits: Must we ask how the sausage is made?

Title Measuring microenterprise profits: Must we ask how the sausage is made?
 Author(s) Suresh de Mel, David J. McKenzie, Christopher Woodruff
 Date 2008-01-01
 Country Sri Lanka
 Publisher(s) Journal of Development Economics 88 (2009) 19-31

Abstract A large share of the World's poor is self-employed. Accurate measurement of profits from microenterprises is therefore critical for studying poverty and inequality, measuring the returns to education, and evaluating the success of microfinance programs. However, a myriad of problems plague the measurement of profits. This paper reports on a variety of different experiments conducted to better understand the importance of some of these problems, and to draw recommendations for collecting profit data. In particular, we (i) examine how far we can reconcile self-reported profits and reports of revenue minus expenses through more detailed questions; (ii) examine recall errors in sales, and report on the results of experiments which randomly allocated account books to firms; and (iii) asked firms how much firms like theirs underreport sales in surveys like ours, and had research assistants observe the firms at random times 15-16 times during a month to provide measures for comparison. We conclude that firms underreport revenues by about 30%, that account diaries have significant impacts on both revenues and expenses, but not on profits, and that simply asking profits provides a more accurate measure of firm profits than detailed questions on revenues and expenses.

Filename jde_sausage.pdf

Returns to Capital in Microenterprises: Evidence from a Field Experiment

Title Returns to Capital in Microenterprises: Evidence from a Field Experiment
 Author(s) Suresh De Mel, David Mckenzie, Christopher Woodruff
 Date 2008-11-01
 Country Sri Lanka
 Publisher(s) The Quarterly Journal of Economics, Vol. CXXIII, November 2008, Issue 4

Abstract We use randomized grants to generate shocks to capital stock for a set of Sri Lankan microenterprises. We find the average real return to capital in these enterprises is 4.6%-5.3% per month (55%-63% per year), substantially higher than market interest rates. We then examine the heterogeneity of treatment effects. Returns are found to vary with entrepreneurial ability and with household wealth, but not to vary with measures of risk aversion or uncertainty. Treatment impacts are also significantly larger for enterprises owned by males; indeed, we find no positive return in enterprises owned by females.

Filename qje_returns.pdf

Which Microenterprises Have High Returns to Capital?

Title Which Microenterprises Have High Returns to Capital?
 Author(s) David McKenzie
 Date 2009-02-01
 Country Sri Lanka
 Publisher(s) FDP Impact, February 2009, Issue 1
 Filename IN1.pdf

Why is More Capital not Enough to Grow Female Businesses?

Title Why is More Capital not Enough to Grow Female Businesses?
Date 2009-04-01
Country Sri Lanka
Publisher(s) Finance & PSD Impact, April 2009, Issue 4
Filename IN4.pdf

Long-Term Impacts of One-Off Grants to Microenterprises

Title Long-Term Impacts of One-Off Grants to Microenterprises
Author(s) Suresh de Mel, David McKenzie and Christopher Woodruff
Date 2012-02-01
Country Sri Lanka
Publisher(s) Finance & PSD Impact, February 2012, Issue 16
Filename IN16.pdf

Technical documents

SLMS Code Lists

Title SLMS Code Lists
Country Sri Lanka
Filename SLMS code lists.zip

Other materials

Labeling Stata do files

Title Labeling Stata do files
Country Sri Lanka
Filename SLMS Labels.zip

Stata do files for the article" Returns to Capital in Microenterprises: Evidence from a Field Experiment"

Title Stata do files for the article" Returns to Capital in Microenterprises: Evidence from a Field Experiment"
Country Sri Lanka
Filename Returns to Capital in Microenterprises article do files.zip
