

# Sri Lanka - Microenterprise Survey 2005-2010

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## Identification

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SURVEY ID NUMBER  
LKA\_2005\_SLMS\_v01\_M

TITLE  
Microenterprise Survey 2005-2010

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.

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

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VERSION DESCRIPTION  
v01

## Scope

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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

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**GEOGRAPHIC COVERAGE**

Kalutara, Galle, and Matara districts

## Producers and sponsors

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**PRIMARY INVESTIGATORS**

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

**FUNDING AGENCY/SPONSOR**

<b>Name</b>	<b>Abbreviation</b>
National Science Foundation	NSF
World Bank	
Norway Governance Trust Fund	

## Sampling

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**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.

### 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

### ACCESS CONDITIONS

Public use data

### 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. Dataset downloaded from [URL] on [date].

## Disclaimer and copyrights

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### DISCLAIMER

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## Metadata production

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### DDI DOCUMENT ID

LKA\_2005\_SLMS\_v01\_M

### PRODUCERS

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

### DATE OF METADATA PRODUCTION

2012-12-10

### DDI DOCUMENT VERSION

v01

## Data Dictionary

Data file	Cases	Variables
<b>SLMSround1</b> Sri Lanka Microenterprise Survey firms' data, baseline	617	781
<b>SLMSround2</b> Sri Lanka Microenterprise Survey firms' data, round 2	608	571
<b>SLMSround4</b> Sri Lanka Microenterprise Survey firms' data, round 4	585	975
<b>SLMSround5_labeled</b> Sri Lanka Microenterprise Survey firms' data, round 5	571	1059
<b>SLMSround6</b> Sri Lanka Microenterprise Survey firms' data, round 6	571	971
<b>SLMSround7</b> Sri Lanka Microenterprise Survey firms' data, round 7	571	836
<b>SLMSround8</b> Sri Lanka Microenterprise Survey firms' data, round 8	562	854
<b>SLMSround9</b> Sri Lanka Microenterprise Survey firms' data, round 9	557	476
<b>SLMSround10</b> Sri Lanka Microenterprise Survey firms' data, round 10	553	609
<b>SLMSround11</b> Sri Lanka Microenterprise Survey firms' data, round 11	545	542
<b>SLMSround12</b> Sri Lanka Microenterprise Survey firms' data, round 12	554	554
<b>SLMSround13</b> Sri Lanka Microenterprise Survey firms' data, round 13	558	850
<b>SLMS_HHround1_labeled</b> Sri Lanka Microenterprise Survey household data, baseline	659	543
<b>SLMS_HHround5_labeled</b> Sri Lanka Microenterprise Survey household data, round 5	573	244
<b>SLMS_HHround9_labeled</b> Sri Lanka Microenterprise Survey household data, round 9	554	245
<b>SLMS_HHround11_labeled</b> Sri Lanka Microenterprise Survey household data, round 11	538	260
<b>SLMSround3_labeled</b> Sri Lanka Microenterprise Survey firms' data, round 3	592	1099
<b>SLMSMaster_web</b> 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
<b>sciencerepdata</b> 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