



RESEARCH ARTICLE

Influence of Entrepreneurial Characteristics on the Performance of MSMEs in Gautam Buddha Nagar

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Abstract

Background: Micro, Small, and Medium Enterprises (MSMEs) are seen as the principal source of economic progress in the world regardless of the economic level of the country. The traits and behaviors of entrepreneurs are the ones that have the most impact on the performance of MSMEs in an environment that is growing more competitive and uncertain. Nevertheless, there is still a lack of empirical evidence that investigates this relationship in specific regional contexts.

Objective: The research was conducted to investigate the influence of entrepreneurial traits on the performance of MSMEs in Gautam Buddha Nagar, an area of Uttar Pradesh that is quickly turning into an industrial hub.

Methodology: The quantitative approach was used in the study. A structured questionnaire was used to obtain primary data from 400 MSME owners, founders, and managers. A 5-point Likert scale going from Strongly Agree to Strongly Disagree was used to determine both entrepreneurial traits and MSME performance. The relationship between entrepreneurial traits and MSME performance indicators was evaluated through correlation and regression analyses.

Results: The research results showed a robust and significant positive connection between the traits of entrepreneurs and the performance of MSMEs. The improvement in customer satisfaction, the rise in employee productivity, the increase in profits, and the better sales growth were all linked to the stronger entrepreneurial orientation.

Implications: The research offers beneficial insights to policy makers, industry players, incubators, and would-be entrepreneurs. The conclusions can assist in the creation of specific training programs, financial support, and government measures that form the basis of entrepreneurial skills and improve MSME's performance, finally leading to the advancement of the local economy's endurance and innovation through the community.

Keywords: Entrepreneurial Characteristics, MSME Performance, Gautam Buddha Nagar, Risk-Taking, Innovation, Quantitative Analysis

Introduction

Entrepreneurship is indeed an essential factor for the development of any country as the entrepreneur's ability to take calculated risks leads to the acceleration of economic

growth (Prasetyo, 2019). World's and contemporary concepts developments always rely on entrepreneurs. It is more than evident that MSMEs are the backbone of economic growth in both developing and developed countries (Endris, 2022). In India, MMEs are opening up markets by tapping new business opportunities (Kumar et al., 2025). MSMEs cater to local and international demand by having a wide range of products and services, thus supporting various (MSMEs, Annual Report, 2023–24). The most recent NITI Aayog report (May 2025) states that MSMEs are responsible for nearly 29 percent of the GDP of India, which magnifies their importance in the overall economic growth of the country. NITI Aayog's "Designing a Policy for Medium Enterprises" report (May 2025) also said that the MSME sector provides jobs for over 60 percent of the Indian population.

Indian MSMEs have come a long way and have enjoyed good fortunes but there are still some restrictions that they have to deal with. The industry regularly shows a lack of management skill and technical know-how that are

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vital for a very efficient business operation. Government measures have been taken, yet still some MSME units are not capable of reaching the set performance standards (Kyal, 2022). Risk-taking, innovation, leadership style, adaptability, goal focus, and responsibility which are the key entrepreneurial qualities, are factors that determine the success of an enterprise (Gunawan, 2024). The possession of entrepreneurial characteristics is a necessary condition for small and medium-scale entrepreneurs but still the character traits are to be developed, nurtured, and maintained as they are the ones that will eventually face successful performance of the enterprises (Sarwoko et al., 2013). An entrepreneur's skill according to Mahadalle (2016) is a powerful predictor of how well the corresponding business will do. They can apply the entrepreneurial strategies and skills to successfully run the performance of small and medium-sized businesses. Islam et al. (2011) opine that among the factors determining the success and performance of small and medium-sized enterprises, the so-called entrepreneurial characteristics are at the forefront. Sarwoko et al. (2013) characterize the competence as the quality of being good at doing something, which is a skill of that kind that is very helpful in bringing the task to success. Traits are a critical part of the entrepreneurial potential. The performance output of business activity is a result of intermingling the factors of skills, traits, knowledge, behavior, and attitude.

Within specific regional contexts, there are only a few empirical studies that have looked into this relationship. The main objective of this study is to investigate the impact of diverse entrepreneurial traits on the performance of MSMEs in Gautam Buddha Nagar, Uttar Pradesh, which is a fast industrializing area with a competitive atmosphere for doing business.

Besides the introduction, "the remaining parts of the paper are organized as follows: Section 2 gives a literature review of different authors from past research; Section 3 provides a research methods summary; Section 4 is dedicated to the results and findings; Section 5 presents the discussion, and Section 6 is for conclusions, implications, limitations, and recommendations for future research." Lastly, the references are given.

Literature Review

Theoretical Framework

Multidimensional theory

The Multidimensional Theory suggests that the effectiveness of entrepreneurs is determined by several interrelated factors rather than by a single character trait. The main factors are inventiveness, risk tolerance, initiative, management skills, networking, and ability to cope with challenges. Each factor has its own positive impact on the company's outcome and at the same time interacts with others leading

to creation of combined effects or on the contrary, to competition between the factors, depending on the specific situation. The evaluation of such complexity necessitates the use of multi-item scales and composite indices. The multidimensional approach in the case of MSMEs allows a more diverse understanding of the performance differences between firms in the same external conditions. Thus, policy and training measures should aim at several entrepreneur characteristics simultaneously in order to create gradual improvements in growth, competitiveness, and customer satisfaction as well as overall market adaptability through enhanced skills (Khamis & Gumawa, 2020).

Resource-based view (RBV) theory

The RBV Theory is based on the idea that firm performance which is sustainable comes from having and effectively using valuable, rare, inimitable, and non-substitutable resources. Entrepreneurial traits are considered as intangible strategic resources that determine the firm's ability in recognizing opportunities, managing resources, learning, and innovating. In the case of MSMEs where financial and physical resources are limited, it is the entrepreneur's capability that would be the source of the firm's competitive advantage through the better firm's activities, networks, and the firm's ability to adapt. RBV focuses on resource heterogeneity and path dependence, meaning that the outcomes will not be the same across all firms. The empirical application of RBV requires that the entrepreneurial traits are operationalized with great care and that the causal role of these traits in creating performance differentials is demonstrated under similar market conditions and over time periods (Alkausar, et al., 2025).

Entrepreneurial characteristics on the performance of MSMEs

Entrepreneurship is a multidimensional theory with several meanings, since researchers describe it differently (Khamis & Gumawa, 2020). According to Bula (2012), the reason for entrepreneurship's ongoing transformation is that it is subject to the scholar's perspective. To comprehend the entrepreneurship theory, one must first understand who the entrepreneur is. Entrepreneurship is a complex notion with several definitions of the terms "entrepreneur" and "entrepreneurship".

The expressions "Entrepreneur" and "entrepreneurship" are very often mingled in ordinary language. They are, however, quite different in essence, just like two sides of a coin. An individual who is able to take initiative, possess skill and the will to endure and grow through innovativeness and at the same time bear financial risks is an entrepreneur. Entrepreneurs are the ones who bring fresh ideas to the marketplace; therefore, they are commonly recognized as innovators or in some cases simply as providers of new concepts. An entrepreneur is a person who comes up with

new ideas and devises business plans that would satisfy the market or the customers, and all this is done through their personal energy and traits (Vesper & McMullan, 1987).

According to Islam et al. (2011), "individual entrepreneur traits are grouped into three main categories; first, those that are based on demographic factors (i.e., age, gender), individual factors (i.e., education, previous work experience), second, personal traits (i.e., self-confidence, perseverance), third, entrepreneurial orientation (i.e., autonomy, innovativeness, risk taking, proactiveness, competitiveness, aggressiveness, and motivation), and finally, entrepreneur readiness (also known as self-efficacy." As per Adegbite et al. (2007), the foremost attributes of the entrepreneur are the need for success, self-confidence, locus of control, independence, and perseverance. Besides, the performance of a business needs to be able to exploit the existing opportunities, and on top of that, the venture must have the capacity to come up with the right and innovative ways of doing things. Self-efficacy has been pinpointed by recent studies as a major driver of entrepreneurial outcomes such as survival, income, and innovation (Caliendo et al., 2023).

Entrepreneurial Characteristics and Customer Satisfaction, Employee Productivity, Profitability, and Sales Growth

The characteristics of an entrepreneur, which include human skills and traits, are likely to have a good influence on the performance of the company. The need for achievement, for example, is described as a quality of a person who is determined to win, and this is especially the case with entrepreneurs. The researchers found that the desire for achievement leads to a need for higher standards to be met, and thus, to success. To add, self-esteem is a critical personality trait that positively affects the success of organizations, especially small and medium-sized enterprises. Independence, risk-taking, accountability, and experience are some of the other important entrepreneurial traits that can play a significant role in the success of a business (Abdulwahab & Al-Daman, 2015). Furthermore, recent research indicates that the combination of digital skills with entrepreneurial leadership will result in SMEs being more capable of taking advantage of their opportunities and improving their overall performance (Jiménez-Núñez, Herrero, & Garrido, 2024).

According to Srinivasan et al. (1994), performance is "the act of performing; of doing something successfully; using knowledge as distinguished from merely possessing it". "Performance is the degree to which a corporation achieves its organizational and financial goals, and so performance is typically associated with the potential of success. Because company success is influenced by a variety of factors, it is difficult to quantify. Entrepreneurial performance (sometimes known as business performance or success)

refers to the degree of growth and profit. It is also defined as the amount of sales, profit, rate of return on capital, turnover, and market share obtained (Agbim et al., 2014; Sarwoko et al., 2013)." According to Khamis and Gumawa (2020), previous research has shown that some studies use changes in sales, profit, and assets to measure SMEs' performance, while others use sales growth, profitability, return on investment, and market share, and Pirdaus et al., (2024) embrace sales growth, profit growth, and capital growth as performance indicators.

Self-efficacy, motivation, and leadership are some of the most important entrepreneurial characteristics that help SMEs to perform better; among them, self-efficacy is the strongest predictor which also uplifts motivation and total performance (Srimulyani et al., 2023). The entrepreneurial orientation (EO) which includes innovativeness, proactiveness, and risk-taking then leads to improved performance of the firm but only if gradually combined with the like factors of opportunity perception and motivation heterogeneity (Kusa et al., 2021). Moreover, EO contributes to innovation performance via organizational commitment and transformational leadership; the former being the mediator and the latter the moderator of these effects thus teaching us the significance of leadership in nurturing innovation (Iqbal et al., 2021). Moreover, business model innovation (BMI) is positioned as a major mediator which channels the effects of EO on new product development performance thus helping the entrepreneurial initiatives to result in successful innovation (Ferrerías-Méndez et al., 2021). Besides, endowing employees with entrepreneurial human capital and previous entrepreneurial experience positively correlates with firm productivity going to indicate that the presence of entrepreneurial traits among the company's staff has a "positive impact on performance" (Braunerhjelm & Lappi, 2023). In the end, the "use of digital technologies" and social media along with the moderation of EO and innovation capabilities can be seen as a performance booster in SMEs as it leads to the creation of both economic and social value, thus proving that the traits usually associated with entrepreneurs enhance the gains from digital transformation (Vrontis et al., 2022; Fan et al., 2021).

Research Gap

The literature depicts entrepreneurship as a multifaceted phenomenon that is shaped by a variety of factors including personal traits, entrepreneurial orientation, and self-efficacy (Islam et al., 2011; Khamis & Gumawa, 2020). Moreover, research over the years has repeatedly confirmed this view and has indicated that personal traits such as self-confidence, motivation, risk-taking, ability to lead, and creativity have a positive influence on the performance of MSMEs (Adegbite et al., 2007; Abdulwahab & Al-Daman, 2015; Srimulyani et al., 2023). Nonetheless, most of the studies done have focused

on individual traits or one performance measure, which is opposite to the nature of entrepreneurship as a complex phenomenon. Besides, in the case of MSMEs, financial metrics such as sales and profit growth have mostly been used to evaluate their performance, while non-financial outcomes like customer satisfaction and employee productivity have been somewhat neglected in an integrated framework (Agbim et al., 2014; Sarwoko et al., 2013). Although several recent studies have looked into mediators like digital capabilities, innovation, and leadership, the direct empirical verification of the relationship between the characteristics of entrepreneurs and the different dimensions of MSME performance remains very limited. Also, there is scant empirical evidence on the status of regional MSMEs. A recent systematic review reveals that MSME performance research is mostly concentrated on financial outcomes, whereas non-financial ones like customer satisfaction and innovation are still to be adequately investigated (Asmar et al., 2025). That is why a large gap has been created that restricts the examination of the joint effect of entrepreneurial traits on MSME performance in general, as well as their linking role with customer satisfaction, employee productivity, profitability, and sales growth. Hence, it is a reason for the present study to test H1 and H2 as follows:

H1: *There is a significant impact of entrepreneurial characteristics on the performance of MSMEs.*

H2: *There is a significant relationship between entrepreneurial characteristics and customer satisfaction, employee productivity, profitability, and sales growth.*

Research Methodology

Research Objectives

- Obj 1. To examine the impact of entrepreneurial characteristics on the performance of MSMEs in Gautam Buddha Nagar.
- Obj2. To analyze the relationship between entrepreneurial characteristics and customer satisfaction, employee productivity, profitability, and sales growth.

Research Design

The current study worked with a quantitative research design using a cross-sectional survey methodology. A structured questionnaire was used to collect primary data in order to look into the relationship between entrepreneurial characteristics and the performance of MSMEs in the area of study region.

Study Area and Sample

The study was performed in the district Gautam Buddha Nagar of the Indian state of Uttar Pradesh. This is a major industrial centre, home to various micro, small, and medium enterprises (MSMEs).

The sample size was calculated via "Yamane's formula (1967) at a confidence level of 95% and a margin of error of 5%." In addition, a purposive sampling method was applied and 400 MSME owners/managers were selected to ensure that the sample was aligned with the study objectives.

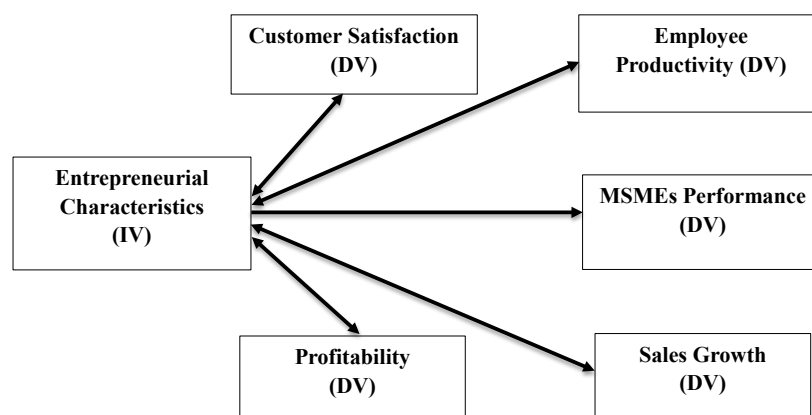
Data Collection Instrument

Data was collected by the use of a structured questionnaire, which had two major sections (Section A and Section B):

The first part deals with the demographic information of the respondents (like age, gender, and education activity type).

Section B is made up of questions that deal with the subject of Entrepreneurial Characteristics and MSME Performance. The character traits of entrepreneurs were evaluated with the help of 10 different items. However, MEDIUM scale performance was measured in terms of four dimensions, namely Customer Satisfaction, Employee Productivity, Sales Growth, and Profitability comprising 6 items each.

The survey questions were evaluated using a 5-point Likert scale, where 1 indicated Strongly Disagree and 5 pointed to Strongly Agree. To avoid misunderstandings and inconsistencies, the questionnaire was composed in English language.



Sources: Self-prepared by author

Figure 1: Conceptual Framework

Data Analysis

The data collected was "coded and analyzed with the Statistical Package for Social Sciences (SPSS, Version 25). Both descriptive and inferential statistics were used. Descriptive statistics (mean, standard deviation, frequency, and percentage) were chosen to summarize demographic information and variables. Cronbach's alpha was used to measure reliability. Correlation analysis (Pearson's correlation) was performed to determine the strength and direction of correlations between variables. Regression analysis was used to determine the predictive influence of entrepreneurial characteristics on several aspects of MSME performance."

Ethical Considerations

The study respected the ethical norms that were commonly accepted. The participation of individuals was voluntary and had the permission of the above respondents. The identification and privacy of the respondents were guaranteed and no personal or company-level identifiers were collected. The participants had the right to disassociate themselves from the study at any point without any penalties. The information collected was only for educational purposes, kept in a safe place, and presented in a combined manner.

Reliability of Instrument

Cronbach's alpha was used to test the measurement scales' reliability. As shown in Table 1, all constructions had acceptable to good internal consistency, with alpha values ranging from 0.782 to 0.876. Entrepreneurial characteristics ($\alpha = .801$), customer satisfaction ($\alpha = .842$), employee productivity ($\alpha = .876$), and profitability ($\alpha = .821$) were all very reliable. Sales growth demonstrated satisfactory predictability ($\alpha = .782$). These results are above the suggested criterion of 0.70 (Nunnally, 1978), demonstrating that the scales employed in this investigation were reliable and internally consistent.

Table 1: Reliability Analysis of the Research Variables

Construct	Cronbach's alpha (α)	No. of items	Interpretation
Entrepreneurial Characteristics	.801	10	Good reliability
Customer Satisfaction (CS)	.842	6	Good reliability
Employee Productivity (EP)	.876	6	Good reliability
Profitability	.821	6	Good reliability
Sales Growth	.782	6	Acceptable reliability
Source: Self-constructed			

Result and Discussion

Demographic Analysis

Respondents' demographic profile consisted of age, gender, education, and occupation. Results are presented in Table 2. Respondents aged 41–50 years were the majority (32.3%), followed by those aged 31–40 (29.5%) and 21–30 (24.3%). Only 4.3% were younger than 20 and 9.8% were older than 50. Majority of entrepreneurs were of middle-age which signifies that workforce was matured, having business experience.

Respondents included 56.3% males and 43.8% females. Even though the market segment of male entrepreneurs is still larger, women are becoming a more important factor in the enterprise. Most of the respondents (38.3%) were bachelor's degree holders, followed by master's degree holders (33.0%). 15.3% had completed upper secondary (12th standard), 8.8% had studied up to 10th grade, and 4.8% had a PhD. The findings suggest that Gautam Buddha Nagar MSMEs are run by well-educated entrepreneurs. A little more than half of the respondents (56.0%) were employed in the service sector, followed by manufacturing (25.8%) and commerce (18.3%). This implies that among the MSME businesses in the area, service firms hold the largest part, with manufacturing and commerce also adding to the landscape.

Table 2: Demographic Analysis

Variables	Categories	Frequency	Percentage
Age (years)	20 or below	17	4.3%
	21–30	97	24.3%
	31–40	118	29.5%
	41–50	129	32.3%
	Above 50	39	9.8%
	Total	400	100%
Gender	Male	225	56.3%
	Female	175	43.8%
	Total	400	100%
Education	10th	35	8.8%
	12th	61	15.3%
	Graduation	153	38.3%
	Masters	132	33.0%
	Doctorate	19	4.8%
	Total	400	100%
Activity	Service	224	56.0%
	Manufacturing	103	25.8%
	Commerce	73	18.3%
	Total	400	100%

Descriptive Statistical Analysis

Descriptive statistics is used to examine and characterize raw data regarding fundamental setups in a sample, making it easier to grasp and analyze. Descriptive statistics explain the distribution of variables within a dataset. Table 4 provides descriptive statistics for the calculated variables. "Table 3 shows the descriptive statistics of the research variables." The average score of entrepreneurial characteristics was 36.55 (SD = 10.41), signifying a modest level among MSME entrepreneurs. The performance parameters exhibited mean scores of 43.46 (SD = 10.76) for customer satisfaction, 21.75 (SD = 7.25) for employee productivity, 21.97 (SD = 7.31) for profitability, and 21.54 (SD = 7.90) for sales growth. The results indicate that respondents had moderate success across the chosen MSME KPIs.

Correlation analysis

The correlation results (Table 4) showed that entrepreneurial characteristics were positively and strongly related to all aspects of MSME success. Entrepreneurial characteristics had a moderate "positive correlation with customer satisfaction ($r = .432, p < .01$) and employee productivity ($r = .554, p < .01$), but a stronger positive correlation with profitability ($r = .783, p < .01$) and sales growth ($r = .791, p < .01$). This suggests that higher levels of entrepreneurial characteristics are

associated with better performance results for MSMEs in Gautam Buddha Nagar."

Regression Analysis

A regression analysis has been conducted to study the impact of entrepreneurial traits on every performance factor of MSMEs (Table 5). The results demonstrated that "the entrepreneurial characteristics had a significant influence on all four performance areas."

The impact of the entrepreneurial traits on customer satisfaction was moderate, where 18.7% of the variance was attributed to it ($R^2 = .187, F = 91.279, p < .05$), with a standardized coefficient ($\beta = .432, p < .05$). In terms of employee productivity, the model was capable to describe 30.7% of the variance ($R^2 = .307, F = 176.072, p < .05$) and had a large effect ($\beta = .554, p < .05$). The role of profitability in this regard surged remarkably, as it accounted for 61.2% of the variance explained ($R^2 = .612, F = 628.951, p < .05$) and showed a large effect size ($\beta = .783, p < .05$). Furthermore, the effects of the entrepreneurial traits were observed in the sales growth, where they explained 62.5% of the variation ($R^2 = .625, F = 663.372, p < .05$) and had a remarkable standardized coefficient ($\beta = .791, p < .05$).

The results of the study indicate that the traits of entrepreneurs play a significant role in the performance of MSMEs, particularly in terms of profits that are made and sales that are increased, besides increasing the satisfaction of customers and the productivity of employees as well.

Discussion

The empirical investigation has indisputably proven that individual traits of entrepreneurs have a very considerable impact on all aspects of MSME performance in Gautam Buddha Nagar. This outcome is consistent with the global evidence that the aforementioned traits drive SME profitability (Olabode et al., 2019). In our research, the characteristics of entrepreneurs accounted for more than 60% of the variance in profit and sales increase; a comparable study conducted in Ghana found that conscientiousness and the like were the leading predictors of financial and growth performance (Gyimah et al., 2020). A different survey conducted among Indian entrepreneurs has disclosed that risk-taking propensity, innovativeness, need for achievement, self-confidence, and locus of control are financially powerful influencers (Putta, 2023). Such convergent viewpoints reinforce the idea that boldness,

Table 3: Mean (X) and Standard Deviation (SD)

Variable	Mean	Std. Deviation	N
Entrepreneurial Characteristics	36.55	10.41	400
Customer Satisfaction	19.46	6.76	400
Employee Productivity	21.75	7.25	400
Profitability	21.97	7.31	400
Sales Growth	21.54	7.90	400

Table 4: Correlation Analysis

Variables	r	Sig.	N
Entrepreneurial Characteristics ↔ Customer Satisfaction	.432**	.000	400
Entrepreneurial Characteristics ↔ Employee Productivity	.554**	.000	400
Entrepreneurial Characteristics ↔ Profitability	.783**	.000	400
Entrepreneurial Characteristics ↔ Sales Growth	.791**	.000	400

Table 5: Regression Analysis

Dependent Variable	R	R ²	F	β (Standardized)	t	Sig.
Customer Satisfaction	.432	.187	91.279	.432	9.554	.000
Employee Productivity	.554	.307	176.072	.554	13.269	.000
Profitability	.783	.612	628.951	.783	25.079	.000
Sales Growth	.791	.625	663.372	.791	25.756	.000

Table 6: Mlsisng Caption

<i>Citation</i>	<i>Key findings</i>	<i>Key gaps</i>	<i>How the present study filled the gaps</i>
Kusa et al. (2021)	EO, motivation, and opportunity perception jointly enhance SME performance.	Focus on configurational analysis; limited testing of direct effects and non-financial outcomes.	Examined direct relationships between entrepreneurial characteristics and financial and non-financial performance (customer satisfaction, employee productivity).
Ferreras-Méndez et al. (2021)	EO improves performance through business model innovation.	Restricted to new product development performance and mediation effects.	Extended analysis to overall MSME performance (profitability, sales growth, customer satisfaction, productivity).
Anwar et al. (2021)	EO influences venture performance via opportunity recognition.	Emphasis on new ventures; limited regional and outcome diversity.	Focused on established MSMEs in Gautam Buddha Nagar with multiple performance indicators.
Srimulyani et al. (2023)	Self-efficacy, motivation, and leadership significantly predict SME performance.	Limited simultaneous assessment of multiple traits across diverse outcomes.	Tested multiple entrepreneurial traits together against four performance dimensions in one model.
Sarwoko & Nurfarida (2021)	Entrepreneurial traits enhance performance through entrepreneurial marketing.	Limited attention to employee productivity and customer satisfaction.	Explicitly included customer satisfaction and employee productivity as core performance measures.

innovation, and self-assurance are the mainstays of profitability and expansion respectively.

Our correlation analysis revealed noticeable but positive associations between the characteristics of entrepreneurs and the satisfaction of customers as well as the productivity of employees. A literature review of the processes of new venture creation has pointed out that extroverted and collaborative entrepreneurs are the main ones contributing to the development of better customer relationships and the ability to share knowledge (Gu, 2023). Additionally, it has been proven that organizational and personal skills are one of the main factors strongly related to the success of a business (Chukwuka & Adams, 2024). Therefore, it can be concluded that “soft skills” are critical for the realization of the entrepreneurial vision in the form of operational excellence.

The solid links between entrepreneurial characteristics on the one hand and profitability and sales growth von the other hand are in accordance with the findings which indicate that strategic orientation and competitive aggressiveness can enhance the performance of SMEs (Khan et al., 2024). Similarly, in Nigeria, empirical research proved that every aspect of entrepreneurial orientation, including opportunity recognition, dynamic operations, and value-adding innovation, had a great impact on SME performance (Adegbuyi et al., 2018). A recent systematic review of factors for SME success indicated among the nine critical themes, entrepreneurial traits in addition to financial resources, networking, and technology adoption as the most important ones (Malesu & Syrovátka, 2025).

In summary, these studies present a strategic understanding to the users and decision makers in the government: the traits of an entrepreneur are not the least but the most important factor in the success of MSME. It is the

leaders with a proactive, innovative and risk-aware mindset and with the excellent interpersonal skills that are always the best in terms of profitability, sales growth, customer satisfaction and employee productivity (Chukwuka & Adams, 2024). To build sustainable competitive advantage, MSME owners should invest in targeted entrepreneurial training and leadership development. At the same time, external supports such as capital access, technology and networks remain essential to translate entrepreneurial potential into sustainable growth (Malesu & Syrovátka, 2025).

The review of past research indicates that the traits of an entrepreneur such as entrepreneurial orientation, self-efficacy, motivation, leadership, and personality characteristics have a very considerable effect on the performance of MSMEs. The existing literature has, for the most part, described the performance in terms of specific mechanisms such as opportunity recognition, business model innovation, entrepreneurial marketing, or the use of certain configurations and has often concentrated only on limited outcomes like new product development or overall financial performance. Further, a lot of studies were contextually bound and paid less attention to non-financial indicators. The current research overcame these limitations by looking at the direct effects of the characteristics of entrepreneurs on the performance dimensions of customer satisfaction, employee productivity, profitability, and sales growth in the regional context of MSMEs in Gautam Buddha Nagar. By combining both financial and non-financial outcomes in one framework, the current study offered a more comprehensive and context-specific reflection thus reinforcing and enlarging the existing literature on entrepreneurial performance. The study has some unique and significant implications. Here are the implications of the study:

Implications for policymakers

The findings show that the characteristics of entrepreneurs strongly influence the MSME's performance. Consequently, the people in charge of making decisions in the government are obliged to set up the MSME policy support that will not just provide money and develop the facilities but will also consider the personal qualities of the entrepreneurs. The training, mentoring, and entrepreneurship development programs that are aimed at enhancing the aforementioned qualities of the entrepreneurs can lead to the MSMEs' better performance. Besides, the programs that are specially made for particular areas like industrial clusters in Gautam Buddha Nagar can provide much more significant enhancement to customer recognition as satisfied, employee productivity, and sustainable business growth.

Implications for academics and researchers

The current investigation connects the traits of entrepreneurs with both financial and non-financial performance outcomes in a direct manner, thus contributing to the body of knowledge regarding entrepreneurship. The comprehensive model can be enriched by scholars who will be able to look at the mediators or moderators such as digital adoption, organizational culture, or market dynamics. Besides, the research provides a clear foundation for future comparative, longitudinal, or cross-region research on MSMEs in developing countries.

Implications for entrepreneurs and MSME owners

The resource base and the individual along with behavioral characteristics are emphasized as the factors upon which entrepreneurship success depends. The entrepreneurs are going to be the ones who work on the innovations, risks, leadership, and self-confidence as a skill to such an extent that better business outcomes are realized. Improvement of these traits can result in a high level of customer satisfaction, high staff productivity, high-profit margins, and a constant increase in sales.

Implications for practitioners and support institutions

The stakeholders are the ones that the findings are mostly connected to, such as business consultants, training organizations, banks, and incubators, who could then create customized capacity-building and advisory services for MSMEs. Besides, banks and investors might use entrepreneurial traits as qualitative indicators in their assessment of the performance and creditworthiness of MSMEs. The research supports a comprehensive approach to MSME development by merging the human, behavioral, and performance aspects.

Conclusion

The present research examined the impact of the traits of an entrepreneur on the performance of MSMEs in Gautam Buddha Nagar, with the performance evaluated

through four major dimensions: customer satisfaction, employee productivity, profitability, and sales growth. The findings reveal a strong and statistically significant positive association of entrepreneurial characteristics with all measures of performance. Especially, a more entrepreneurial inclination was correlated with contented customers, more vigorous employees, larger profits, and quicker sales increase. These results authenticate that "the entrepreneur's traits such as creativity, initiative, and risk-taking" are the main determining factors for the survival and growth of MSMEs.

To summarize, the traits of entrepreneurs play an important role in the sustainability and competitiveness of MSMEs in the long run. By making owners and managers think like entrepreneurs, MSMEs will not only be able to attract customers, get employees committed, and earn money, but also be able to keep more customers and be in business for a longer time. The findings have value in establishing a base for the government, the entrepreneurial ecosystem in developing countries like India, and academic sources wishing to improve the ecosystem.

The study reveals that the traits of entrepreneurs significantly elevate the chances of MSME success. Therefore, we require training programs, policy support, and capacity-building activities to nurture people's entrepreneurial skills. However, since the research is limited to Gautam Buddha Nagar and depends on self-reported data, further studies should cover a wider geographical area, use longitudinal methods, and look into more variables like technology adoption and government support in order to get more comprehensive insights.

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