







“Enhancing SME performance in East Java through competency development, leadership, entrepreneurial intent, and resilience”

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ENHANCING SME PERFORMANCE IN EAST JAVA THROUGH COMPETENCY DEVELOPMENT, LEADERSHIP, ENTREPRENEURIAL INTENT, AND RESILIENCE

Abstract

Small and medium enterprises (SMEs) are crucial in economic growth and industrial diversification. Despite their importance, SMEs encounter challenges of intense competition, global market penetration, and rapid technological advancements. This study explores the factors affecting SME performance, focusing on entrepreneurial competence, leadership, and intention. A survey was conducted involving 400 SME respondents in East Java, Indonesia. The data were analyzed using a quantitative approach and the PLS-SEM method. The findings indicate that entrepreneurial competence and intention significantly influence entrepreneurial resilience and SME performance. Specifically, entrepreneurial competence has a path coefficient of 0.348 on entrepreneurial resilience and 0.567 on SME performance, both significant with p -value < 0.05 . Entrepreneurial intention has a path coefficient of 0.649 on entrepreneurial resilience and -0.722 on SME performance, both significant with p -value < 0.05 . These results highlight the necessity of enhancing entrepreneurial competencies and intentions to boost SMEs' resilience and performance. Entrepreneurs and policymakers should focus on training and development programs to reinforce these competencies and intentions, thereby promoting an environment that supports innovation and prudent risk-taking.

Keywords

entrepreneurial competence, leadership, intention, resilience, SME performance

JEL Classification

O15, L20, L26

INTRODUCTION

Small and medium enterprises (SMEs) are crucial in industrial diversification and national economic progress. As the backbone of the economy, SMEs create jobs and function as significant centers of innovation and creativity, contributing greatly to people's income. Coad et al. (2013) and Brown and Mason (2017) highlight the role of SMEs in fostering strong and long-term economic dynamics.

Despite their great potential, SMEs also face various complex challenges. Increasing competition, global market penetration, and rapid technological developments require them to continuously adapt and improve their entrepreneurial skills. Storey (2016) and Coviello and McAuley (1999) show that these challenges require a deep understanding of market dynamics as well as the ability to innovate and manage risk. In addition, adapting to changes in technology and consumer preferences is essential for SMEs to remain competitive and relevant in the ever-evolving global market (Castagna et al., 2020).

1. LITERATURE REVIEW

The dynamics of entrepreneurship are complex and multifaceted, making it essential to explore various theoretical perspectives. The theory of planned behavior highlights that perceptions regarding the feasibility of entrepreneurial actions underpin entrepreneurial intention, which is shaped by risk perception and other factors, such as entrepreneurial resilience (Eid et al., 2019). Accordingly, attitudes and intentions strongly predict behavior and have a significant impact (Bilal et al., 2022). Positive attitudes toward entrepreneurship and self-efficacy can increase entrepreneurial intention. However, despite solid intentions, individuals may have difficulty implementing innovative ideas if they are not supported by adequate competence and leadership (Shahzad et al., 2021). The theory posits that attitudes toward behavior, subjective norms, and perceived behavioral control are the primary factors shaping intentions. Attitudes toward behavior reflect positive or negative evaluations of entrepreneurship. Subjective standards have to do with how much societal pressure there is to be an entrepreneur or not. A person's perception of the ease or difficulty of engaging in entrepreneurial activities is influenced by prior experiences and available resources. This perspective is known as perceived behavioral control.

The resource-based view offers valuable insights into how internal resources contribute to competitive advantage. It emphasizes the strategic importance of leveraging unique capabilities to gain market superiority. This view states that competence and leadership are valuable internal resources that can provide a competitive advantage (Enriquez de la O, 2015). By managing these resources well, companies can improve entrepreneurial resilience and overall performance. Entrepreneurial competence encompasses the knowledge, skills, and attitudes that affect an individual's willingness and capability to engage in entrepreneurial activities and generate new value (Maritz & Donovan, 2015). Entrepreneurship competencies are classified into six main aspects: opportunity competency, strategic competency, relationship competency, commitment competency, conceptual competency, and learning competency (Man et al., 2002). Opportunity competency

involves the ability to identify and pursue market opportunities. Strategic competency relates to the ability to formulate and implement business strategies. Relationship competency includes the ability to build and maintain business networks. Commitment competency includes dedication and determination to achieve business goals. Conceptual competency includes analytical and problem-solving abilities. Finally, learning competency refers to the ability to continuously learn and adapt to changes in the business environment.

The resource-based view emphasizes the importance of internal resources, such as unique competencies and capabilities, in creating sustainable competitive advantage. These competencies enable firms to develop effective strategies, improve operational efficiency, and innovate. Numerous empirical studies have established a connection between entrepreneurial capabilities and firm performance, demonstrating that entrepreneurial competencies are crucial in influencing a firm's success (Man et al., 2002; Li, 2009; Gunartin et al., 2023).

Overall, the integration of the theory of planned behavior and the resource-based view provides a comprehensive understanding of the factors influencing entrepreneurial intention and success. The theory of planned behavior provides a framework for understanding how attitudes, norms, and behavioral control shape entrepreneurial intentions. At the same time, the resource-based view highlights the importance of internal resources, especially competence and leadership, in achieving competitive advantage and entrepreneurial resilience. Combining these two approaches can provide deeper insights into how individuals and firms can develop and implement effective entrepreneurial strategies.

Education and training are vital for SMEs as they significantly contribute to business success (Demirkan et al., 2022). Investing in human capital is crucial for enhancing the capabilities of entrepreneurs and improving their business outcomes. Competence in this context includes various abilities and skills entrepreneurs need to manage and develop their businesses effectively. Tehseen and Ramayah (2015) utilized a resource-based competency approach to elucidate the relationship be-

tween entrepreneurial competence and the business success of SMEs in Malaysia. They revealed that entrepreneurial competence alone cannot ensure business survival and success. Resources such as finance, skills, technology, and knowledge must support this competence.

Furthermore, for SMEs with limited resources to succeed in the long run, other elements like supplier competencies and customer integration are crucial (Pulka et al., 2021). This shows that synergy between internal competence and external resources is essential. For example, collaborating with suppliers and building strong customer relationships can help SMEs overcome resource limitations and create more excellent value.

Continuous improvement and learning are critical for sustaining entrepreneurial success. Education and training enhance skills and adapt entrepreneurs to evolving market demands. Furthermore, education and training can improve the technical and managerial skills of SME entrepreneurs. According to Demirkan et al. (2022), continuing education and appropriate training can help entrepreneurs understand market dynamics, develop effective business strategies, and implement new technologies to improve operational efficiency. This is especially important, considering SMEs often face unique and complex challenges requiring innovative and knowledge-based solutions. It also emphasizes the importance of lifelong learning for SME entrepreneurs (Tehseen & Ramayah, 2015). Markets and technologies constantly evolve, and entrepreneurs who do not continuously upgrade their skills and knowledge are left behind. In this context, training should focus on technical skills and developing entrepreneurial competencies such as creativity, risk-taking, and leadership.

Effective leadership qualities are essential for guiding successful entrepreneurial ventures. Leaders must possess a combination of vision, responsibility, and the ability to manage teams effectively. According to Becherer et al. (2008) and Stogdill (1948), successful leaders must desire to take responsibility and have a dominant control position. This means that entrepreneurial leaders must have a clear vision and the ability to direct their team toward achieving business goals. In addition, they must have professional accountability and com-

petence, especially in creativity, risk-taking, and leadership (Natuna & Rinaldi, 2017). An analytical approach is also important in entrepreneurial leadership. According to Greenberg et al. (2011), influential leaders must be able to predict and manage situations based on their experiences. This involves analyzing data, understanding market trends, and making decisions based on accurate and relevant information. Leaders with analytical thinking will be better able to identify opportunities and overcome challenges proactively and strategically. In addition, leader demographics and emotional intelligence are essential in developing effective entrepreneurial leadership (Renko et al., 2015). Emotional intelligence helps leaders better understand and manage their own emotions as well as the emotions of their team members. This is important in creating a positive and productive work environment where team members feel supported and motivated to give their best.

Entrepreneurial leadership encompasses a range of traits that contribute to business success. These traits can significantly affect a leader's ability to steer their organization toward achieving its goals. Entrepreneurial leaders should display certain traits or personality traits (Daily et al., 2002; Frank et al., 2007). These traits include responsibility, accountability, analytical thinking, and emotional intelligence. Leaders who display these traits tend to be more successful in leading their teams and achieving better business performance. Responsibility and accountability help ensure that leaders are reliable and trustworthy to their teams. Analytical thinking enables leaders to make better and faster decisions, while emotional intelligence helps them manage interpersonal relationships more effectively.

Resilience is a crucial attribute for navigating the challenges faced by entrepreneurs. It allows individuals and organizations to adapt and thrive amidst adversity. Resilience effectively copes with disruptive change without taking detrimental action (Siebert, 2010). In entrepreneurship, resilience is critical as a "shock absorber" for organizations, enabling effective operations in a changing environment (Khan et al., 2023). Organizational resilience includes adapting to market changes, overcoming financial challenges, and maintaining stable operational performance despite un-

certain conditions. Businesses with high revenue stability and growth tend to have better resilience (Salem et al., 2023). This is because revenue stability allows companies to allocate resources more effectively, both in crises and in pursuing new opportunities. Organizations, especially SMEs and businesses with entrepreneurial patterns, tend to be more resilient in continuous change (Savastano et al., 2022). SMEs are often more flexible and able to adapt quickly to environmental changes than larger, more bureaucratic companies.

Entrepreneurial resilience involves personal and organizational capacities to overcome difficulties. It encompasses the ability to persist and adapt through economic and operational challenges. Another definition of entrepreneurial resilience is the capacity of an individual to endure difficult economic circumstances (Buang, 2012). It includes the ability to manage stress, maintain motivation, and continue to seek opportunities amidst adversity. Although evidence of the relationship between entrepreneurial competencies and entrepreneurial resilience is limited, research on SMEs suggests a significant relationship between the two (Asenge et al., 2018). Entrepreneurial competencies, such as managerial skills, market knowledge, and technical skills, can help entrepreneurs develop more effective strategies to overcome challenges and capitalize on opportunities. Entrepreneurial resilience is not only crucial for business survival but also for long-term growth. Resilience allows businesses to bounce back from failure and grow despite obstacles. It also assists business owners in maintaining focus on their long-term objectives and preventing distraction from pressing problems.

Understanding entrepreneurial intention is key to fostering new business ventures. It reflects the commitment and readiness of individuals to start and manage their own businesses. Entrepreneurial intention is the concept that someone intends to start a new business (Kautonen et al., 2013). This goal includes the first concept and plans to launch a new business per the entrepreneur's vision (Obschonka et al., 2017; Mannino et al., 2019). A person's entrepreneurial intention determines his/her behavior when starting a firm (Shinnar et al., 2018). According to behavioral theory, the stronger a person's intention to engage in a certain behavior, the more likely it will be realized in real action

(Vallerand et al., 1992). Subjective norms, perceived behavioral control, and an individual's attitude toward entrepreneurship are some elements that impact entrepreneurial intention. An individual's view of the allure and advantages of being an entrepreneur is one aspect of their attitudes toward it. Subjective norms refer to the social pressure individuals feel to start a business, while perceived behavioral control reflects an individual's belief in his/her ability to start and run a business successfully.

Factors influencing entrepreneurial intention include experiences and educational background. Exposure to entrepreneurial environments can significantly shape one's commitment to starting a business. Experience, entrepreneurship education, and exposure to entrepreneurial role models can also influence entrepreneurial intentions (Kautonen et al., 2013). Direct experience in a business environment or through entrepreneurship training programs can increase an individual's confidence in his/her ability to start a business. In addition, having a successful role model in entrepreneurship can inspire and motivate individuals to assume their roles. Psychological factors, such as personality and motivation, also shape entrepreneurial intentions (Obschonka et al., 2017). For example, individuals with high levels of creativity or a drive to achieve tend to have stronger entrepreneurial intentions (Mannino et al., 2019). According to Shinnar et al. (2018), having entrepreneurial goals is important when launching a firm and can also help an individual stay committed to it over the long run. Entrepreneurs with strong intentions can stay motivated to accomplish their goals and overcome the initial hurdles of launching a firm.

The behavioral theory underscores the role of intention in entrepreneurial action. It highlights the predictive power of intention in driving actual business start-up behaviors. Furthermore, this theory suggests that entrepreneurial intentions strongly predict entrepreneurial action. An individual is more likely to take decisive action to launch a business if his/her intention is greater (Vallerand et al., 1992). This suggests that understanding the factors that influence entrepreneurial intention can help design effective interventions to encourage entrepreneurship. Several studies have examined the relationship between entrepreneurial competencies

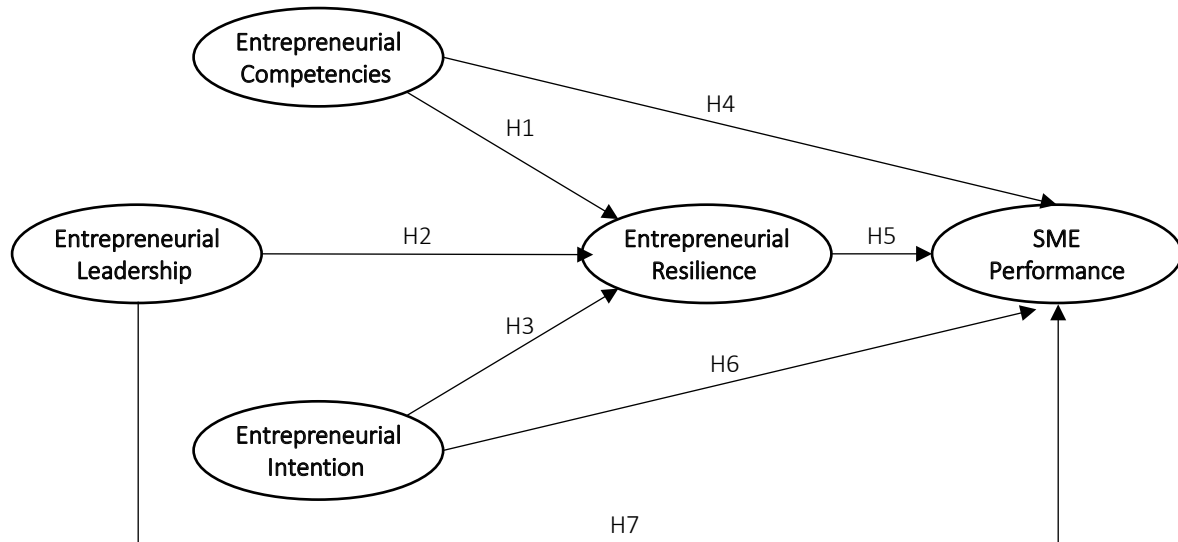


Figure 1. Research model

and firm performance in SMEs (Sakib et al., 2022). According to Al Mamun et al. (2018), firm performance reflects the financial health of an entrepreneurial venture. The primary motivator for many people to become entrepreneurs is unemployment, with family companies being the strongest draw (Khan et al., 2023). The theory of planned behavior helps determine this type of relationship, as intention is one of the main factors influencing SME performance, and entrepreneurial behavior is shaped based on factors that can help achieve the organization's financial success (Rehman et al., 2023).

This study aims to identify various factors that influence the performance and success of small and medium enterprises (SMEs), with a particular focus on entrepreneurial competence, leadership, resilience, and entrepreneurial intention. Figure 1 depicts the research framework derived from the literature review, and the proposed hypotheses are as follows:

- H1: Entrepreneurial competencies significantly affect entrepreneurial resilience.*
- H2: Entrepreneurial leadership significantly affects entrepreneurial resilience.*
- H3: Entrepreneurial intention significantly affects entrepreneurial resilience.*
- H4: Entrepreneurial competencies significantly affect SME performance.*

H5: Entrepreneurial resilience significantly affects SME performance.

H6: Entrepreneurial intention significantly affects SME performance.

H7: Entrepreneurial leadership significantly affects SME performance.

2. METHODOLOGY

This study took place in East Java, Indonesia. SME actors, including micro-enterprises, were sampled from five cities (Malang, Gresik, Pasuruan, Sidoarjo, and Surabaya), as they host the most SMEs in East Java. Based on data from the Cooperative and SME Service in East Java, the number of SME actors in 2022 was 191,312. The Slovin's formula was used to determine the sample size – 400 SME actors.

The research instrument (the questionnaire is shown in Appendix A) has passed validation and reliability testing as a standard tool. Descriptive and association tests and path analysis were used to analyze the data. The data were tabulated and arranged using SmartPLS software, which also prepared a model to ascertain the correlations between the variables and validate the suggested model by analyzing crucial indicators. Table 1 displays the demographic information of the respondents.

Table 1. Demographic characteristics

Description		Frequency	Percent
Gender	Male	313	78
	Female	87	22
Age	20-30 years old	182	45.50
	31-40 years old	128	32.00
	41-50 years old	61	15.25
	51-60 years old	28	7.00
	61-70 years old	1	0.25
Education	SMP	27	6.75
	SMA	213	53.25
	D2	10	2.50
	D3	26	6.50
	D4/S1	108	27.00
	S2	16	4.00
Length of business	1-10 years	372	93.00
	11-20 years	24	6.00
	21-30 years	3	0.75
	31-40 years	1	0.25
Total of employees	1-10	390	97.50
	11-21	7	1.75
	22-32	1	0.25
	33-43	2	0.50

The total respondents grouped amounted to N = 400 people. Male respondents were slightly prevailing (78%, n = 313). The largest age group was

20-30 years (45.5%, n = 182). Most respondents had 1-10 years of business experience (93%, n = 372). The sample of this study included 97.5% of respondents with a maximum number of employees between 1 to 10 people.

3. RESULTS

The PLS-SEM approach and SmartPLS software version 3.0 were used for data processing. The research steps are creating the outer model, creating the inner model, and testing the hypotheses.

The recognized structural validity standard requires a loading factor exceeding 0.7 for all indicators. This study evaluates and ensures that the measurement instrument meets this requirement, as shown in Figure 2.

Convergent validity assesses the validity of dimensions in measuring variables, with a loading factor > 0.7 indicating validity. For early-stage research, loading values of 0.5 to 0.6 are considered sufficient (Imam, 2005). All constructs in Table 2 exhibit loading factor values above 0.70, confirming their validity.

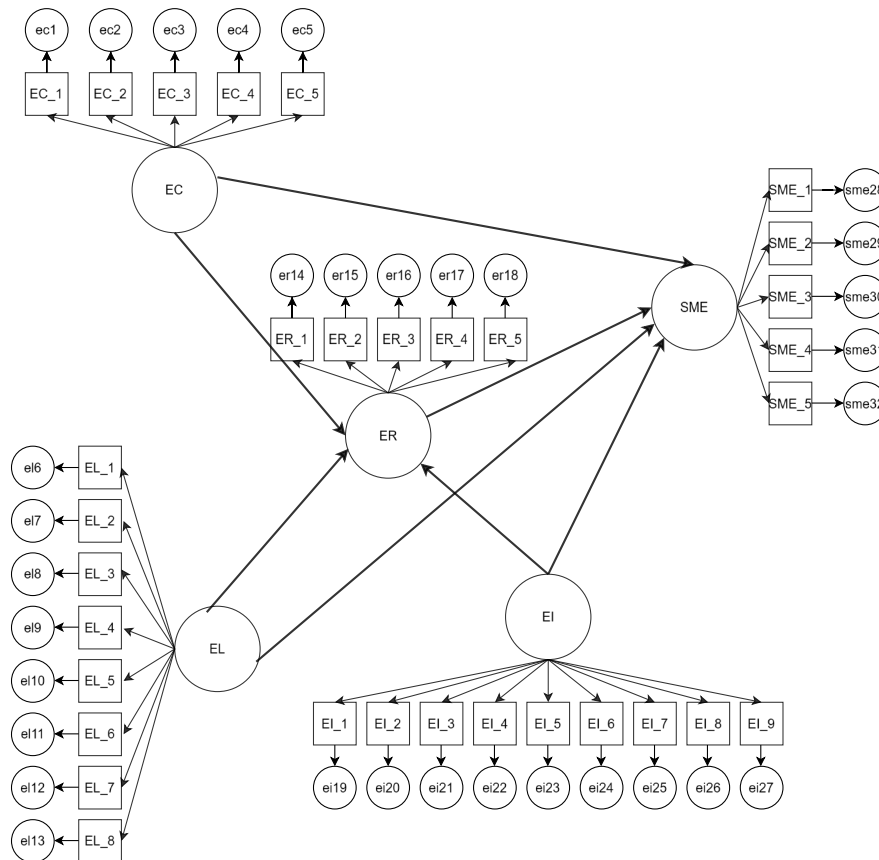


Figure 2. Outer model

Table 2. Outer loading

Variable	Dimension	Loading Factor	t-statistic
Entrepreneurial competencies	EC 1	0.905	61.495
	EC 2	0.914	81.830
	EC 3	0.847	38.001
	EC 4	0.913	72.994
	EC 5	0.852	37.361
Entrepreneurial leadership	EL 1	0.892	42.914
	EL 2	0.784	25.280
	EL 3	0.760	22.535
	EL 4	0.775	22.931
	EL 5	0.845	34.904
	EL 6	0.840	32.380
	EL 7	0.853	33.671
	EL 8	0.802	24.425
Entrepreneurial resilience	ER 1	0.885	44.205
	ER 2	0.822	30.116
	ER 3	0.878	39.287
	ER 4	0.913	79.486
	ER 5	0.837	30.491
	ER 6	0.860	38.689
	ER 7	0.821	30.786
	ER 8	0.842	29.971
	ER 9	0.883	42.680
	ER 10	0.803	27.136
Entrepreneurial intention	EI 1	0.900	73.250
	EI 2	0.871	42.868
	EI 3	0.794	23.718
	EI 4	0.885	46.402
	EI 5	0.863	41.050
SME performance	SME 1	0.844	40.391
	SME 2	0.762	24.139
	SME 3	0.903	64.926
	SME 4	0.906	69.824
	SME 5	0.880	42.343

Construct reliability is assessed using composite reliability and Cronbach’s Alpha. Values above 0.7 or 0.60 in exploratory research are considered acceptable. Table 3 shows that all indicators are reliable based on composite reliability and Cronbach’s Alpha.

Hypothesis testing for direct influence is conducted using path coefficients and *p*-values. Path coefficients range from -1 to 1, with negative values indicating a negative relationship and vice versa. A significant influence is seen if the *p*-value is less than the significance level (alpha = 5%). Table 4 provides a summary of the hypothesis testing findings.

Based on the structural model test results, entrepreneurial competence, entrepreneurial intention, and entrepreneurial resilience significantly affect both entrepreneurial resilience and SME performance. However, entrepreneurial leadership does not have a significant effect on entrepreneurial resilience. These results indicate that focusing on developing entrepreneurial competence and intention and strengthening entrepreneurial resilience is crucial to improving SME resilience and performance.

4. DISCUSSION

This study shows a positive and significant relationship between entrepreneurial competencies and resilience. Entrepreneurs with problem-solving skills, high adaptability to market

Table 3. Composite reliability and Cronbach’s Alpha

Variable	Cronbach’s Alpha	Composite Reliability
Entrepreneurial competencies	0.932	0.948
Entrepreneurial leadership	0.930	0.942
Entrepreneurial resilience	0.914	0.936
Entrepreneurial intention	0.959	0.964
SME performance	0.912	0.934

Table 4. Hypothesis testing results

Structural Model	Path Coefficient	t-statistics	p-values	Description
Entrepreneurial competencies → Entrepreneurial resilience	0.348	3.573	0.000	Supported
Entrepreneurial leadership → Entrepreneurial resilience	-0.014	0.345	0.730	Not Supported
Entrepreneurial intention → Entrepreneurial resilience	0.649	6.797	0.000	Supported
Entrepreneurial competencies → SME performance	0.567	5.319	0.000	Supported
Entrepreneurial leadership → SME performance	0.434	6.465	0.000	Supported
Entrepreneurial intention → SME performance	-0.722	6.708	0.000	Supported
Entrepreneurial resilience → SME performance	0.649	5.758	0.000	Supported

changes, risk management skills, and a resilient mindset tend to have higher levels of resilience to stress and unexpected changes in business. This finding aligns with Fatoki (2018) and Ahmad et al. (2019), who showed that specific skills and abilities significantly influence resilience behavior among entrepreneurs. Developing entrepreneurial competencies significantly improves entrepreneurs' ability to face complex business challenges (Cooney, 2012). By having solid competencies in various aspects of entrepreneurship, an entrepreneur is more prepared and able to face different situations that may occur (Markman & Baron, 2003; Baron, 2007). This includes adapting to market changes, managing risks effectively, and having the mental toughness to remain optimistic and focused on goals despite difficulties (Linnenluecke, 2017).

Furthermore, entrepreneurial leadership, characterized by innovation, calculated risk-taking, long-term vision, and active involvement in decision-making, positively influences the entrepreneurial resilience of individuals or organizations. This leadership style encourages innovation, adaptability, and creative problem-solving, strengthening the organization's ability to cope with unexpected challenges and changes. Entrepreneurial leaders build mental toughness among team or organizational members through behaviors demonstrating resilience and optimism (Kim et al., 2017). Influential leaders' characteristics and behaviors influence their followers' thinking (Nor-Aishah et al., 2020). To overcome obstacles and survive in competition, leaders must have resilience. Therefore, entrepreneurs must gain business experience to become stronger and more resilient. Thus, entrepreneurial leadership helps individuals and organizations adapt and provides the inspiration and support needed to advance and succeed in complex business dynamics.

Third, this study shows a close relationship between entrepreneurial intention and entrepreneurial resilience. This finding aligns with previous studies showing that entrepreneurs are more resilient than others, with a positive relationship between entrepreneurial intention (Bullough et al., 2014). Many MSME owners have survived in unstable economic conditions, indicating

the importance of intrinsic motivation and personal commitment in facing challenges (Siakas et al., 2014). Entrepreneurship and psychology theories highlight the importance of interest, self-confidence, and independence in strengthening entrepreneurial resilience (Santoro et al., 2021). Understanding the correlation between entrepreneurial intention and entrepreneurial resilience can help design effective strategies to improve the ability of individuals and organizations to face complex and unexpected business challenges. Fourth, this study confirms the important role of entrepreneurial competence in improving MSME performance. The results show a significant positive correlation between entrepreneurial competence and MSME performance, which is in line with previous studies that emphasize the positive influence of entrepreneurial competence on MSME performance (Hashim et al., 2018). Therefore, MSMEs are not only the foundation of the national economy; they need solid entrepreneurial competencies to grow effectively (Pulka et al., 2021). Investment in entrepreneurial skills development is critical to drive the growth and prosperity of MSMEs amidst the ever-changing and competitive market landscape (Kale et al., 2024).

Fifth, this study found a significant relationship between entrepreneurial resilience and performance in MSMEs. MSMEs that can adaptively overcome business challenges tend to perform better (Reimann et al., 2021). This emphasizes the importance of developing entrepreneurial resilience through training and a supportive organizational culture to optimize MSME performance in facing complex market dynamics. This study also found a significant relationship between entrepreneurial intention and MSME performance. Business owners or prospective entrepreneurs who intend to start or develop a business tend to perform better (Kolvereid & Isaksen, 2006). This shows the importance of supporting individual intrinsic motivation in improving business performance and generating benefits to increase MSME productivity and competitiveness. Encouraging the development of entrepreneurial attitudes and creating a supportive environment for prospective entrepreneurs can be an effective strategy in increasing MSME contribution to economic growth.

This study emphasizes the importance of entrepreneurial leadership in improving the performance of SMEs. Leaders who practice entrepreneurial leadership tend to be able to inspire, direct, and encourage innovation within the organization, which has a positive impact on business growth and success (Newman et al., 2018).

Therefore, developing entrepreneurial leadership skills and establishing an organizational culture that supports innovation and wise risk-taking are essential (Li et al., 2018). This can strengthen the SME community and increase their contribution to overall economic growth.

CONCLUSION

This study aimed to investigate the relationship between entrepreneurial competencies, entrepreneurial leadership, entrepreneurial intention, entrepreneurial resilience, and SME performance in East Java, Indonesia. Entrepreneurial competencies, including problem-solving skills, adaptability, risk management ability, and a resilient mindset, positively influence entrepreneurial resilience. This resilience helps entrepreneurs effectively navigate dynamic business environments. Furthermore, entrepreneurial leadership, characterized by inspiration and innovation, enhances resilience and drives business growth. The study also underscores the importance of entrepreneurial intention, as solid intentions correlate with better business performance.

The findings emphasize the critical role of developing entrepreneurial competencies, fostering motivation, and cultivating effective leadership to bolster SME success amidst complex business challenges. While the study acknowledges limitations in generalizability and potential methodological influences on data validity and reliability, it offers valuable insights for stakeholders. These insights can inform the design of entrepreneurship training programs, coaching initiatives, and future research directions, thereby advancing theoretical understanding and practical applications in entrepreneurship and business development.

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APPENDIX A

Table A1. Study questionnaire

Variable	Items
Entrepreneurial competencies	As a business owner, I can develop long-term, trusting relationships with others.
	I negotiate effectively with others.
	I apply ideas, issues, and observations to alternative contexts.
	I proactively identify long-term issues, problems, or opportunities.
	I manage my business effectively.
Entrepreneurial leadership	I often develop radical improvements to the products/services we sell.
	I often develop ideas for new products/services we can sell.
	I am a risk-taker.
	I have creative solutions to problems.
	I demonstrate a passion for my work.
	I have a vision for the future of the business.
Entrepreneurial resilience	I challenge and encourage people to act in more innovative ways.
	I am willing to challenge the current way of doing business.
	I can adapt to change.
	I can handle anything that comes my way.
	I try to see the funny side of things.
	Dealing with stress strengthens me.
	I tend to bounce back after illness or adversity.
	I can achieve my goals despite obstacles.
I can stay focused under pressure.	
Entrepreneurial intention	I am not easily discouraged by failures that I experience.
	I think of myself as a strong person.
	I can handle unpleasant feelings.
	I am ready to do anything to become an entrepreneur.
	My professional goal is to become an entrepreneur.
SME performance	I will do everything I can to run my own business.
	I am determined to develop my business.
	I have a solid intention to develop my business someday.
	My business sales growth has increased.
	My business return on investment has increased.
	I have seen an increase in cash flow.
	My business net income has increased.
	My business market share has shown an increase.