



Linking Personality and Entrepreneurial Competence: A Structured Assessment for Readiness Evaluation

Kalaivani Chellappan^{1,2*} and Aashriita Muniandy²

¹Department of Electrical, Electronics and System Engineering, Faculty of Engineering and Built Environment, Universiti Kebangsaan Malaysia, Malaysia

²Pusat Pemerkasaan Kompetensi Akademik Siswa, Faculty of Engineering and Built Environment, Universiti Kebangsaan Malaysia, Malaysia

Abstract

Entrepreneurial readiness is often reduced to measures of intention, skills, or prior exposure. Yet, empirical research highlights that entrepreneurial success is equally shaped by stable personality traits that underpin cognitive, affective, and behavioural competencies. This opinion article advances a structured approach to assessing entrepreneurial readiness by integrating the Big Five personality framework (OCEAN) with entrepreneurial competencies. The proposed Entrepreneur Competency Assessment (ECA) systematically maps nineteen competencies including innovation, adaptability, resilience, leadership, and networking onto validated OCEAN dimensions using an 80-item instrument. This integration provides a readiness evaluation that captures not only what individuals can do, but also what they are predisposed to do under uncertainty and stress. Critically, this article examines the strengths and limitations of personality-based readiness evaluation, arguing for its inclusion in entrepreneurship education, career guidance, and training. The assessment aims to shift the discourse from skill measurement to a more holistic, evidence-based evaluation of entrepreneurial potential.

Introduction

Entrepreneurship research has long debated what makes individuals succeed as entrepreneurs. Traditional frameworks emphasize skills, intentions, or opportunity recognition [1,2] yet neglect the role of personality traits that shape entrepreneurial behaviour under pressure. The persistence, resilience, and creativity demanded by entrepreneurial activity cannot be reduced to skill checklists; rather, they are deeply influenced by personality-driven competencies [3]. This article argues for a structured readiness evaluation model that integrates the OCEAN personality framework with entrepreneurial competencies, creating a composite measure of entrepreneurial readiness. The argument advanced here rests on three interrelated claims. First, personality traits have demonstrable predictive power for entrepreneurial outcomes. Second, competencies provide the necessary bridge between abstract traits and observable entrepreneurial behaviour. Third, a structured assessment model improves readiness evaluation by offering both explanatory clarity and practical application. Taken together, these claims provide the rationale for a new approach that captures entrepreneurial readiness in a more holistic and empirically grounded way.

Personality and Entrepreneurial Competence

The Big Five personality traits; Openness, Conscientiousness, Extraversion, Agreeableness, and Emotional Stability remain the most validated framework in psychology [4]. These traits have been consistently linked to entrepreneurial outcomes. For example, Openness is associated with creativity, curiosity and innovation [5]. Conscientiousness, characterized by self-discipline and goal orientation, contributes to planning, execution, and

Advance Research in Psychology and Behavioural Sciences (ARPBS)

ISSN: 3069-2059

Volume 2 Issue 2, 2025

Article Information

Received date: September 26, 2025

Published date: October 03, 2025

*Corresponding author

Kalaivani Chellappan, Department of Electrical, Electronics and System Engineering, Faculty of Engineering and Built Environment, Universiti Kebangsaan Malaysia, Malaysia

DOI: 10.65070/ARPBS.2025.214

Keywords

Personality; Entrepreneurial competence; Readiness assessment; OCEAN; Entrepreneurship education

Distributed under:

Creative Commons CC-BY 4.0

perseverance [6]. Extraversion enables entrepreneurs to build networks and exert leadership, while Agreeableness facilitates negotiation and collaboration in team settings. Emotional Stability, often conceptualized as the inverse of Neuroticism, supports resilience under uncertainty and the capacity to manage stress effectively [3]. Competency frameworks in entrepreneurship have sought to define the knowledge, skills, and abilities that enable entrepreneurial performance [2]. Yet, without being anchored in personality research, such frameworks risk remaining overly descriptive. A competency model that lacks predictive grounding fails to explain why some individuals persist under entrepreneurial stress while others disengage. Personality, therefore, offers the missing anchor: it provides a stable, validated, and empirically supported basis for understanding the underlying drivers of competence.

The Entrepreneur Competency Assessment (ECA)

The Entrepreneur Competency Assessment (ECA) builds on the OCEAN-ERI-80, an 80-item personality instrument, and systematically maps its dimensions onto nineteen entrepreneurial competencies. For instance, Innovation is derived primarily from Openness, Perseverance is closely linked to Conscientiousness, Leadership is informed by the combined effects of Extraversion and Agreeableness, and Resilience draws heavily on Emotional Stability. This mapping provides a logical and evidence-based framework for translating personality data into entrepreneurial competency profiles. Rather than offering abstract trait scores, the ECA translates personality measures into actionable insights. Each competency score reflects the degree to which an individual is predisposed to enact entrepreneurial behaviour in real-world contexts. When aggregated, these competencies form a readiness index that captures an individual's holistic entrepreneurial potential. In doing so, the ECA shifts the assessment of entrepreneurship away from narrow measures of intent or exposure and toward a multidimensional evaluation of both what individuals are capable of and what they are predisposed to pursue.

Critical Discussion

While the integration of personality and competencies in entrepreneurial assessment is promising, it is not without limitations. One concern is the inherent bias of self-report measures. Like all personality instruments, the OCEAN-ERI-80 is vulnerable to social desirability effects. However, decades of psychometric research indicate that these risks can be mitigated through validated instruments and by triangulating self-reports with behavioural and situational data [7].

A second concern is the contextual variability of entrepreneurship. Entrepreneurial behaviour is shaped by cultural and institutional environments, meaning that personality traits may manifest differently across societies and industries. For example, while high Agreeableness may enhance negotiation in collectivist cultures, it may be a liability in hyper-competitive, individualistic contexts. Research on national culture and entrepreneurship [8] demonstrates that readiness evaluations must therefore be validated in specific cultural settings before generalizing their applicability.

A third critique is that personality is relatively stable, whereas competencies can evolve through training and experience. This raises the risk of viewing the ECA as deterministic. To counter this, it is essential to emphasize that the ECA provides a baseline readiness assessment rather than a fixed verdict on entrepreneurial potential. It highlights predispositions while leaving room for growth, thereby supporting both developmental and predictive uses [9].

Implications for Research and Practice

The implications of adopting personality-driven competency assessment are significant. In education, entrepreneurship curricula can be tailored to student strengths and gaps, enhancing self-awareness and targeted skill development. In training contexts, entrepreneurs and managers can use readiness profiles to identify personal development priorities and design more effective learning pathways. Career guidance services can employ readiness evaluations to help individuals make informed decisions about entrepreneurial pathways versus traditional employment.

For researchers, the ECA provides a robust tool for exploring entrepreneurial readiness in both cross-sectional and longitudinal studies. It enables empirical comparisons across demographic groups, industries, and cultures while also testing predictive validity by correlating readiness profiles with entrepreneurial outcomes. By integrating personality and competencies, future studies can move beyond descriptive accounts of entrepreneurial skills and toward explanatory models with greater predictive accuracy.

Conclusion

Entrepreneurship requires more than technical skills or business knowledge; it demands competencies that are deeply rooted in personality. The Entrepreneur Competency Assessment (ECA) represents a structured readiness evaluation that integrates validated personality traits with concrete competencies. While limitations such as self-report bias, contextual variability, and the relative stability of personality must be acknowledged, the framework provides an important advance in both research and

practice. It reorients entrepreneurial assessment toward a more holistic and predictive model, offering value to educators, trainers, career advisors, and policymakers alike.

Acknowledgement

The authors would like to acknowledge Pusat Pemerkasaan Kompetensi Akademik Siswa, Faculty of Engineering and Built Environment, Universiti Kebangsaan Malaysia, for their support. This research was funded by SK Innovation Sdn. Bhd. under Grant No. KK-2022-001.

References

1. Bird B (2019) Toward a theory of entrepreneurial competency. In *Seminal ideas for the next twenty-five years of advances*. Emerald Publishing Limited 21(1): 115-131.
2. Man TW, Lau T, Chan KF (2002) The competitiveness of small and medium enterprises: A conceptualization with focus on entrepreneurial competencies. *Journal of Business Venturing* 17(2): 123-142.
3. Rauch A, Frese M (2007) Born to be an entrepreneur? Revisiting the personality approach to entrepreneurship. In: Baum JR, Frese M, Baron R (Eds.), *The Psychology of Entrepreneurship*. Erlbaum p. 41-65.
4. McCrae RR, Costa PT (2008) The five-factor theory of personality. In: John OP, Robins RW, Pervin LA (Eds.), *Handbook of Personality* (3rd edn). Guilford pp. 159-181.
5. Zhao H, Seibert SE (2006) The Big Five personality dimensions and entrepreneurial status: A meta-analytical review. *Journal of Applied Psychology* 91(2): 259-271.
6. Ciavarella MA, Buchholtz AK, Riordan CM, Gatewood RD, Stokes GS (2004) The Big Five and venture survival: Is there a linkage? *Journal of Business Venturing* 19(4): 465-483.
7. Podsakoff PM, MacKenzie SB, Lee JY, Podsakoff NP (2003) Common method biases in behavioral research: A critical review of the literature and recommended remedies. *Journal of Applied Psychology* 88(5): 879-903.
8. Hayton JC, George G, Zahra SA (2002). National culture and entrepreneurship: A review of behavioral research. *Entrepreneurship Theory and Practice* 26(4): 33-52.
9. Brandstätter H (2011) Personality aspects of entrepreneurship: A look at five meta-analyses. *Personality and Individual Differences* 51(3): 222-230.