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Exploring the Notion of Entrepreneurial Personality Traits as the Answer to Urban Poor Entrepreneurial Success

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Abstract:
This study examines how specific personality traits can help urban poor entrepreneurs in Malaysia establish successful businesses and overcome poverty. Urban poverty is a growing issue in Malaysia, affecting over a million people. Many in the B40 income group have turned to entrepreneurship as a means of making a living, especially when job opportunities are scarce. However, many are struggling to sustain their businesses due to a lack of skills, limited access to resources, and a challenging economic environment. Government programmes, such as microcredit, training, and financial support, have been introduced to help, and these have had some positive impacts. However, many businesses still fail to survive in the long term. One reason is that many policies focus mainly on financial support and forget an essential factor: the role of entrepreneurs' personal traits. Characteristics such as resilience, self-confidence, emotional intelligence, and a willingness to take calculated risks are critical in helping entrepreneurs adapt, overcome setbacks, and build sustainable businesses. The literature shows that these traits play a vital role in shaping how urban poor entrepreneurs respond to opportunities and challenges. An entrepreneur with high self-efficacy, creativity, and proactiveness is more likely to build a successful and resilient business, even in the face of scarce resources and challenging conditions. This paper argues that while financial and institutional support are essential, entrepreneurship policies must also focus on nurturing these vital traits. Helping urban poor entrepreneurs build resilience, confidence, and creativity can make a significant difference in their ability to turn adversity into long-term economic opportunity. Reducing urban poverty in Malaysia requires a balanced approach that combines financial aid, training, and mentoring with efforts to build the psychological strengths that enable entrepreneurs to thrive. By focusing on both external and internal factors, Malaysia can create a more inclusive and sustainable pathway out of poverty for its urban poor communities.

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INTRODUCTION

Urban poverty in Malaysia is a significant issue that requires urgent attention (Fui et al., 2022; Alias & Sulaiman, 2023). According to the Department of Statistics Malaysia (DOSM, 2022), approximately 2.08 million individuals, or 487,576 households, live in absolute poverty. More alarming is the rise in poverty rates in urban areas, which increased from 3.9% in 2019 to 4.5% in 2022, affecting around 1.1 million individuals. In contrast, rural areas experienced a slight decrease in poverty, dropping from 12.4% to 12.0%, affecting approximately 980,000 individuals during the same period. These figures underscore the urgency of addressing urban poverty and highlight the need for comprehensive measures to bridge the gap between urban and rural poverty. When unemployment rises, it hits the B40 (Bottom 40%) income group the hardest (ILO, 2021). Facing a lack of employment opportunities, many individuals in this group turn to entrepreneurship to support themselves financially and achieve economic independence (Abigail & Alhassan, 2022;

Imaniah et al., 2023). However, some believe that urban poor entrepreneurs lack the skills and confidence needed for business success, which affects their performance, especially in sustaining the business (NST, 2019). Sahedan et al. (2020) found that urban poor entrepreneurs often struggle to achieve their income goals through entrepreneurship programs. Low-income entrepreneurs often face challenges in managing their businesses and rely heavily on government support to improve their financial situation (Yusoff et al., 2020). Given these challenges, it is essential to research to identify the most effective ways to support urban poor entrepreneurs in their success. There is still much to learn about how poverty affects the ability to start and grow new businesses (Morris et al., 2020). Specifically, there is limited information about entrepreneurship among the urban poor, particularly those in low-income areas.

Research shows that certain personality traits can help entrepreneurs maximise their strengths. However, a study by Fazal et al. (2022) found that urban poor entrepreneurs often lack the necessary competencies, negatively impacting their businesses. Profiling the personality traits of urban poor entrepreneurs is crucial and remains an underexplored area of research (Ngah et al., 2024; Zhou & Li, 2022). Many urban poor individuals turn to entrepreneurship as a last resort to generate income (Moradi et al., 2020). The government has offered numerous incentives to help the B40 community start businesses and avoid deeper poverty (Khan et al., 2021). However, many businesses continue to struggle to sustain themselves, especially during economic crises such as the COVID-19 pandemic (Bartik et al., 2020).

This study aims to fill the gap in the literature by examining the situation of urban poverty in Malaysia, and how entrepreneurship may be the answer, and lastly, exploring the personality traits that may contribute towards entrepreneurial success.

LITERATURE REVIEW

Urban Poverty

Urban poverty is when individuals or families in urban areas lack sufficient income to meet essential needs such as food, housing, healthcare, and education (OECD, 2020). In Malaysia, the term "urban poor" primarily refers to individuals and families experiencing significant economic hardship, low income, and limited access to essential services. This demographic often belongs to the B40 community, which includes the bottom 40% of income earners. In the Klang Valley, households earning below RM4,850 (approximately USD1,145) per month struggle to cover the high costs of urban living, particularly in Kuala Lumpur (Azhar et al., 2021).

Rapid urbanisation has increased migration from rural areas to cities, leading to visible income disparities between affluent and economically disadvantaged groups, especially in major urban centres (Ngah, 2024). This essay examines the complexities of urban poverty in Malaysia, the challenges faced by the urban poor, and the role of entrepreneurship as a means of alleviating poverty. It emphasizes the need for policies and practices that foster more equitable urban environments.

Urban poverty in Malaysia is characterized by the inability to secure a stable income to meet basic needs, including food, shelter, healthcare, and education (Keshavarz et al., 2023). Rapid urbanisation has exacerbated these issues in developing regions, resulting in concentrated populations that struggle to achieve a minimum standard of living (Jansky, 2023). In Malaysia, the urban poor face numerous challenges, including inadequate housing, poor nutrition, limited access to healthcare, and restricted educational opportunities, which collectively contribute to their marginalisation in society (Wong et al., 2022; Alias, 2023; Zainal et al., 2012).

To address urban poverty effectively, understanding income distribution is essential. The Department of Statistics Malaysia categorises household incomes into three main groups: the Bottom 40% (B40), the Middle 40% (M40), and the Top 20% (T20). The B40 group comprises households with monthly incomes of less than RM5,250, having a mean income of RM3,401, while the M40 group encompasses households with monthly incomes between RM5,251 and RM11,819, with a mean income of RM7,971. Finally, the T20 group comprises households with a monthly income exceeding RM11,820, with a mean income of RM19,752. These classifications enable policymakers to identify and support vulnerable populations, with the B40 group being particularly susceptible to urban poverty. Targeted support for this group is crucial to reducing disparities and improving their quality of life (Department of Statistics Malaysia, 2022).

Urban Poverty and Entrepreneurship

Entrepreneurship has been increasingly recognised as a potent instrument for mitigating urban poverty, given the multifaceted challenges experienced by low-income urban populations. (Sutter et al., 2019). Urban poverty is inherently multidimensional, encompassing not only income deprivation but also deficits in skills, access to capital, markets, technology, and social networks (Singh & Singh, 2024; Hashim & Gaddefors, 2023). In this context, entrepreneurship provides a dual benefit: it generates economic opportunities for the urban poor while simultaneously addressing social vulnerabilities through innovative business models that integrate social objectives with commercial imperatives (Zainol et al., 2014); (Fayzieva & Bekimbetova, 2022).

A robust body of literature demonstrates that entrepreneurial activities, particularly those with a social orientation, foster community development and significantly contribute to poverty alleviation. For instance, research has shown that entrepreneurship can empower slum dwellers by enhancing their capabilities and providing pathways out of poverty (Singh & Singh, 2024; Zainol et al., 2014). Similarly, empirical studies in various urban contexts have revealed that initiatives such as microcredit, entrepreneurship training, and targeted policy interventions create an enabling environment for sustainable economic growth and wealth mobility among marginalised groups (Kannangara & Liyanage, 2023; Ostonokulov et al., 2023). Moreover, the role of supportive policies and entrepreneurship facilitation is critical; such frameworks not only bridge the gap between scarce urban resources and entrepreneurial potential but also promote inclusive development within urban ecosystems (Shakiba et al., 2022)

While entrepreneurship holds promise for poverty alleviation, several challenges remain in effectively linking it to urban poverty reduction. Poschke (2013) and Peredo (2006) argue that the theoretical relationship between entrepreneurship and poverty remains underdeveloped, with gaps in understanding how entrepreneurship impacts urban poverty.

Additionally, research by Rahman et al. (2016) and Lee & Rodríguez-Pose (2021) highlights that existing entrepreneurship programs often lack tailored support to address the unique needs of the urban poor, such as access to affordable childcare, healthcare, and transportation. Resource constraints and market access barriers are significant obstacles. Many urban poor entrepreneurs face limited access to financial resources, lack of sustainable market opportunities, and high vulnerability to economic shocks (Suhaimi, 2023).

Ultimately, empirical assessments from diverse geographical and cultural contexts confirm that entrepreneurship can substantially mitigate the adverse effects of urban poverty. Longitudinal and panel data studies have consistently highlighted the positive correlation between entrepreneurial activities and poverty reduction, particularly when entrepreneurial ecosystems are supported by well-designed policies and infrastructure improvements (Kannangara & Liyanage, 2023; Ostonokulov et al., 2023). These studies stress that while entrepreneurship alone is not a panacea for urban poverty, it is a crucial mechanism in a broader strategy aimed at sustainable urban development and inclusive economic growth (Singh & Singh, 2024; Shakiba et al., 2022).

Government Effort towards Urban Poverty Entrepreneurship

The Malaysian government has launched multiple initiatives targeting urban poor entrepreneurs, primarily through microcredit, skills training, and institutional support. Table 1 summarises key programs.

Table 1: Major Government Entrepreneurship Programs for Urban Poor in Malaysia

Program	Agency	Key Features	Target Group
AIM (Amanah Ikhtiar Malaysia)	AIM	Microcredit loans, no collateral	Low-income households (urban and rural)
TEKUN Nasional	MEDAC	Financing, entrepreneurial training	Bumiputera microentrepreneurs
1AZAM (Azam Niaga)	KPWKM	Business assets and capital tools	B40 urban households
PUNB	MEDAC	Mentoring, financing, business incubation	Urban Bumiputera youths and graduates
LED Initiatives	Local Authorities	Marketplaces, stalls, training centres	Informal entrepreneurs in urban areas

Numerous studies have documented the positive effects of government support in enhancing livelihoods among the urban poor:

- **Income Improvement**: AIM participants experienced a statistically significant increase in income and savings (Arshad et al., 2011).
- **Women Empowerment**: Entrepreneurial programs improved women's financial independence and social status (Hashim & Wok, 2014).
- **Reduction in Aid Dependency**: Households involved in 1AZAM and TEKUN showed decreased reliance on direct cash assistance (EPU, 2020).

Despite notable achievements, government initiatives are constrained by several systemic issues:

- **Overemphasis on financial capital programs, such as TEKUN and AIM, often emphasises** loans without sufficient mentoring, leading to poor business planning and unsustainable enterprises (Bakar et al., 2019).
- **High Informality and Legal Barriers** Urban poor entrepreneurs primarily operate informally, without legal protections, which restricts their access to formal financing and markets (Yaacob et al., 2016).
- **Low Survival Rates:** Less than 40% of microenterprises survive beyond three years due to market saturation and lack of innovation (Arshad & Abu Bakar, 2017).
- **Skill and Knowledge Deficits** Generic entrepreneurship training fails to equip participants with relevant business skills or digital capabilities (Ali et al., 2021).
- **Gendered Constraints**: Women face mobility restrictions and unequal access to funding despite targeted programs (Rashid et al., 2022).
- **Poor Targeting and Political Interference, as well as Clientelism and weak inter-agency coordination,** result in poor program governance (Hatta & Ali, 2013).

While entrepreneurship holds promise as a strategy for alleviating urban poverty in Malaysia, current government efforts are hindered by structural inefficiencies, poor targeting, and a lack of sustainable support mechanisms. A shift toward ecosystem-based interventions that address informality, skills, and scalability is needed to unlock the full potential of urban entrepreneurship.

Personality Traits and Entrepreneurial Success

While structural interventions by the government are crucial, they are not the sole determinants of entrepreneurial success among the urban poor. Individual characteristics—particularly personality traits and motivation—also play a significant role in shaping how assistance is utilised and how businesses evolve.

Entrepreneurial self-efficacy, defined as the belief in one's ability to perform entrepreneurial tasks successfully, has been identified as a strong predictor of business outcomes (Boyd & Vozikis, 1994). Individuals with high self-efficacy tend to approach challenges with confidence, persist through obstacles, and actively seek solutions. This internal belief system enhances their ability to leverage financial and institutional support effectively. Similarly, an internal locus of control—where individuals believe they have control over life outcomes—correlates with greater business initiative and resilience (Urban, 2012). These traits contrast with an external locus of control, where individuals attribute success or failure to external forces such as luck or government policies, often leading to passive participation in entrepreneurship programs.

Risk tolerance and proactivity are additional traits that distinguish successful urban entrepreneurs. Entrepreneurs who are comfortable with calculated risk-taking and who proactively seek out business opportunities tend to achieve higher growth rates, even in resource-constrained settings (Fatoki, 2014). These characteristics are particularly crucial in competitive urban markets, where differentiation and adaptability are essential for survival.

Empirical research supports the argument that personality and motivation moderate the impact of government assistance. Arshad and Abu Bakar (2017) found that among microenterprise recipients in Kuala Lumpur, those with stronger entrepreneurial mindsets and confidence levels were significantly more likely to sustain and grow their businesses. On the other hand, recipients who lacked intrinsic motivation or who engaged in entrepreneurship solely for immediate income showed high rates of dropout or business failure. This underscores the need for psychosocial support mechanisms—such as confidence-building, goal setting, and motivational training—within entrepreneurship development programs.

Furthermore, gender intersects with personality and motivation in shaping entrepreneurial outcomes. Women in urban poor communities, despite demonstrating high levels of commitment, often face mobility restrictions, care responsibilities, and limited exposure to business networks. Without targeted motivational and psychosocial interventions, these structural constraints can dampen entrepreneurial aspirations and hinder program success (Rashid et al., 2022).

Entrepreneurial Success

Success in entrepreneurship is often viewed through the lens of financial performance or business growth. However, beyond the balance sheets and market metrics lies a deeply personal dimension of success shaped by individual goals, values, and motivations.

Self-efficacy plays a crucial role in shaping entrepreneurial intentions and recognising opportunities. Self-efficacy can enhance an individual's confidence in their ability to engage in entrepreneurial activities, driving them towards self-fulfilment and recognition of their skills (Goktan & Gupta, 2021). This self-realisation is inherently tied to the desire for personal satisfaction and demonstrating competencies, which are critical for aspiring entrepreneurs who strive to confirm their capabilities in their chosen fields (Wibowo, 2019).

Entrepreneurs often pursue ownership of their enterprises to achieve autonomy, the freedom to make independent decisions and control their work lives. The motivational framework concerning independence emphasizes the need for control over one's professional trajectory and decision-making processes (Burbar & Shkukani, 2021). This intrinsic need aligns with the overarching goal of creating a personal identity distinct from conventional employment structures, highlighting the significance of self-directed endeavors in entrepreneurial aspirations (Maldonado-Bautista et al., 2021).

Financial security remains one of the foremost criteria for measuring entrepreneurial success. High financial literacy is crucial as it enables entrepreneurs to navigate complex financial landscapes and make informed decisions that secure their business's longevity (Goyal et al., 2024). Financial stability provides peace of mind, allowing entrepreneurs to reinvest in their ventures and foster growth and sustainability (Abodunde et al., 2020). Moreover, external factors such as demographics and social networks often shape financial access, which can create barriers, especially for women and marginalized groups (Christodoulou et al., 2024; Liew & Yusoff, 2023).

Entrepreneurs seek engaging and stimulating tasks that challenge their skills and intellect. The dynamic nature of entrepreneurship offers opportunities for creativity and problem-solving, providing an intellectually rewarding experience. This pursuit of interesting work further aligns with the desire to be one's boss, where individuals have the authority to shape their work environment and make impactful decisions (Basit et al., 2020). This autonomy often enhances job satisfaction and the ability to influence one’s operational frameworks, fostering a fulfilling entrepreneurial experience (Kanapathipillai et al., 2021). \

An entrepreneur’s reputation is closely linked to their perceived success and influence within their community and industry. Building a reputable brand can enhance an individual's prestige, leading to more significant opportunities and partnerships. The social perception of success often encourages entrepreneurs to maintain high standards of performance and ethics, further reinforcing their credibility in the marketplace (Bläse et al., 2024).

The relational aspect of entrepreneurship underscores the importance of social interactions with employees and customers. Cultivating positive relationships fosters a supportive workplace culture and enhances customer loyalty and satisfaction. This social dimension is vital for a thriving business as it creates support networks and encourages collaborative growth (Rijn et al., 2021). Effective stakeholder management and the ability to engage meaningfully with diverse groups are crucial determinants of entrepreneurial success and sustainability (Cumming & Sewaid, 2024).

Ultimately, the ability to provide necessary and valuable products or services is at the core of entrepreneurial activities. Entrepreneurs must identify market gaps and continuously innovate to meet consumer needs. This responsiveness to market demands is fundamental in establishing a successful venture, contributing to their financial viability and sustainability in competitive landscapes (Nor et al., 2024). The interplay between offering value and ensuring profitability significantly shapes an entrepreneur’s operational achievements.

In conclusion, the evaluation of entrepreneurial success can be framed through multiple dimensions, including self-enhancement, autonomy, financial security, engaging tasks, personal influence, reputation, social interactions, and the provision of valued products and services. Each dimension interrelates, contributing to a comprehensive understanding of what defines personal success in the entrepreneurial sphere.

Figure 1 shows the taxonomy of entrepreneurial success criteria. Richard et al. (2009) and Schenk (1998) define entrepreneurial success criteria, emphasising these personal factors, which illustrate how entrepreneurs define success beyond conventional business achievements.

Taxonomy of Entrepreneurial Success Criteria

Personal Success Criteria	Organizational Success Criteria
Self-enhancement / Self-realization	Company survival
Autonomy / Independence	Employee numbers and growth
Financial security / Personal Income	Return on investment
Interesting tasks	Cash flow
Being one's boss / Influence	Sales and their growth
Reputation / Prestige	Market share and expansion
Social interaction with employees and customers	General company performance and growth
Providing needed products and Services	Being better than rivals

Sources: Richard et al. (2009); Schenk (1998)

Figure 1: Taxonomy of Entrepreneurial Success Criteria

Entrepreneurial Personality Traits

Personality traits are enduring characteristics that shape individuals' thoughts, feelings, and behaviours, influencing how they respond to various situations. In entrepreneurship, specific personality traits—known as entrepreneurial personality traits—are fundamental in driving an individual's choices, decision-making, and persistence in business. Traits such as resilience, creativity, self-efficacy, risk tolerance, and proactiveness distinguish individuals who recognize and pursue entrepreneurial opportunities from those who may not.

Understanding these traits is crucial because they significantly contribute to economic growth and innovation. Entrepreneurs with strong entrepreneurial personality traits drive innovation and create value within organisations by establishing new ventures, stimulating job creation and economic advancement. While various factors influence entrepreneurial success, personality traits provide a foundational basis for explaining why some individuals are more likely to recognise and seize opportunities than others, fostering a thriving entrepreneurial culture (Cai et al., 2008; Kerr et al., 2018). Recognising and cultivating these traits can help identify and support potential entrepreneurs, especially those who may face economic or social barriers, thus enabling them to overcome obstacles and succeed.

In Malaysia, entrepreneurial personality traits play a pivotal role in the success of urban poor entrepreneurs, who are typically engaged in micro and small business activities (Azman et al., 2024; Anuar et al., 2023). These entrepreneurs display high resilience, creativity, adaptability, and perseverance in navigating a complex landscape characterised by economic instability, limited access to capital, and various social barriers (Taboada-Álvarez et al., 2023; Ngah et al., 2024; Zhou & Li, 2022). Studies on Malaysian entrepreneurship reveal that creativity, risk tolerance, and a proactive approach are significant for urban poor entrepreneurs to establish and sustain businesses within competitive markets. Recognizing the importance of these traits, the Malaysian government, through the National Entrepreneurship Policy 2030 (NEP2030), has emphasized the need to foster a supportive environment for entrepreneurship, particularly among marginalized groups. NEP2030's focus on empowering underserved communities through entrepreneurship aims to leverage the economic potential of this demographic while promoting social mobility and inclusion (Ahmad & Xavier, 2012; Samat et al., 2021).

Resilience, self-efficacy, and emotional intelligence are precious for urban poor entrepreneurs in Malaysia. Resilience enables these entrepreneurs to endure economic hardship and uncertainty, as they often face fluctuating income, informal working conditions, and variable demand. A proactive personality further equips them to anticipate and effectively address challenges before they escalate, promoting long-term stability. Self-efficacy, or confidence in their success, motivates these entrepreneurs to pursue ambitious goals and innovate even with limited resources. Emotional intelligence, the ability to understand and manage emotions, enhances their resilience, helping them navigate stress and make rational decisions under pressure (Ngah, 2024).

Risk-taking, proactiveness, and entrepreneurial alertness have been examined in connection with specific entrepreneurial behaviors. Traits such as bricolage—the ability to create something from limited resources—and improvisation are essential for entrepreneurs with limited access to capital or traditional resources, enabling them to maintain and grow their businesses in constrained environments (Rahman et al., 2021). In Malaysia, entrepreneurial education programs are designed to cultivate these traits, providing aspiring entrepreneurs with the skills, creativity, and resilience needed to succeed. Studies indicate that traits such as openness, extraversion, and risk aversion significantly influence entrepreneurial intentions following educational interventions, suggesting that personality traits can enhance the effectiveness of training programs (Tsaknis et al., 2022). Addressing the recognized need for a stronger entrepreneurial culture among Malaysia's youth, these programs aim to create a new generation of entrepreneurs who can contribute to the country's socio-economic growth (Hassan et al., 2020; Yaacob et al., 2021).

Table 2: Key Personality Traits Contributing to Entrepreneurial Success

Personality Trait	Description	Impact on Entrepreneurship
Resilience	Ability to recover from setbacks and persist through adversity	Enhances endurance in unstable business environments; vital for survival among urban poor entrepreneurs
Self-Efficacy	Confidence in one's ability to perform entrepreneurial tasks	Motivates the pursuit of ambitious goals and innovation despite limited resources
Proactiveness	Tendency to anticipate and act on future challenges or opportunities	Promotes strategic planning, market adaptation, and long-term business sustainability
Risk Tolerance	Willingness to take calculated risks	Enables entrepreneurs to explore innovative ventures and compete in dynamic markets
Creativity	Ability to generate novel ideas and solutions	Supports product differentiation and problem-solving, especially under resource constraints
Emotional Intelligence	Ability to perceive, understand, and manage emotions effectively	Helps entrepreneurs cope with stress, build relationships, and make rational decisions
Adaptability	Capacity to adjust to new conditions and challenges	Critical for navigating informal sectors and changing consumer demands in urban environments
Entrepreneurial Alertness	Awareness of and responsiveness to market opportunities	Enhances opportunity recognition and ability to respond to emerging trends

Bricolage	Making do by creatively using limited resources	Facilitates business continuity and innovation in resource-scarce settings
Improvisation	Ability to act quickly and inventively in uncertain situations	Supports flexibility and on-the-spot decision-making, critical for informal or micro businesses
Openness	Willingness to embrace new experiences and ideas	Linked to stronger entrepreneurial intentions and adaptability to evolving markets
Extraversion	Sociability and assertiveness	Supports networking, customer engagement, and relationship-building

Personality traits are fundamental to understanding entrepreneurial intentions and behaviors, particularly among urban poor entrepreneurs in Malaysia. Traits such as resilience, creativity, self-efficacy, proactiveness, and emotional intelligence play significant roles in shaping entrepreneurial outcomes, enabling individuals to navigate socio-economic challenges and seize business opportunities (Salqaura et al., 2024; Li et al., 2020; Gibreel et al., 2022; Mahmood et al., 2020; Asfiah, 2021). As Malaysia moves toward the goals outlined in NEP2030, fostering these traits through mentorship, education, and community support is crucial for empowering urban poor entrepreneurs. Recognizing the influence of these personality traits allows policymakers and educators to build supportive environments that nurture potential entrepreneurs, helping them establish sustainable ventures and contribute to Malaysia's socio-economic development (Ngah, 2024; Samat et al., 2021). By cultivating these traits, Malaysia can unlock the full potential of its entrepreneurial talent, driving sustainable growth, reducing poverty, and promoting inclusive prosperity across the nation. In this way, entrepreneurial personality traits support individual success and pave the way for a more dynamic and resilient economy. Table 2 summarises the key personality traits that contribute to entrepreneurial success.

CONCLUSION

This study offers a critical synthesis of the literature on urban poverty and entrepreneurship in Malaysia, foregrounding the role of personality traits as pivotal determinants of entrepreneurial success among the urban poor. It reveals that while government-led initiatives have made commendable strides in alleviating material deprivation, they fall short of sustaining long-term entrepreneurial outcomes due to a neglect of internal psychological factors.

Traits such as resilience, self-efficacy, proactiveness, creativity, and emotional intelligence not only influence how urban poor entrepreneurs respond to opportunities and challenges but also mediate the effectiveness of external support. The integration of these psychological dimensions into entrepreneurship programs can significantly enhance impact, especially when aligned with inclusive and context-sensitive strategies.

To foster sustainable entrepreneurship as a vehicle for poverty alleviation, stakeholders, including policymakers, educators, and development practitioners, must adopt a holistic approach. This includes designing interventions that combine financial, educational, and psychosocial support, while simultaneously recognizing and cultivating the personal traits that underpin entrepreneurial resilience and adaptability.

In sum, empowering the urban poor to succeed in entrepreneurship requires more than microloans or short-term training. It demands an ecosystem that recognizes human agency, nurtures psychological strengths, and enables individuals to transform adversity into opportunity. Only through such integrative and critical approaches can Malaysia move closer to eradicating urban poverty and building an inclusive, innovation-driven economy.

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