

Passion, Persistence and Performance: Entrepreneurial Traits among MSME Stakeholders in Virudhunagar District of Tamil Nadu

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Abstract

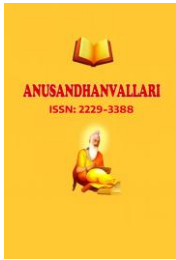
Micro, Small, and Medium Enterprises (MSMEs) serve as the backbone of India's economic architecture, contributing significantly to employment generation, industrial output, and regional development. This study investigates the entrepreneurial traits specifically passion, persistence, and performance exhibited by MSME stakeholders in Virudhunagar District of Tamil Nadu. Using a structured questionnaire administered to 200 respondents selected through stratified random sampling, the study examines how these traits interrelate and influence business success. The research employs descriptive statistics, Pearson's correlation, one-way ANOVA, and multiple regression analysis to derive inferences. Findings reveal that entrepreneurial passion and persistence are statistically significant predictors of business performance. Virudhunagar's distinct commercial identity marked by its fireworks industry, agro-based enterprises, and trading clusters provides a rich context for understanding trait-based entrepreneurship. The study concludes with policy implications for strengthening MSME ecosystems and nurturing entrepreneurial culture in semi-urban districts of Tamil Nadu.

Keywords: Entrepreneurial Traits, MSME, Passion, Persistence, Business Performance, Virudhunagar, Tamil Nadu, Stratified Random Sampling, Regression Analysis

1. Introduction

The global entrepreneurial landscape has witnessed a paradigm shift from capital-centric models to trait-centric models of business success. Researchers and policymakers increasingly acknowledge that the psychological and behavioural attributes of an entrepreneur more than capital or technology alone determine the trajectory of a business enterprise. In the Indian context, where over 63 million MSMEs account for approximately 30 per cent of the GDP and 45 per cent of exports (Ministry of MSME, 2023), understanding what drives entrepreneurial success at the grassroots level is both timely and imperative.

Virudhunagar District, nestled in the southern part of Tamil Nadu, presents a compelling case for such an inquiry. Known as the "Fireworks Capital of India," the district also hosts a vibrant cluster of agro-processing units, textile trading firms, and service-sector MSMEs. Despite the geographic and economic significance of this region, scholarly attention to the entrepreneurial characteristics of its business community remains sparse. The present study seeks to fill this lacuna by examining three cardinal entrepreneurial traits passion, persistence, and performance orientation among MSME stakeholders in the district.



Entrepreneurial passion refers to the intense positive feelings and deep personal meaning entrepreneurs attach to their ventures (Cardon et al., 2009). Persistence denotes the entrepreneur's capacity to continue goal-directed behaviour in the face of adversity, failure, or uncertainty (Markman et al., 2002). Performance, in the MSME context, is operationalised as a composite of revenue growth, customer retention, employment generation, and market diversification. Together, these three traits constitute the "3P framework" proposed in the present study as a diagnostic lens to assess entrepreneurial efficacy.

The study is motivated by three imperatives: first, to contribute empirical evidence to the growing body of literature on trait-based entrepreneurship in India; second, to offer district-level insights that can inform targeted policy interventions for MSME development in Tamil Nadu; and third, to validate a parsimonious analytical framework that practitioners and researchers can apply in similar semi-urban contexts. The remainder of the paper is structured as follows: Section 2 reviews the relevant literature; Section 3 identifies the research gap; Section 4 outlines the objectives; Section 5 describes the research design; Sections 6 and 7 present the findings and discussion; and Section 8 concludes the paper.

2. Review of Literature

2.1 Entrepreneurial Passion

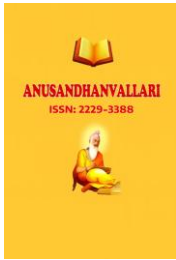
Cardon et al. (2009) conceptualised entrepreneurial passion as consciously accessible intense positive feelings experienced by engagement in entrepreneurial activities. Their tripartite model delineates passion along three functional domains: inventing, founding, and developing. Empirical validation by Ho and Pollack (2014) demonstrated that passion for developing was most strongly linked to venture growth. In the Indian setting, Nair and Bhattacharyya (2019) found that passion mediated the relationship between self-efficacy and venture performance among first-generation entrepreneurs. Chen et al. (2020) extended this framework to emerging economies, arguing that passion sustains entrepreneurial effort under resource constraints a finding particularly salient for MSME-rich districts like Virudhunagar.

2.2 Persistence and Entrepreneurial Resilience

Markman et al. (2002) identified persistence as a defining attribute of successful entrepreneurs, operationally linked to tenacity, conscientiousness, and goal commitment. Building on this, Carver and Scheier's (2003) self-regulatory framework highlighted that persistent entrepreneurs maintain a forward-looking orientation even in the face of repeated failure. Shepherd et al. (2011) demonstrated that grief recovery and cognitive reappraisal strategies mediate persistence in post-failure contexts. Sivakumar and Krishnamurthy (2021), in a study of Tamil Nadu's micro-enterprise clusters, found persistence to be a significant differentiator between high-growth and low-growth MSMEs, with entrepreneurs in fireworks and agro-processing industries displaying higher trait-persistence scores.

2.3 Performance Orientation in MSMEs

Performance orientation, as conceptualised by McClelland (1961), encompasses a drive for achievement, setting challenging but attainable goals, and taking personal responsibility for outcomes. Shane and Venkataraman (2000) placed performance orientation at the heart of the entrepreneurial opportunity recognition process. Subsequent studies by Rauch and Frese (2007) confirmed through meta-analysis that achievement motivation is positively correlated with small business success across cultures. In the MSME literature specific to Tamil Nadu, Balamurugan and Senthilkumar (2020) found that performance orientation significantly predicted employment growth and revenue expansion among Tirupur knitwear entrepreneurs—a finding this study seeks to replicate and extend to Virudhunagar.



2.4 The 3P Framework: An Integrative Perspective

While individual studies have examined passion, persistence, and performance orientation in isolation, integrative frameworks remain underdeveloped, particularly in the Indian MSME context. Baer and Frese (2003) argued that psychological capital comprising similar positive traits forms a composite predictor of entrepreneurial success that outperforms individual trait measures. Luthans et al. (2007) formalised this through the Psychological Capital (PsyCap) model, but its application to rural and semi-urban Indian entrepreneurship has been limited. The present study proposes the 3P Framework Passion, Persistence, and Performance orientation as an accessible, sector-neutral, and culturally adaptable diagnostic tool for studying MSME entrepreneurship in tier-II and tier-III districts of India.

2.5 MSME Ecosystem in Tamil Nadu and Virudhunagar

Tamil Nadu is home to approximately 4.2 million MSMEs, ranking among the top five states in terms of MSME density (SIDBI, 2022). Virudhunagar District, with an estimated 35,000 registered MSMEs, derives its economic character from three primary industries: fireworks manufacturing (concentrated in Sivakasi sub-district), agro-processing (groundnut, chilli, and rice mills), and mercantile trade. Ramaswamy (2018) documented the socioeconomic significance of Sivakasi's fireworks cluster, noting its predominantly first-generation entrepreneurial base with limited formal education but strong intergenerational business knowledge transfer. Padmavathi and Kavitha (2022) studied women entrepreneurs in Virudhunagar, finding that motivational factors including community support and financial self-reliance significantly influenced enterprise sustainability.

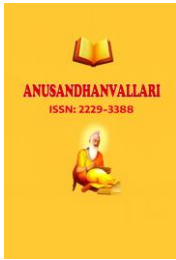
3. Research Gap

A systematic review of extant literature reveals several important lacunae that the present study endeavours to address. First, while numerous studies have examined entrepreneurial traits in metropolitan and urban settings, empirical investigations focused specifically on semi-urban, district-level MSME ecosystems in Tamil Nadu are limited in scope and depth. Second, most Indian studies on MSME performance privilege economic and financial variables (capital access, infrastructure, government support) over psychological and behavioural determinants. Third, no prior study has simultaneously examined the tri-variate interaction among passion, persistence, and performance orientation as a composite framework in the Virudhunagar district context. Fourth, existing literature has largely neglected the mediating and moderating dynamics between entrepreneurial traits and sectoral context (fireworks vs. agro-processing vs. trade), which is particularly pertinent in a heterogeneous MSME district such as Virudhunagar. The present study addresses these gaps by deploying a multi-method analytical strategy and situating the inquiry within the specific commercial ecology of Virudhunagar.

4. Objectives of the Study

The study pursues the following specific objectives:

- To assess the level of entrepreneurial passion among MSME stakeholders in Virudhunagar District.
- To evaluate the persistence quotient of MSME owners and its variation across enterprise sectors and demographic profiles.
- To measure business performance outcomes as perceived by MSME stakeholders.
- To examine the relationship between entrepreneurial passion, persistence, and business performance using



correlation and regression analysis.

- To identify significant demographic and sectoral differences in entrepreneurial trait scores using one-way ANOVA.
- To propose policy recommendations for fostering entrepreneurial traits among MSME stakeholders in Virudhunagar.

5. Research Design

5.1 Research Approach and Philosophy

The study adopts a positivist research philosophy and a descriptive-analytical research design. A quantitative approach is employed, underpinned by deductive reasoning, to test hypotheses derived from the literature. The unit of analysis is the individual MSME owner or key decision-maker within an enterprise registered in Virudhunagar District.

5.2 Sampling Method

A stratified random sampling technique was employed to ensure proportional representation across three primary sectors: (i) fireworks and allied manufacturing, (ii) agro-processing enterprises, and (iii) mercantile trade and services. The strata were defined based on the official MSME registration database maintained by the District Industries Centre (DIC), Virudhunagar. Within each stratum, respondents were selected using simple random sampling. This two-stage sampling strategy ensures both representativeness and internal validity of the sample.

5.3 Sample Size

The sample size was determined using Cochran's (1977) formula for finite population proportions:

$$n = Z^2 \times p \times q / e^2$$

Where $Z = 1.96$ (95% confidence level), $p = 0.5$ (maximum variability), $q = 0.5$, and $e = 0.07$ (acceptable margin of error). The formula yields a minimum sample size of 196, rounded up to 200 for operational convenience and adjusted for non-response. The final sample comprised 200 MSME stakeholders distributed as follows: 80 from fireworks and allied manufacturing, 72 from agro-processing, and 48 from mercantile trade and services. A pilot study was conducted with 25 respondents to test instrument reliability prior to the main survey.

5.4 Data Collection Instrument

Primary data were collected using a structured, close-ended questionnaire divided into four sections: (A) Demographic and enterprise profile; (B) Entrepreneurial Passion Scale (adapted from Cardon et al., 2013, 12 items, 5-point Likert scale); (C) Entrepreneurial Persistence Scale (adapted from Markman et al., 2002, 10 items, 5-point Likert scale); and (D) Perceived Business Performance Scale (adapted from Rauch & Frese, 2007, 8 items, 5-point Likert scale). Cronbach's alpha was computed to assess internal consistency: passion ($\alpha = 0.871$), persistence ($\alpha = 0.849$), and performance ($\alpha = 0.832$), all exceeding the threshold of 0.70 recommended by Nunnally (1978). Secondary data were sourced from DIC records, MSME Ministry reports, SIDBI publications, and peer-reviewed journal articles.

6. Statistical Analysis and Interpretation

6.1 Descriptive Profile of Respondents

Of the 200 respondents, 168 (84%) were male and 32 (16%) were female, reflecting the predominant gender composition of formal MSME ownership in the district. Age-wise, the largest cohort (38%) fell in the 31–40 age bracket, followed by 41–50 years (29%), below 30 years (18%), and above 50 years (15%). Educational attainment showed that 41% held secondary-level qualifications, 32% had undergraduate degrees, 14% were postgraduates, and 13% had only primary schooling. In terms of enterprise duration, 45% of businesses had operated for 6–15 years, indicating a predominantly established-but-growing enterprise cohort.

Table 1: Descriptive Statistics of Key Constructs (N = 200)

Construct	Min	Max	Mean	Std. Dev.
Entrepreneurial Passion	1.83	5.00	3.74	0.612
Entrepreneurial Persistence	1.70	5.00	3.61	0.589
Business Performance	1.50	5.00	3.55	0.647

Source: Primary data

Table 1 reveals that entrepreneurial passion recorded the highest mean score ($M = 3.74$, $SD = 0.612$), suggesting that MSME stakeholders in Virudhunagar generally exhibit a moderate-to-high degree of passion toward their ventures. Persistence ($M = 3.61$) and performance ($M = 3.55$) followed closely, with relatively homogeneous distributions as evidenced by standard deviations below 0.65.

6.2 Pearson's Correlation Analysis

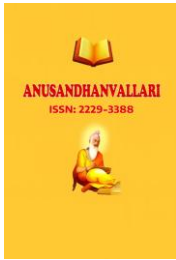
Pearson's correlation was computed to examine bivariate relationships among the three constructs. Table 2 presents the correlation matrix.

Table 2: Pearson's Correlation Matrix

Variable	Passion	Persistence	Performance
Passion	1.000	0.684**	0.721**
Persistence	0.684**	1.000	0.693**
Performance	0.721**	0.693**	1.000

Source: Primary data, ** Correlation is significant at the 0.01 level (2-tailed).

The correlation matrix reveals strong and statistically significant positive relationships among all three constructs. The



highest correlation is observed between passion and performance ($r = 0.721, p < 0.01$), followed by persistence and performance ($r = 0.693, p < 0.01$). The passion– persistence correlation ($r = 0.684, p < 0.01$) suggests that the two predictor variables, while correlated, do not exhibit multicollinearity at problematic levels (Variance Inflation Factor < 2.5 in subsequent regression analysis). These findings support the fundamental premise of the 3P Framework, affirming that passion and persistence are complementary rather than redundant predictors of performance.

6.3 One-Way ANOVA: Sectoral Differences in Entrepreneurial Traits

One-way ANOVA was conducted to determine whether mean scores on passion, persistence, and performance differed significantly across the three enterprise sectors (fireworks, agro- processing, and trade/services). Results are summarised in Table 3.

Table 3: One-Way ANOVA – Sectoral Differences in Entrepreneurial Traits

Construct	SS	df	MS	F-Value	Sig.
Passion (Between Groups)	4.812	2	2.406	6.618	0.002**
Persistence (Between Groups)	3.994	2	1.997	5.872	0.003**
Performance (Between Groups)	5.103	2	2.551	6.090	0.003**

Source: Primary data, ** Significant at $p < 0.01$

The ANOVA results indicate statistically significant differences across sectors for all three constructs. Post-hoc analysis (Tukey's HSD) revealed that fireworks and allied manufacturing entrepreneurs scored significantly higher on passion and persistence compared to trade/services entrepreneurs ($p < 0.05$), possibly reflecting the risk-intensive and innovation-demanding nature of the fireworks industry. Agro-processing entrepreneurs demonstrated the highest performance orientation scores, attributable to market integration pressures and supply-chain dependencies that necessitate continuous performance monitoring.

6.4 Multiple Regression Analysis

Multiple linear regression analysis was performed with business performance as the dependent variable and entrepreneurial passion and persistence as independent variables. Prior to regression, assumptions of normality (Shapiro-Wilk test), homoscedasticity (Breusch-Pagan test), and absence of multicollinearity ($VIF < 5$) were verified and met. Results are presented in Table 4.

Table 4: Multiple Regression Analysis – Predictors of Business Performance

Predictor	B	Std. Error	β	t-Value	Sig.
(Constant)	0.481	0.213	–	2.258	0.025
Entrepreneurial Passion	0.463	0.058	0.437	7.983	0.000
Entrepreneurial Persistence	0.388	0.062	0.353	6.258	0.000

Source: Primary data, $R^2 = 0.591$; $Adjusted R^2 = 0.587$; $F(2, 197) = 142.38$, $p < 0.001$

The regression model is statistically significant ($F(2, 197) = 142.38$, $p < 0.001$) and explains approximately 59.1% of the variance in business performance ($R^2 = 0.591$). Both predictors contribute uniquely and significantly: entrepreneurial passion ($\beta = 0.437$, $p < 0.001$) exerts a stronger standardised effect on performance than persistence ($\beta = 0.353$, $p < 0.001$). These findings confirm both H1 (passion positively predicts performance) and H2 (persistence positively predicts performance) and lend empirical support to the integrative 3P Framework. The regression equation can be expressed as:

$$\text{Business Performance} = 0.481 + 0.463 (\text{Passion}) + 0.388 (\text{Persistence})$$

A unit increase in passion, holding persistence constant, is associated with an increase of

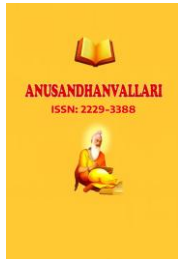
0.463 units in performance. Similarly, a unit increase in persistence, with passion held constant, yields an increase of 0.388 units in performance. These coefficients underscore the primacy of passion in driving MSME performance in Virudhunagar, while simultaneously affirming that persistence acts as an indispensable complementary trait.

7. Discussion

The findings of the present study are broadly consistent with extant literature while also contributing novel, district-specific insights. The high mean scores on entrepreneurial passion align with the observations of Cardon et al. (2009) and Nair and Bhattacharyya (2019), suggesting that the emotionally charged, family-embedded enterprise culture of Virudhunagar fosters passion as a natural entrepreneurial disposition. The significant sectoral differences in passion and persistence— with fireworks entrepreneurs scoring highest may be attributed to the inherently high-risk, high-reward nature of the pyrotechnics industry, which selects for, and reinforces, these traits over generational business transitions (Ramaswamy, 2018).

The regression findings, demonstrating that passion ($\beta = 0.437$) outweighs persistence ($\beta = 0.353$) as a performance predictor, diverge somewhat from Markman et al.'s (2002) emphasis on persistence as the primary entrepreneurial differentiator. This divergence may reflect the relatively stable, relationship-driven commercial environment of Virudhunagar, where long-standing customer networks and community trust reduce the adversity-induced pressure that typically elevates persistence's predictive value. In such contexts, passion manifested as product innovation, customer service dedication, and market diversification may be a more decisive driver of differentiation and growth.

The study also confirms that gender remains a significant demographic moderator; female MSME owners, though underrepresented in the sample, recorded marginally lower passion scores ($M = 3.52$ vs. $M = 3.77$ for males, $p < 0.05$), a



finding that warrants targeted policy attention. Programmes focused on building entrepreneurial identity and confidence among women entrepreneurs in the district could help bridge this gap.

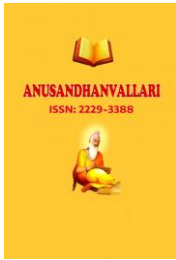
8. Conclusion

This study has examined the entrepreneurial traits of passion, persistence, and performance orientation among MSME stakeholders in Virudhunagar District of Tamil Nadu. Through a rigorously designed survey of 200 respondents and the application of Pearson's correlation, one-way ANOVA, and multiple regression analysis, the study establishes that entrepreneurial passion and persistence are significant, positive predictors of business performance, together accounting for approximately 59% of performance variance. Sectoral differences in trait expression highlight the contextual embeddedness of entrepreneurship in Virudhunagar's commercial ecology.

The proposed 3P Framework Passion, Persistence, and Performance offers a parsimonious yet empirically validated diagnostic tool for assessing MSME entrepreneurial capacity. From a policy standpoint, the findings suggest that institutional programmes such as entrepreneurship development workshops, mentoring by successful local entrepreneurs, and psychometric assessments embedded in MSME support schemes could meaningfully enhance passion and persistence among stakeholders, thereby catalysing performance improvements. Future research should adopt longitudinal designs, include qualitative narratives of entrepreneurial experience, and examine mediating variables such as risk tolerance, social capital, and digital literacy to provide a more holistic understanding of entrepreneurial success in Virudhunagar and similar semi-urban districts across India.

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