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The role of entrepreneurial leadership in advancing economic sustainability: Evidence from Bahraini SMEs

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Abstract

This study aims to examine the impact of entrepreneurial leadership on achieving economic sustainability among small and medium-sized enterprises (SMEs) in the Kingdom of Bahrain. It investigates whether entrepreneurial leadership contributes significantly to sustainable economic outcomes in the SME sector. The research adopted the descriptive analytical approach. A random sample of 45 small and medium-sized enterprises (SMEs) located in the Southern Governorate of Bahrain was selected. A structured questionnaire was developed and distributed to enterprise owners and managers. The responses were analyzed using SPSS to test the hypothesis that entrepreneurial leadership has a statistically significant impact on economic sustainability. The findings confirmed that entrepreneurial leadership plays a significant role in promoting economic sustainability within SMEs. The analysis revealed a positive relationship between entrepreneurial leadership practices and improved sustainability outcomes. The study recommends that SMEs should invest in enhancing their recruitment strategies to attract and retain qualified talent. Additionally, while many enterprises have implemented plans to reduce resource consumption, the effectiveness of these plans could be improved through better communication and strategic implementation. This research contributes to the limited body of literature on entrepreneurial leadership and sustainability in the context of Bahraini SMEs. It highlights the importance of leadership in achieving long-term economic viability, particularly in developing economies.

Keywords: Bahrain, Economic sustainability, Entrepreneurial leadership, Seizing opportunities, Small and medium enterprises (SMEs).

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1. Introduction

Small and medium businesses play an important role in the international economy. in the Kingdom of Bahrain, small and medium-sized enterprises (SMEs) sector is a vital sector, given its importance in supporting the national economy, achieving social justice, reducing unemployment, and contributing to innovation. Therefore, we clearly see the

government's interest in this sector, as reflected in Bahrain's Vision 2030 [1]. Many researchers [2, 3] view the activities of small and medium-sized enterprises (SMEs) as essential to the economic transformation process in developing countries. Senthilkumar [4]; Tseten, et al. [5]; Eniola and Entebang [6] point out that these enterprises play an influential role in the global economy through their contributions to production, employment.

In the second millennium, many modern and important concepts emerged in the business world, including entrepreneurial leadership and achieving sustainability, which were adopted by institutions in general, and small and medium enterprises in particular, as a key to their success in the long term. With the growing interest in and adoption of sustainable development projects, it has become necessary to understand the relationship that links these concepts together, and how they affect the adoption and achievement of social responsibility while simultaneously achieving economic profits to ensure the growth and development of institutions. Small and medium-sized enterprises (SMEs) face numerous challenges. Due to their limited funding and the inherent risk of investment, their small size and limited access to financing make it difficult for them to achieve long-term economic sustainability. Therefore, this study sought to determine the impact of three dimensions of entrepreneurial leadership on achieving economic sustainability in SMEs in the Kingdom of Bahrain.

These institutions play an influential role in the economies of developing countries, as these countries seek to achieve equitable income distribution, reduce poverty rates in their societies, and achieve economic growth [7]. The results of numerous previous studies indicate that the characteristics and capabilities of business leaders (owners) or managers are important for the performance of small businesses [8-10]. This finding indirectly proves that the owners of these projects (who are the leaders of their businesses) need entrepreneurial characteristics, which are a key indicator of business success. Studies by Arif and Akram [11]; Jing, et al. [12]; Hussain and Li [13] confirm the pivotal role of leadership in achieving superior performance in small and micro business contexts, including economic performance and achieving economic sustainability. Leadership is a critical factor determining an organization's success. Effective leadership directs and organizes the organization and leads it to achieve its goals [14]. The trend towards practicing entrepreneurial leadership in institutions generally, and small and medium enterprises particularly, has become a necessity for future growth and continuity, encouraging owners of small and medium enterprises and its administers, Zainol, et al. [15] to adopt the entrepreneurial leadership has become a necessity for their continuity. They play a major role in supporting and serving the community by offering their products and efficiency by providing job opportunities for the unemployed. A review of the literature reveals that most of these projects fail to achieve sustainability, particularly economic sustainability, without effective leadership, in general, and in the Kingdom of Bahrain in particular. Therefore, this research attempts to examine the impact of entrepreneurial leadership dimensions on economic sustainability in small and medium-sized enterprises in the Kingdom of Bahrain.

1.1. Research Hypothesis

The research hypothesized the following set of assumptions:

Main hypothesis:

There is a statistically significant effect of entrepreneurial leadership on achieving economic sustainability.

It branches off into three sub-hypotheses.

- There is a statistically significant impact of vision dimension on achieving economic sustainability.
- There is a statistically significant impact of creative dimension on achieving economic sustainability.
- There is a statistically significant impact of Proactive or active / seizing opportunities on achieving economic sustainability.

Research goals

1. To help entrepreneurs as leaders in the SME sector, to understand entrepreneurial leadershp and the contexts in which they operate, they will be able to seize opportunities that create value for their organizations and society.
2. To analyze the reality of applying the dimensions of entrepreneurial leadership in SMEs to identify the strengths and weaknesses of their application and develop appropriate solutions.
3. To explore the impact of adopting entrepreneurial leadership in its three dimensions (vision dimension, creative dimension, Proactive or active, seizing opportunities) in achieving economic sustainability

To achieve the objectives of this research, the descriptive analytical method was used. And a questionnaire was used as a tool for data collection. In addition, a questionnaire was distributed to A random sample of small and medium enterprises in the industrial zone within the Southern Governorate consisting of (45) team projects leaders

2. Literature Review

2.1. Entrepreneurial Leadership (El)

Since the entrepreneurs play a major role in supporting and serving the community by offering their products and efficiency by providing job opportunities for the unemployed. at the same time Leadership is the most important component of the directing function. Where there is a group of people working together to achieve a common goal, there must be a leader for them. Northouse [16] defines leadership as “a process whereby an individual influence a group of individuals to achieve a common goal” Entrepreneurship is the creation or extraction of economic value [17-20]. Leadership in general is important for entrepreneurs, and one of the concepts that leadership research focuses on most in the entrepreneurial environment is entrepreneurial leadership. The founder's leadership capabilities will increase the confidence of the workforce and their peers, making them more positive, broadening their horizons, and improving the organization's overall performance over time [21].

Entrepreneurial Leadership can be defined as "organizing a group of people to achieve a common goal using proactive entrepreneurial behavior by optimizing risk, innovating to take advantage of opportunities, taking personal responsibility and managing change within a dynamic environment for the benefit of an organization" [22, 23].

While Youssef [24]; Groves and Feyerherm [25]; Addy, et al. [26]. define it as proactive, risk-taking to embrace all that is new and distinctive, it contributes to developing leaders' ability to discover and seize new opportunities, enabling them to effectively confront all challenges facing companies and quickly adapt to changing circumstances.
This positively impacts their performance, enabling them to survive, grow, and achieve successive strategic successes.

Entrepreneurial leaders are characterized by being collaborative, team-oriented, values-driven, and possessing a new charismatic personality. The new charismatic leadership relies on the ability to bring followers and leaders together to achieve mutual consensus. The team-oriented approach, on the other hand, relies on the leader's ability to achieve high engagement from members [27].

Leadership is important for entrepreneurs and one concept within leadership research that is more focused on the ecosystem of entrepreneurs is entrepreneurial leadership. The leadership abilities of the founder result in the workforce and among their peers, higher trust among them will make them more positive, broaden their thinking, and improve the overall performance of the organization over time [21].

Many researchers agree that leadership influences positive outcomes [13, 28-30]. These studies have shown that leaders in general, and entrepreneurs among them, possess initiative, creativity, and innovation, the ability to lead diverse teams, and the ability to take risks, are able to drive the company's economic growth, ensuring its continuity and sustainability. This is because these leaders possess a clear vision and goals, possess the capabilities to ensure the company's success, and are able to manage available resources to seize opportunities and mitigate the negative impact of challenges in their work environment. Researchers have found that entrepreneurial leaders are characterized by a focus on performance, insight, vision, ambition, trust-building, successful negotiators, inspiration, progress, enthusiasm, and team building. Another study found that entrepreneurial leaders possess unique qualities such as innovation, intuition, and the ability to take risks. They must also be able to inspire and guide others to collaborate successfully.

The entrepreneurial leadership model emphasizes a culture of innovation and ignores conventional practices. Therefore, the aforementioned leadership styles are consistent with the role played by entrepreneurs as innovators and catalysts for change in the market. These leadership styles are capable of achieving growth and sustainability for SMEs. The intersections between entrepreneurship and leadership theories facilitate the emergence of an entrepreneurial leadership concept that combines the need for leadership most appropriate to the SME context in an environment characterized by uncertainty, turmoil, and dynamism. Figure 1 illustrates the theoretical basis for entrepreneurial leadership in the SME context [7].

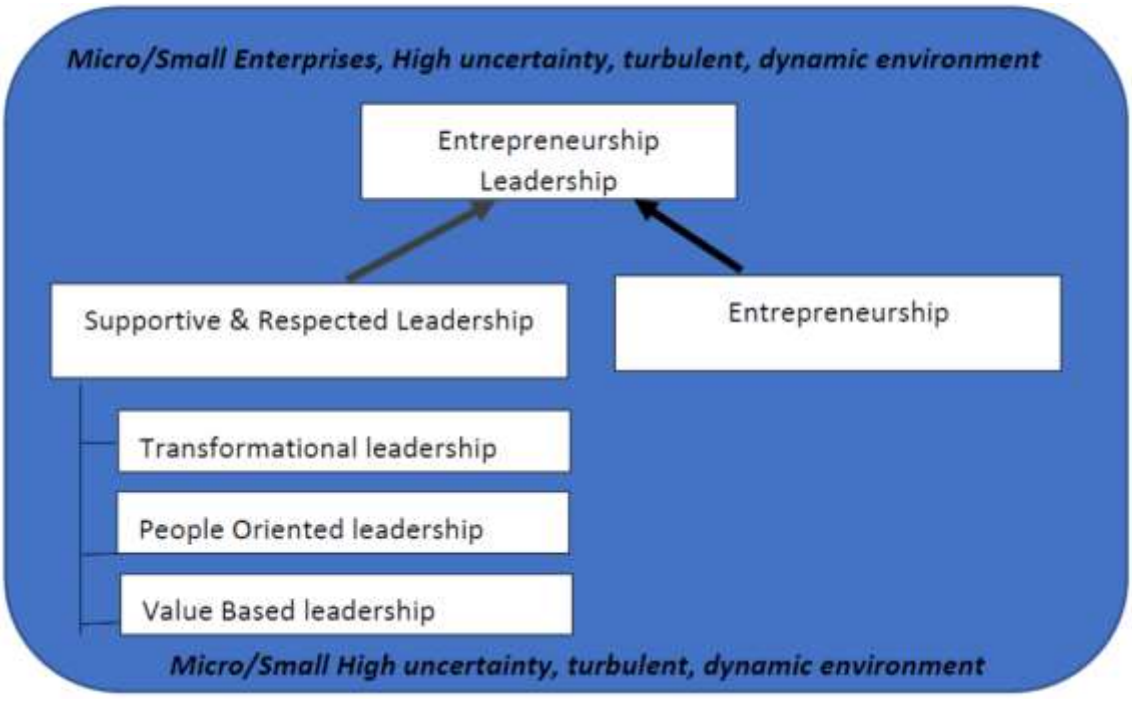

Figure 1.
Theoretical Basis of EL Within SMEs Context.

Many researchers agree that leadership influences positive outcomes [13, 28-30]. These studies have shown that leaders in general, and entrepreneurs among them, possess initiative, creativity, and innovation, the ability to lead diverse teams, and the ability to take risks, are able to drive the company's economic growth, ensuring its continuity and sustainability. This is because entrepreneurial leaders have a clear vision and goals that ensure the organization's success. They also possess the ability to manage available resources to seize opportunities and mitigate the negative effects of

challenges. Studies have shown that entrepreneurial leaders have the ability to focus on performance, insight, vision, build trust, negotiation skills, and team building. Another study found that entrepreneurial leaders possess unique qualities such as innovation, intuition, and risk-taking. They must also be able to guide and inspire others.

2.2. Sustainability

In 2015, the United Nations presented the 2030 Agenda for Sustainable Development, which aimed to find solutions to global economic, social, and environmental challenges by achieving the Sustainable Development Goals (SDGs). The SDGs aim to encourage environmentally friendly practices to promote economic growth and societal well-being [31]. The United Nations Sustainable Development Goals (SDGs) provide a tool for achieving sustainable development, which has become increasingly important in the current global environment. Jones, et al. [32] and Youssef [24] presented a framework for economic sustainability, particularly as it relates to business practices, as a critical research area. As our planet's resources continue to be scarce, companies must seriously consider meeting current needs without compromising the ability of future generations to do the same.The emergence of the term can be traced back to concerns stemming from the explosive growth of economies after the Industrial Revolution, the rise in competition, and the shift from a producer to a consumer market. With unprecedented growth and development, the world is experiencing concerns about the long-term impacts of this growth on resources and the environment has begun to take center stage [33].

Previously, companies focused on maximizing short-term profits due to slow production rates, low competition, and a market characterized by a product market with little concern for the environment and society in the long term. In the mid-20th century, this trend shifted, with awareness emerging in society and companies that resources were limited and the environment was deteriorating due to economic policies and increased competition [34-36].

In 1987, the Brundtland Report was published, which significantly revolutionized the concept of economic sustainability. The World Commission on Environment and Development defined sustainable development as "development that meets the needs of the present without compromising the ability of future generations to meet their own needs" [37, 38].

sustainability is a firm’s ability to nurture and support growth over time by effectively meeting the expectations of diverse stakeholders [39]. Sustainable development is the foundation for any country capable of continuing sustainable growth through three main elements: (a) Equitable growth: a progressive and organized economy driven by innovation and science; (b) Sustainability: meeting current needs without compromising future generations; and (c) Inclusiveness: fair and comprehensive economic distribution at every level of the value chain, regardless of class, race, or geography [40]. This, taken together, constitutes economic sustainability. From the researcher's perspective, economic sustainability means achieving economic growth in all sectors without compromising the share of future generations in the country's wealth, ensuring a fair distribution of resources and ensuring their smooth flow within the value chain. Since small and medium-sized enterprises (SMEs) constitute a cornerstone of an important resource, it has become necessary to include them in all forms of development, especially economic sustainability.Researchers have differed in their definition of economic sustainability, depending on the purpose of the definition, the approach used, and the sustainability classification. In the internal assessment approach, economic sustainability is interpreted from a very weak or very weak sustainability perspective. The first approach focuses on how organizations continue to operate, considering issues of capital turnover and brand reputation, which are considered the core of economic sustainability [41, 42]. In the context of economics, sustainability is typically interpreted as the pursuit of stable and sustainable economic growth that does not deplete the natural resources necessary for human survival and well-being. In other words, it is a development model that seeks to “meet the needs of the present without compromising the ability of future generations to meet their own needs” [37].

The issue of economic sustainability has become increasingly important due to increased competition and the consequent weakening of some companies' ability to achieve it. Furthermore, it requires further research, so business practices have gained traction, but their implementation often faces numerous obstacles. Typical obstacles identified in the literature include myopia, lack of awareness or understanding, systemic, barriers, and conflicting stakeholder interests [43]. Many researchers [44-47] agree that most entrepreneurs, particularly SMEs, exhibit a degree of myopia, driven by their focus on quick profits and their preference for long-term sustainability. This poses a significant threat to economic sustainability. A short-term perspective can lead to over-exploitation of resources, jeopardizing the sustainability of organizations. Many researchers recommend a shift to prioritizing long-term sustainability over short-term profits. The lack of awareness of economic sustainability among business leaders is an obstacle to its implementation. This is due to the complexity of the multidimensional concept. Therefore, organizations must prioritize sustainability education and training and clarify its importance to business success [48-50].

3. Methodology

The research adopted the descriptive analytical approach. A random sample of 45 small and medium-sized enterprises (SMEs) located in the Southern Governorate of Bahrain was selected.

A questionnaire was developed and distributed to the company owners and managers. The data were analyzed using SPSS to test the research hypothesis. Demographic data for the sample of 45 owners was analyzed. This analysis helps determine the nature of the sample and its representativeness of the target group, and to identify any potential discrepancies in the data that may affect the generalizability of the results. Tables 1, 2, 3, and 4, respectively, show the demographic analysis by gender, nationality, age, and experience.

Table 1.
Demographic Analysis according to gender.

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Male	31	68.9	68.9	68.9
	Female	14	31.1	31.1	100.0
	Total	45	100.0	100.0	

The results in Table 1 show that males constituted 69% of the sample, while females constituted approximately 31%. This indicates a gender imbalance, reflecting the male dominance in the professional field, due to the area from which the sample was selected consisting of a group of industrial workshops, such as carpentry, blacksmithing, auto repair, and small sewing factories.

Table 2.
Demographic Analysis according to Nationality.

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Bahraini	38	84.4	84.4	84.4
	non-Bahraini	7	15.6	15.6	100.0
	Total	45	100.0	100.0	

It can be seen from Table 2 that most participants (84.4%) are Bahraini. while only 15.6% are non-Bahrainis the data represents the local Bahraini perspective, reflecting the state's interest in and support for Bahraini citizens.

Table 3.
Demographic Analysis according to Age.

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Less than 20	21	46.7	46.7	46.7
	From 20 - less than 30	13	28.9	28.9	75.6
	From 30 - less than 40	6	13.3	13.3	88.9
	From 40 - less than 50	5	11.1	11.1	100.0
	Total	45	100.0	100.0	

Table 3 reveals that the sample is dominated by young people: 42.2% of the research sample was between 20 and 29 years old. More than 93% of participants were under the age of 50. The least represented group was the older age group (over 50 years old): they represented only 6.7% of the sample. This suggests that older age groups may have started working earlier and established large businesses and investments and thus are no longer operating in the SME sector.

Table 4.
Demographic Analysis according to Experience.

		Frequency	Percent	Valid Percent	Cumulative Percent
	Less than 5	19	42.2%	42.2	42.2
	From 5- less than 10	14	31.1%	31.1%	73.3
	From 10 - less than 15	7	15.6%	15.6%	88.9
	More than 15	5	11.1%	11.1%	100
	Total	45	100.0	100.0	

Table 4 shows that participants with less than 5 years of experience represent 42.2% of the sample. This reflects that a large proportion of the sample is in the early stages of their careers, possibly fresh graduates or new employees in the field. There is also a good representation of the middle-aged age group (5-10 years), which constitutes 31.1% of the sample, a significant proportion reflecting a segment of the research sample with average experience. The 10-15 age group represents only 15.6%, while more than 15 age group represents 11.1%, the least represented. It is worth noting that this reflects the migration of this group from the SME sector to larger companies, while the representation of more experienced groups is low.

4. Empirical Findings and Analysis

Table 5.
Descriptive Analysis.

Descriptive Statistics					
	N	**Minimum**	**Maximum**	**Mean**	**Std. Deviation**
The SMs project team tasks the future direction and reality of its activities into consideration. when they formulate its vision.	45	1.00	5.00	3.8000	1.19848
The project team emphasizes formulating its vision according to the ethical values of management and employees.	45	1.00	5.00	3.7333	1.00905
Our project team developed its vision and goals based on the results of the strategic analysis.	45	1.00	5.00	3.3778	1.43478
Our project team has the ability to change its goals to achieve its mission.	45	1.00	5.00	3.9111	1.20269
Our project team relies on the principle of evaluating workers according to what they adopt from the vision and objectives of the project.	45	1.00	5.00	4.0222	1.33976
Our project is a leader in the field of creativity and innovation compared to small competitors.	45	1.00	5.00	3.5556	1.42311
Our project team is interested in encouraging individual initiatives and creative ideas among employees.	45	1.00	5.00	3.6667	1.10782
Our project team seeks to form a creative team	45	1.00	5.00	3.5778	1.32268
Our project team considers innovation and creativity as a source to achieve excellence in its various activities and businesses.	45	1.00	5.00	3.7333	1.23215
Proactivity involves taking competitive actions in order to face competitors.	45	1.00	5.00	4.0222	1.17722
The initiative seeks to create opportunities when introducing products to the market.	45	1.00	5.00	3.7778	1.42843
Entrepreneurial behavior is related to seizing opportunities in the market and introducing new methods of production.	45	1.00	5.00	3.8000	1.14018
Entrepreneurship is the process of developing products through their introduction to the market.	45	1.00	5.00	3.5778	1.28786
The project team seeks to discover and exploit the available opportunities before other similar small projects.	45	1.00	5.00	3.6000	1.21356
Valid N (listwise)	45				

Table 5 reveals that most of the research sample's responses to the items tended to be positive, with averages ranging between 3.3 and 4.0, indicating that survey participants tended to agree with most of the items related to vision, creativity, proactivity, and entrepreneurial behavior. The highest scores were recorded for "Relying on employee evaluation based on approved vision and objectives" and "Taking proactive competitive action," with an average of 4.02, indicating a strong focus by the team on measuring individual performance based on objectives and vision. The lowest scores were recorded for "Vision and objectives based on strategic analysis," with an average of 3.38, indicating that the team may not place sufficient importance on using strategic analysis when formulating objectives.

It can be seen also from table 5 that the standard deviations ranged between 1.01 and 1.43. Although there was general consensus on most items, some items showed significant variation in responses.

The largest standard deviations were for "Vision and objectives based on strategic analysis" and "Taking the initiative to create opportunities when introducing products to the market," indicating a wide range of views on these factors. Formulating the vision considering the future direction and reality: This item received a score of 3.80 with a standard deviation of 1.20, indicating that the team generally agrees that the team takes the future into account when formulating the vision, with some variation in opinions. Focus on ethical values in vision formulation: It scored 3.73 with a standard deviation of 1.01, indicating that the team generally prioritizes ethical values when formulating the vision, with slight

variation in opinions. Proactive activity and entrepreneurial behavior: Items such as "Proactive activity in taking competitive action" (mean = 4.02) and "Taking initiative to create opportunities when introducing products to the market" (mean = 3.78) showed relative agreement that the team is active in taking competitive and innovative actions. Creativity and Innovation: Creativity-related items such as “Leading the way in innovation and creativity compared to smaller competitors” (mean = 3.56) and “Forming a creative team” (mean = 3.58) indicate that the team considers creativity an important part of its work, but with some difference of opinion about the extent to which this goal is achieved.

4.1. Hypothesis Testing

4.1.1. Main hypothesis

There is a statistically significant effect of entrepreneurial leadership on achieving economic sustainability. In this analysis, simple linear regression was used to examine the effect of the independent variable, entrepreneurial leadership, in its dimensions (initiative or activity/opportunity seizing), on the dependent variable (economic sustainability), using a single-predictor regression model (refer to Table 6). Data were analyzed from a sample of 45 observations. The aim of this analysis was to determine whether initiation or activity/opportunity seizing significantly contributes to the prediction of economic sustainability.

Table 6.
Model Summary.

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	0.498[a]	0.248	0.231	0.62362

Note: a. Predictors: (Constant), PROACTIVE OR ACTIVE / SEIZING OPPORTUNITIES

Table 7: ANOVA[a]

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	5.522	1	5.522	14.200	0.000[b]
	Residual	16.723	43	0.389		
	Total	22.245	44			

Note: a. Dependent Variable: ECONOMIC SUSTAINABILITY
b. Predictors: (Constant), PROACTIVE OR ACTIVE / SEIZING OPPORTUNITIES.

This correlation value (R = 0.498) as shown in Table 6 indicates a moderate positive correlation between the independent variable, entrepreneurial leadership, with its dimensions "proactive or active/opportunity seizing," and the dependent variable, "economic sustainability." The coefficient of determination, $R^2 = 24.8\%$, means that the entrepreneurial leader was "proactive or active/opportunity seizing," explaining approximately 24.8% of the variance in "economic sustainability," a good performance for a model with only one variable. The adjusted $R^2 = 23.1\%$, indicates that the model remains robust after adjusting for the number of predictors (which is only one variable in this analysis).

Table 8.
Coefficients.

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	1.887	0.519		3.639	0.001
	PROACTIVE OR ACTIVE / SEIZING OPPORTUNITIES	0.512	0.136	0.498	3.768	0.000

Note: a. Dependent Variable: ECONOMIC SUSTAINABILITY.

Table 7 reveals that the F(1, 43) value = 14.200, p = 0.000 indicates that the model is statistically significant, with a p-value less than 0.05, indicating that the entrepreneurial leader's proactive or active/opportunistic approach has a significant impact on economic sustainability.

This variable (proactive or active/opportunistic approach) are the primary cause of the economic sustainability variable.

Based on the above, we accept the main hypothesis that There is a statistically significant effect of entrepreneurial leadership on achieving economic sustainability,

4.2. Sub-Hypotheses Analysis

A multiple linear regression model was used to analyze the impact of three independent variables—vision, creativity, and proactive or active/opportunistic—on the economic sustainability variable (see Tables 8, 9 and 10). All new variables were regressed one step using the traditional method (enter method). This analysis aims to determine the extent to which this partnership influences the variable and to examine whether this contribution significantly contributes to explaining the variance in economic sustainability.

Table 9.
ANOVAa.

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	5.698	3	1.899	4.706	0.006[b]
	Residual	16.547	41	0.404		
	Total	22.245	44			

Note: a. Dependent Variable: ECONOMIC SUSTAINABILITY
b. Predictors: (Constant), PROACTIVE OR ACTIVE / SEIZING OPPORTUNITIES , vision, CREATIVE.

Table 10.
Standardized Coefficients.

Coefficients						
Model		**Unstandardized Coefficients**		**Standardized Coefficients**	**t**	**Sig.**
		B	**Std. Error**	**Beta**		
1	(Constant)	1.695	0.603		2.812	0.008
	vision	0.072	0.113	0.092	0.642	0.524
	CREATIVE	0.039	0.142	0.049	0.273	0.787
	PROACTIVE OR ACTIVE / SEIZING OPPORTUNITIES	0.453	0.191	0.441	2.368	0.023

Note: a. Dependent Variable: Economic Sustainability.

The results demonstrated a moderate correlation (R = 0.506) between the entire set of independent variables (vision, creativity, initiative, or activity/opportunity seizing) and the dependent variable (economic sustainability). The model is interpreted as $R^2 = 0.256$, which means it explains 25.6% of the variance in economic sustainability, a significant improvement compared to the individual models. The p-value (Sig.) = 0.006 in ANOVA so the model is statistically significant.

The first sub-hypothesis, which states: There is a statistically significant effect of the vision dimension on achieving economic sustainability, is rejected.

There is no statistically significant effect of the innovation dimension on achieving economic sustainability.

There is a statistically significant effect of the initiative/opportunity dimension on achieving economic sustainability.

The correlation coefficient (R = 0.506) indicates a moderate correlation between the entire set of independent variables (vision, creativity, proactive, or active/seizing opportunities) and the dependent variable (economic sustainability). The coefficient of determination ($R^2 = 0.256$) means that the model explains approximately 25.6% of the variance in the dependent variable (economic sustainability). This is an improvement over models with only one variable. The adjusted coefficient of determination ($R^2 = 0.202$) shows the proportion of explanation adjusted after considering the number of independent variables in the model. The standard error of the estimate (0.63528) reflects the error in estimating the predicted values of the dependent variable.

5. Conclusions and Recommendations

- Based on the results of the statistical analysis of the collected data, we accept the main hypothesis that there is an impact of the entrepreneurial leadership variable on the economic sustainability variable, but: First: This impact was due to the fact that only one dimension was influential, which is proactivity or activity/seizing opportunities, while the other two dimensions (vision and creativity) had no impact.
- The analysis clearly demonstrates that proactivity/opportunity seizing is the most influential variable on economic sustainability within this study. The model that includes proactivity/opportunity seizing is statistically robust and holds good promise for future developments related to economic sustainability.
- Through our research results and review of the available literature, we found that economic sustainability is a multifaceted variable, influenced by numerous environmental variables. As a result, it supports the ability of small and medium enterprises to grow, continue, and achieve social well-being.
- Overall, there is strong consensus among team members regarding innovation and creativity, with clear differences in responses, such as analytical thinking and entrepreneurial behavior. Diverse strategic vision: Although there is consensus regarding the direction towards achieving this, some individuals are still not fully committed to technical analysis, indicating an opportunity for improvement. The team demonstrates strong proactive activity, but there may be variance in how these actions are fully implemented.
- The project is viewed positively in the areas of financial sustainability, use of diverse funding sources, and its contribution to the national economy, particularly with regard to SMEs.
- The services provided to improve operational efficiency are generally considered effective, although there is room for improvement in some areas.

Based on the above, we accept the main hypothesis that there is an effect of the entrepreneurial leadership variable on the variable of achieving economic sustainability, but: First, this effect was due to the fact that only one dimension is influential, which is Proactive or active / seizing opportunities.

The average focus on attracting talent is low, but this is an area for improvement. The project could benefit from developing better recruitment strategies to attract qualified talent. Resource Efficiency Plans: Although plans exist to

reduce resource consumption, there is room to improve the way these plans are communicated or implemented to ensure their effective impact.

Achieving long-term sustainability requires that small and medium-sized enterprises integrate sustainability into their strategies more frequently, using new approaches that help develop their economic resources and fulfill their social responsibility at the same time**.**

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